



The Role of The Strikes in Industrial Relations

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ABSTRACT

This study assesses the relationship among Industrial relation system characteristics, quality of work, life improvements, effortiveness, Industrial relation in a dynamic socio-economic process. It is a "designation of a whole field of relationship that exist because of the necessary collaboration of men and women in the employment process of industry". This changing process becomes a continuous features in industrial system, the relationship between labour and management is based on mutual adjustment of interest.

KEYWORDS : Industrial Relations, man-days, organisation, management, lock-outs

Introduction

Industrial relations is a dynamic socio-economic process. It is a "designation of a whole field of relationships that exist because of the necessary collaboration of men and women in the employment processes of industry."¹ It is not the cause but an effect of social, political and economic forces. It has two faces, like a coin-cooperation and conflict.² The relationship, to use Hegal's expression, undergoes change from thesis to antithesis and then to synthesis. Thus, the relationship starting with cooperation soon changes into conflict and after its resolution again changes into cooperation.³ This changing process becomes a continuous feature in industrial system.

The relationship between labour and management is based on mutual adjustment of interests and goals.⁴ It depends upon economic, social and psychological satisfaction of the parties. Higher the satisfaction, healthier the relationship and in practice it is, however, found that labour and capital constantly strive to maximise their pretended values by applying resources to institutions. In this effort they are influenced by and are influencing others. Both of them try to augment their respective income and improve their power position. The major issues involved in the industrial relations process a terms of employment (wages, dearness allowances, bonus, fringe benefits) working conditions, (leave, working hours, health, safety and welfare) non-employment such as job security, personnel issues such as discipline promotional opportunities and among others recognition of trade unions. However, in view of sharply divided and vociferously expressed rival claims the objectives of labour and management are not amenable to easy reconciliation. This is all the more so because the resources are limited. Be that as it may, the means adopted to achieve the objectives, which vary from simple negotiation to economic warfare adversely, affect the community's interest in maintaining an uninterrupted and high level of production. Further, in a country like India where labour is neither adequately nor properly organised, unqualified acceptance of the doctrine of "free enterprise" particularly between labour and management strengthens the bargaining position of the already powerful management.

It is apparent that the State, with ever increasing emphasis on welfare aspect of governmental activity, cannot remain silent and helpless spectator in the economic welfare. The legislative task of balancing the conflicting interest in die arena of labour management relations proves to be an extremely difficult one, in view of mutually conflicting interests of labour and management. The substantive issues of industrial relations are of perennial nature and thus there can never be a "solution for all times to come."⁵ There can only be broad norms and guidelines as criteria in dealing with issues of industrial relations.⁶ The law plays an important role in shaping the structure of industrial relations.⁷ It represents the foundation from which the present system and procedure flow to deal with the problems of industrial relations.

Labour problems in usufructuary or even retail handicraft types of industrial organisation do not attract public attention. The workers, wherever employed, are few in number, maintain close contact with the management and the relative position of the management and workers is such that the conflicts, if any, are generally resolved by mutual negotiations. Even where they cannot be resolved, the impact

of their conflict on the community is negligible. But it need hardly be emphasised that our laws must ensure social justice to them.

Problems affecting labour management relations assume significance in wholesale handicraft and get increasingly complicated as we proceed from the independent phase of the wholesale handicraft to the factory phase of centralised production. Helped by industrial revolution and buttressed by energy evolution it has become possible for the employer to engage thousands of workers at one and the same time. These employers cannot, and do not maintain personal contact with the workers, who are not infrequently drawn from entirely different regions and who do not even appreciate the implications of the emerging industrial civilization. The loss of workers' individuality and impersonality are the factors which, among others, aggravate labour-management relations.

Agriculture dominates the Indian scene and the survey carried out by the National Sample Survey Organization in the year 1999-2000, the total employment in both organized and unorganized sector in the country was of the order of 39.7 crore. Out of this, about 2.8 crore were in the organised sector and the balance 36.9 crore in the unorganised sector. Out of 36.9 crore workers in the unorganized sector 23.7 crore workers were employed in agriculture sector, 1.7 crore in construction, 4.1 crore in manufacturing activities and 3.7 crore each in trade and transport, communication and services. The workers in unorganized sector fall in various categories but a large number of them are home based workers engaged in occupations like beedi rolling, agarbatti making, papad making, tailoring, zary and embroidery work.⁸ However, the largest chunk of unorganized labour namely 60 per cent being agricultural workers and cultivators including small and marginal farmers who are badly in need of legal/social protection, has been left out. Be that as it may, the importance of industry cannot be minimized according to Javaharlal Nehru. The alternative to industrialization is to remain backward, underdeveloped, poverty stricken and a weak country. We cannot even retain our freedom without industrial growth.⁹

