

Nature and Causes of Industrial Disputes: A Study

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Abstract

Industrial dispute is human dispute. It is just one aspect of general conflict inherent in capitalist society based upon pursuit of self interest in the economic life by every individual and the group to which he belongs. A strike and lockout creates a permanent rift between labour and management and inject bitterness in their day to day relationship at the plant level. In India we see that there are so many causes of disputes, as for example – Psychological political and economy; low wages or wage cut; irrespective of rising prices; intolerable working condition.

Key Words: Dispute, Industry, Society, Labour, Economy

Industrial dispute is human dispute. It is just one aspect of general conflict inherent in capitalist society based upon pursuit of self interest in the economic life by every individual and the group to which he belongs. The industrial dispute between labour and capital is one manifestation of this all pervasive conflict in the capitalist society. It has to be realized that industrial dispute is like the dispute between any buyer and seller. In most cases, we see that the disputes originate from trade union demands or proposal of improvement of wages, fringe benefits, job security or other terms and conditions of employment with a view to the conclusion of a collective agreement. When the parties fail in their negotiations to reach an agreement on the outstanding issues, a dispute arises. It has always been seen that workers seek to sell their service at the highest possible price and employer seeks to pay lowest “In the early period of industrialization wages and allowances are always the main bone of contention between the two parties at the plant level. At a later stage these recede into the background and issues relating to

status occupy a dominant place. This happens only when a certain standard in the matter of emoluments has been reached.”

Strikes and lockouts are the results of industrial dispute which are cancer of industrial peace. A strike and lockout creates a permanent rift between labour and management and inject bitterness in their day to day relationship at the plant level. The profit maximization goal of management may demand larger in the types of good production, installation of new machines, and adoption of new method of production involving loss of hard earning skills, transfer, retrenchment and compulsory retirement of workers. On the other hand, workers expect demand stability on their income, security of their employment, protection of skills and improvement in their status. When management thinks for closure supervision of workers, maintenance of discipline and complete obedience to the rules of the enterprise, a voice in the formation of the standing orders and scope for self-

expression and a respect for the ability of their individuality come from workers end.

Causes:

Dispute as one of the features of industrial relations is a great concept, when it requires a concrete and specific manifestation, it becomes an industrial dispute. Under the impact of planning, the labour problems of economic development. The economic fluctuations and booms have influenced the growth of trade unionism, which in turn, has affected the state of industrial relations. According to C.B. Kumar “The fundamental causes of industrial disputes, in general, lie in economic relationship.”

In India we see that there are so many causes of disputes, as for example – Psychological political and economy; low wages or wage cut; irrespective of rising prices; intolerable working condition. These cause a number of strikes in India. When controversy between labour and management arises, signals for industrial dispute start. The reason for controversy many are due to punishment, mass discharge, assaults, abuses and misbehaviours. Other important causes are the absence of close contact and understanding between the parties.

It may be stated that there is no single cause of industrial disputes. During the time of depression and slackening of business, retrenchment and lay off, they may become prominent thus industrial disputes are the result of clashes in the goals and aspirations of the workers and the employers, variation in the cause of industrial dispute will initiate the changes in the pattern if worker’s goal and aspirations.

According to S.D. Punekar, “Income and employment constitute the centre around which industrial disputes take place.

The Royal commission on labour remarked, “Although workers may have been influenced by persons with nationalist, communist or commercial ends to serve, we believe that there has rarely been a strike of any importance which has not been due entirely or largely to economic reasons.

R.L. Mehta enquire 1958 shows that “the strike was on a personal issue (of the leader) and not over any industrial question of wages of bonus or similar claim.

Although a multitude of causes blended together result in industrial disputes, it is not always easy in specific instance to ascertain the particular cause involved. Surface manifestations of unrest and dissatisfaction which appears to be responsible for work stoppage, may cover deep-seated and more basic causes, but not be observed are first sight. Moreover, the relative importance of the cause, when more than one is present, is often very difficult to gauge.

According to Prof. R. A. Lester, “When people sell their service and spend their working lives on the premises of purchase of those service, a varying amount of dissatisfaction, discontent and industrial unrest are likely to occurs. Employers are especially interest in higher wages, some voice of industrial and protection against loss of wages, overwork and arbitrary treatment. But when such things are denied to them (because employer cut down their expenditure on labour to inflate their profits), they are forced to exert their rights and stop working to make the employers

understand their grievances and redress them.