Rural development is essential for upgrading the living conditions of the over-whelming majority of people and providing minimal economic sustenance to the poverty stricken sections of the community. This is all the more so in view of the 2003-04 statistics which reveal that out of 36.9 crore employees in India, 33.9 crore i.e., 92% work in unorganised sector.¹⁰ But, industrial development is necessary for affluence and for bringing the benefits of scientific and technological progress to all sections of the community.

The importance of sustained industrial production underlines the need of avoiding work-stoppages and loss of production. The economics of the work-stoppages may be recapitulated. Between 1921 and 2004 India lost about 1233.09 million man-days in work-stoppages caused by industrial disputes between workmen and employers. The alarming magnitude of the statistical data shown in the 1991 census 65.25 million workers were at a standstill for 16.9 days. During 1993-96 the loss of production due to strikes and lockouts was Rs..1721.6 million and the wage loss was Rs.921.65 million.¹¹ If one were to add the secondary and tertiary effects of work stoppages the

figures would be gigantic. Thus, it is said that India loses the highest number of man-days and has the highest rate of absenteeism.

Unemployment and under-employment are the most important economic evils of the welfare state and India is no exception to it. In India one-sixth of the total population of the country is either unemployed or chronically under-employed. As per the Government of India report¹² during 2004 (January-August) about 36.10 million were on the live registers of Employment Exchange. The total number of job seekers on the live register of Employment Exchange on 31.8.2004 was 40.92 million.¹³ The total number of job seekers placed during 2004 (January-August) were 0.92 lakh. These are the phenomena of Indian industries that have affected to a considerable extent the standard of living and have also created disparity in the working class. They have hampered the growth of the labour movement and trade unions. Political parties may take advantage of the unemployed millions and divert them from the search for gainful employment towards unproductive political actions. Further, under-utilisation of human resources in the agricultural sector is likely to convert agriculturist section of job-seekers into industrial. Unemployment poses a serious threat to development programmes. Government planners should be sensitive to the present problem of unemployment. Labour law can be modelled or remodelled to implement law, policies and programmes to provide relief to the unemployed.

Industrial Relation

According to 2001 census, there were 127.62 million cultivators and out of them only 32.35 per cent constituted female cultivators. Out of the agricultural labourers of 107.44 million in the same year, women agricultural labourers constituted 44.62 million of these. In case of agricultural labourers there is parity between men and women.

The employment of women workers in modern industrial system has given rise to several problems. First, a set of major social evil involved in the employment of women is "widespread disorganisation of family life".¹⁴ The lack of maternal care on the development of a child's personality may continue even in his adult life. The increasing number of juvenile delinquents, stillborn children, abortions, morbidity of women, abnormal pregnancy and premature births is a clear reflection on employment of women.¹⁵ Second, the economic problem involved in industrial employment of women is in no way less significant. The inadequacy of family income and the desire to supplement the meagre family income¹⁶ compelled women workers to work in industry. But employment in such an establishment does not provide them adequate wages. They are generally placed either in the lower jobs or in the traditional jobs, which carry lower salaries and are not given higher posts. Third, "equal pay for equal work" for both men and women has not been fully implemented in; and despite legislation there is a disparity of pay between men and women. Fourth, the employment of women in industry creates a variety of other problems such as hours of work (particularly during night), overtime, health, safety, welfare and maternity leave. Fifth, the legal protection afforded to women workers is also inadequate and involves problems of inadequate inspecting staff. Sixth, working women faces the problem of sexual harassment for which norms have been laid down by the Supreme Court for prevention and regulation.

At an aggregate level, there was a decline in the number of strikes and lockouts during 2000 compared to the previous year. Strikes declined from 540 in 1999 to 426 in 2000, and lockouts came down from 387 in 1999 to 345 in 2000. The reduction in strikes and lockouts was prominent in the public sector and in the State sphere. The States of West Bengal, Tamil Nadu, Gujarat and Andhra Pradesh experienced maximum instances of strikes and lockouts in 2000. The industries facing the highest incidence of strikes and lockouts were textiles, engineering and coal mining. Wages, indiscipline, violence and personnel issues were the primary causes for strikes and lockouts.

The man-days lost on account of strikes and lockouts, have shown a lower increase of 2 million in 2000 as compared to an increase of 4-7 million in 1999. The man-days lost due to lockouts increased by 06 million whereas those due to strikes declined by 1-4 million between 1999 and 2000. During the period of 2000 and 2009 the man days lost in the central sphere and in the public sector increased by 9.2 million and 9.5 million respectively. In contrast, the state sphere and the private sector recorded a decline of 7-2 million and 7-5 million re-

spectively.

It is obvious from the above analysis that industrial disputes are increasing in India. In fact, strikes and lockouts have become quite common in the country today. The rise in industrial disputes was mainly due to economic factors a sharp rise in prices, recession in certain industries which led to retrenchment, lay-off and closure. A striking feature of industrial disputes in India before Independence was a very high propensity to strike. It was because of the reasons that along with the members of trade unions, a large number of non-unionists also participated in strikes. Employers did not accept unions as a necessary institution of industrial society. The result was that in a large number of cases, where disputes would have been settled through negotiation where strikes took place. Besides, trade unions were under the influence of political parties, therefore, they adopted and emphasised agitational methods. The government approached the problem from the angle of law and order and it was a passive spectator. It realized the importance of industrial harmony in twenties of this century and the Indian Trade Union Act, 1926, and the Industrial Disputes Act, 1929 were passed.¹⁷

It might be thought that the staying power of Indian workers would be very low because of their poor economic conditions and, therefore, the average duration of strikes would be short. But, as these figures show, this was not the case. The following reasons can be advanced for this peculiar phenomenon. It is said that during the period of strikes, the workers returned to their villages and their staying power did not have anything to do with the duration of strike.

It has been suggested that the standard of living of Indian workers was so low that they could face hardships better than workers advanced countries. The main function of trade unions in India was to organise and conduct strikes and further, inter union rivalries were so acute that sometimes they resulted in organisational chaos and strike was unduly prolonged. The political movement in the country built a tradition of a staining from work as a sign of protest and in quite a few cases strikes started for economic reasons acquired a political colour and were guided by political leaders.¹⁸ However, during the Second World War, due to active intervention on the part of the British Government, the average duration of strike declined. For the pre-War period, the average duration of strike was 191 days. During 1940-47, it dropped to 8-4 days. In post-independence period, it was 8.5 days. One of the reasons for this drop is the establishment of a machinery for the settlement of industrial disputes. Thus, since 1951, a large proportion of industrial disputes does not last a long time.

Between 1951 and 1970, the percentage of disputes lasting a day or less varied between 30-5 and 45-5. Between 1970-80, this percentage varied between 20-00 and 25-50. The percentage of disputes lasting for more than thirty days varied between 4-8 and 12-5 for the period 1950-70. This percentage varied between 9-5 and 23-5 between 1970-80. The present procedure of adjudication is responsible for this pattern. At present, the highest percentage of strikes is for the duration of more than one day but less than five days. The percentage of strikes for the duration of one day and less has reduced over the period 1960-80, while the percentage of strikes for the duration of period more than one day has shown an increasing trend.

The number of workers involved and man-days lost both have shown an increasing trend. It is generally assumed that the man-days lost indicate the loss of production as a result of an industrial dispute. But to get a correct picture of loss due to industrial disputes, the of man-days lost are not sufficient, the regarding wages and value of production should also be given. Loss of wages will reflect the loss to the workers and loss of production will reflect the loss to the employer and the community as a whole.

Besides, the effects of time loss of man-days lost should also be viewed in view of the fact that the number of the volume of employment and the number of establishment both are increasing since the inception of Five-Year Plans. Therefore, the question of decreasing the number of disputes and the magnitude of time loss does not arise so long as India believes in democratic principles and in the principles of collective bargaining. The proportion of successful disputes was small throughout the pre-War period, ranging from 9.4 per cent in 1926 to 26.7 per cent in 1940. Similarly, the proportion of partially success-

ful disputes varied between 5-2 per cent in 1925 to 27-4 per cent in 1940. The proportion of unsuccessful disputes was very high in the pre-war period as high as 81-2 per cent in 1926. In 1939, for the first time, the proportion of successful and partially successful strikes was greater than proportional of unsuccessful strikes. This trend continued during the war period except for 1942. In the immediate post-War period, the proportion of successful and partially successful strikes was greater than the Proportion of unsuccessful strikes.