A study of the cause of industrial disputes show the classification of disputes under income, employment including conditions of work and status of working 7 when we categories the factors of industrial disputes, we divide it into four different parts mainly; first industrial factor, second management attitude toward labour, third government machinery and fourth other causes.

Industrial Factor:

Under the heading of industrial factor for dispute, we divide it also into different parts which are mentioned below:

- (A) Firstly dismissal or non-compliment of any person. Secondary register agreement, settlement or award; and, thirdly demarcation of an employee.
- (B) Firstly disputes often arise due to rapidly increasing population which has no opportunities for gainful employment. This affects the standard of living of employees who put forward demand for higher wages. If management does not consider the case, it leads to installation of new machines, computerization etc. Are some causes of unemployment among workers? It leads dissatisfaction, among the young workers.
- (C) Existing inadequate and unjustified wage structure; failure to pay the "Neem based wage", and fixation of dearness allowance at par with the price index based on 1961 have reacted dissatisfaction among the workers, compelling them to demand higher wages, actual dearness allowance as per the current price index etc.

(D) The attitude and temperament of industrial workers have changed because of their education, their adoption of new culture, and the consequent changes in social values, the growth of public opinion and progressive legislation enacted for their benefits. Workers are very conscious of their rights. They cannot tolerate injustice. If any injustice, wrong done and difference of opinion over the question of creation of new right arise, the dispute between the parties starts automatically.

Management Attitude towards Labour:

Firstly management unwillingness to recognize a particular trade union and dilatory tactics to which it resorts while verifying the representative character of any trade union have been a very fruitful sources of industrial strike.

Secondly when during negotiations for the settlement of a dispute the representatives of employers unnecessarily and unjustifiable take the side of the management, tensions are reacted, which often lead to strikes, go-slow etc.

Thirdly the management does not want to consult their employees for recruitment, promotions, transfer, merit award etc., and it creates dissatisfaction among workers. Workers think that they have equal right to sit parallel to the management bench. A large number of management does not think cordially over it, which leads to the dispute between the employer and the workers.

Government Machinery: Conciliation:

As soon as an industrial dispute is apprehended, conciliation machineries set themselves into motion in order to avoid a confrontation between labour and

management. It tries to resolve the dispute through persuasion and mediation. But here we see that the Government conciliation machinery has so far settled a very negligible number of disputes. The root cause of a negligible number of settlements share due to the facts that firstly both employers and employees have very little confidence in it, secondly both have become legitimate minded; thirdly it is inadequate, for the number of disputes referred to it very large and the personal dealing with them is hopelessly inadequate, particularly because, in addition to labour dispute, it is called upon to see to it that labour laws are properly implemented and; fourthly the officers associated with conciliation proceedings have very little training in handling the problems of disputes which are referred to them. To minimize industrial disputes through the conciliation machinery, conciliation must take the view that the dispute constitutes an important problem for the parties and requires the best of his effort.

Other Causes of Disputes:

The officiating of trade union and its attachment with the political parties, sometime create dissatisfaction among workers; political inability, centre state relation, general responsibilities etc. Also affect the industry resulting in industrial disputes. Other potential factors such as corruption in industry and public life, easy money, conspicuous consumptions, permissive society, created crisis and general break down in the normal morale have brought in their debasement of social values and social norms, all these can, perpetuated all kinds of unrest including industrial dispute.

Besides above following are the important issues of industrial disputes in the public sector in India as well as Muzaffarpur Thermal Power Stations.

Firstly, absence of systematic personnel policies and practices in regard to certain aspect like recruitment, promotions, transfers, and so on.

Secondly, Discipline forms part of the standing orders to be framed and administered by the public sector units. Better discipline can be enforced by the public sector units. Better discipline can be enforced by the public sector managements not by sticking to the letter of the law but by setting an example of being good leaders.

Thirdly, inadequate delegation, the apparatus of Government does not provide for adequate delegation of powers to the management of public sector units. Undue delays when the management representatives sitting across the bargaining table have no powers to take decision and crucial matters.

Fourthly, expectations of workers, the workers in the public sector units expect the Government to be a model employer. In the public sector, most of the units have been newly set up. The work force in these is predominantly young, who build high expectations about remuneration with a view to meet the needs of maintaining improved living standards.

Fifthly, as discussed earlier, the trade unions in the public sector have remained fragmented and hence multiple in number. This weakness has hampered the growth of strong trade unions which alone could build a stable workable relationship with the employers.

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