This may be due to the fact that during the war period the government intervened in industrial disputes and the intervention proved favourable to the workers. If this explanation is accepted, then once should not have any objection to compulsory adjudication.

In the post-Independence period the proportion of successful and partially successful strikes has been greater than unsuccessful strikes.

A classification of industrial disputes by causes reveals that the important causes on which the industrial disputes arise these days are economic in nature. Thus, most of the disputes arise either because worker's economic needs are not fulfilled, i.e., his wages are inadequate; or his need for security of employment is not satisfied, i.e., his employment is not stable. Besides, industrial dispute may arise because workers are not satisfied with the working conditions, leave and hours of work that 37.5 per cent of the total disputes for the year 1981 were due to wages and allowances alone and after 1981 to date the disputes one of varied reasons. Disputes due to the causes relating to "Personnel" and "Retrenchment" together accounted for 26.5 per cent. The disputes due to "Bonus" accounted for only 8.6 per cent of the total disputes during the whole period of consideration.

When compared with the situation of 1951, the percentages of disputes due to Wages, Allowances, Bonus and Retrenchment have shown an increasing tendency in 1981, while those due to "Personnel", "Leave" and "Hours of work" have shown a decreasing tendency during the period 1951-1981 and increasing during the period 1981-2010. It is, thus, obvious that, more than 70 per cent of the total disputes occur because of economic reasons only.

However, wage-discontent has always been the most important cause of industrial disputes. In recent times, there has been a tendency to underplay this factor. It is said that, even if adequate wages are paid, industrial unrest may still remain. This does not mean that wage-problem is unimportant. As a matter of fact, if adequate wages are not paid, no amount of other improvement will help in establishing peaceful industrial relations than this; wage issue is unimportant only after it has been settled properly.

During the period of 2008 to 2010 the Manufacturing Division accounted for the highest time-loss of 17-41 million man-days (83-5 per cent of the total time-loss), followed by Mining and Quarrying (2-38 million man-days or 9-8 per cent of the total time loss) and Agriculture, Hunting, Forestry and Fishing (2-38 million man-days or 1-2 per cent of total time loss). These three groups together were responsible for 85-4 per cent of the total number of disputes and 94-0 per cent of the total time lost during the year 2008

Again, these three groups together were responsible for 85.7 per cent of the total number of disputes and 97.4 per cent of the total time-loss during the year 2009.

It is, thus, obvious that if time-loss or man-days lost, the number of workers involved and the number of industrial disputes are considered as the index of industrial unrest. Then industrial unrest may be said to be the problem of Groups Manufacturing, Mining and Quarrying, Agriculture, Hunting, Forestry and Fishing since these three division account for 85.7 per cent of the total number of disputes and 97.4 per cent of the total time-loss. Among these three groups, industrial unrest may be said to be concentrated in "Manufacturing" division, since about 93.5 per cent of the total time-loss is accounted for manufacturing. It is also revealed that about 25 percent of total National income is accounted for by 'agriculture', while the time-loss as a result of industrial unrest is only 1.42 per cent of total time-loss in 2008. It means the sectors, which are contributing 75 per cent of the National Income also, account for 98-58 per cent of the time-loss as a result of industrial unrest. It means industrial unrest is concentrated in

non-agricultural sector and especially in Manufacturing, Mining and Quarrying given hereunder indicates the statistics of man-days lost by states during the years 2008 and 2009. During the year 2008, West Bengal accounted for the maximum time-loss 6-9 million man-days followed by Karnataka (2.2 million man-days) and Andhra Pradesh (3.4 million man-days).

During the year 2009, Tamil Nadu recorded the maximum time-loss 7-2 million man-days, followed by West Bengal (5-8 million man-days), and Maharashtra 3-3 million man-days.

This can be substantiated that industrial unrest or industrial disputes are not concentrated in any specific state or states. However, West Bengal and Tamilnadu can be said to be among those states where industrial unrest is higher as compared to other states.

Secondly, as compared to 2008 the time-loss appreciated only in States and Union Territories Bihar, Assam, Jammu and Kashmir, Goa, Kerala, Orissa, Meghalaya, Punjab, Tamil Nadu, Andaman and Nicobar Islands, and Delhi in 2009. Thirdly, the number of disputes (470) was the maximum in Andhra Pradesh in 2008 and 540 in 2009.

As compared to 2008, the number of lock-outs and the number of man-days lost increased, from 366 and 13,446,483 in 2008 to 532 and 13,999,759 in 2009 respectively. However, the number of workers affected decreased from 145,568 in 2008 to 469,540 in 2009.

During the year 2008, West Bengal accounted for the maximum number of lock-outs (118) which was followed by Maharashtra (87) and Andhra Pradesh (34). As far as the man-days lost or the time-loss due to lock-outs is concerned. West Bengal suffered the highest time-loss due to lock-outs is 6-68 million man-days or 49-5 per cent of the total time loss.

Similarly, during the year 2009, the maximum number of lockouts (208) was recorded in Andhra Pradesh, followed by West Bengal (112) and Maharashtra (70). As far as the man-days lost or the time-loss due to lock-outs is concerned, West Bengal again suffered the highest time-loss due to lock-outs i.e., 5-8 million man-days or 41.2 per cent of the total loss during 2005.

Besides, the time-loss or the man-days lost due to lock-outs in West Bengal has decreased from 6.59 million man-days or 49.0% of the total time-loss in 2008 to 5-8 million man-days or 41-0% or the total loss in 2009.

The figures of man-days lost, the number of industrial disputes and the duration of work stoppage give some idea of the industrial unrest. However, for measuring the incidence of industrial unrest in relation to employment, the figures of time-loss per thousand workers employed in different sectors of industry should also be analysed. Thus, the incidence of industrial unrest indicates the time-loss per thousand of thousand workers employed in different sectors of the economy.

Approach to Industrial Relations

John Dunlop has developed a system approach to industrial relations. This approach is quite helpful in studying the industrial relations in the sense that it focuses on participants in the process, environmental forces and the output. Further, it studies inter-relations among different facets of industrial relations system.¹⁹



The basic elements of the system approach are:

Participants in the system are: (i) workers and their organizations, (iii) management and representatives, and government agencies like labour courts).

An ideological linking to a considerable extent, regulates the relations among the parties, in the Dunlop, an ideology is a "set of ideas and beliefs commonly held by the actors that helps to build or integrate

the system together as an entity.”

The context or environment is the ground in which participants interact. Dunlop has identified three types of environment that are relevant to industrial relations namely. Technological characteristics of the workshop. The market or economic constraints; and The 'locus' and 'balance of power' existing in a society. He refers to components as "a technological sub-system," an economic sub-system, a political sub-system.

Industrial relations would be very different in a labour-intensive industry from those in a capital-intensive one; in an industry planning significant, technical changes from one clinging to less productive primitive technology. Changes in technology enhance the employers expectations about the skills of workers. The work processes and methods with modern techniques reduce the rigours of manual work and workers acquire greater control over their work; and higher production can be achieved.

Economic constraints also influence industrial relations, because the need for labour is closely associated with the demand for the products. As the competition heats up, the market share of an enterprise becomes uncertain which influences the industrial relations of a unit both in short and long run.

The locus and balance of power in a society in the form of power centres the workers' organizations, the employers and the government also influences the relationship between labour and management. In the initial stages, workers and employers demonstrate their strength to further their interests. The regulatory role of the government is, therefore, an important part in shaping the pattern of industrial relations. "A conflict emerges strongly when the parties are less mature, are power-conscious and, therefore, aggressive. Contrarily, the conflict tends to recede from the scene when the parties become more mature, responsible and discreet in the use of power and learn to accommodate themselves with each other."

Shister has listed three sets of characteristics or factors which should define labour-management relationship. These are:

The forces economic, social, psychological and political that determine the policy decisions and actions of management, on the one hand, and the union officials, on the other;

The structure of power relationships within the management and the union; and

The balance of power between union and management.

The first factor is referred to as the framework factor while the remaining two are referred to as the structure of power factors. These factors influence the relationship between the government, business and labour. Their interactions lead to the formulation of rules of behaviour e.g., labour laws, voluntary codes, collective agreements, etc. which govern the behaviour of each of the three parties participating in the industrial relations system.

The output is the result of interaction of the parties/actors of the system which is manifested in the network of rules, country's labour policy and agreements etc., that facilitate a fair deal to workers.

Conclusion

The industrial relations faces a number of challenges in the context of changes to the "stable state" which existed to many years' when unionization rates were relatively high across the developed market economies and collective bargaining was well-established in key industries, such as manufacturing and public sectors. As union membership has fallen bargaining coverage has declined and there has been the replacement of collective labour management relations with more individualised forms of employment contract. Law has become more restrictive in relation to collective action such as strikes and the number of formal industrial disputes has declined, this has meant the industrial relations.

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