

Course Name: Labour Welfare and Industrial Relations

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Lecture :11

Lec 11: Industrial Disputes: Meaning, Causes, Interests & Right Disputes

Hello learners. Namaste. Welcome back to the course on labor welfare and industrial relations. We move to the third module where we start going deeper into each and every single act. And we start with the industrial disputes.

We try to understand the whole process or the whole scenario of industry disputes. We will try to decipher the meaning of that, the causes. We look into the interests and specifically the right disputes.

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So, when we look into industrial disputes per se, we have to understand what it is. So, we start from the basics. We start from defining and understanding industrial disputes. According to the Industrial Disputes Act, specifically Section 2, Industrial disputes mean any dispute or difference between employers and employees or between employers and workmen or between workmen and workmen, which is connected with the employment or non-employment of terms of employment or with the conditions of labor of any particular person.

So, we see quite exhaustive definition, if I may use the word, because they have tried to include everything possible that would come under the ambit of, you know, employer employee relationship. So, there are situations or disputes or conflicts arising between employers. Let's say we have already looked into it. The employer federations and

employer associations, etc. So, it is possible that employers also can have a strife or can have a tussle between them or the most possible scenario is employer and employer, employer and workmen.

And again, another possibility is between workmen. We have a lot of people working together. We have a large number coming together. Then it is obvious that there might be some conflict. There might be some difference in opinion, which will actually lead to a dispute.

So that is also a significant possibility. And when we look into the entire ambit of these connections or interlinkages, let's say between employers or employer and workmen, workmen and workmen in terms of their employment or non-employment or even the terms and conditions of the labor of the particular person. So this is what the entire ambit of, you know, Industrial Disputes Act defines industrial dispute as. So please understand industrial dispute could be anything that is coming under these purview of this particular definition.

So quite an exhaustive definition. Let's understand industrial disputes by dissecting it into different parts. And this is where I will try to invoke the case of workmen of Dimakuchi T.S. State versus management of Dimakuchi T.S. State 1958, a very categorically important case.

So this definition has a certain connotation associated with that particular case. So this definition of industrial dispute has been divided into following three parts. Let's look into them deeply. First one is factum of dispute second is parties to dispute and the third one is the subject matter of the dispute so when you are looking into the factum of dispute specifically what we understand industrial dispute as industrial dispute critically means the real and substantial difference between the parties having an element of persistence And which can endanger the industrial peace of the community if not resolved in a timely manner.

So maybe it starts as a conflict or maybe it starts as a difference of opinion. Difference of opinion can go to all the way to become a conflict. Conflict can come into picture whereby it transfers itself into a bigger conflict or a certain higher level of dispute. And

this can even spread to an industrial dispute. So when you are looking into the definition, the dispute must be definite and related to the terms and conditions of employment or non-employment of the person that we have already seen.

So when you are looking into the specifically the factum of the dispute, It is or dispute must be in terms of the employment concern or the concern party should be directly interested in such a dispute. It cannot happen in such a way that, you know, there is some conflict going on. in an organization which is not directly associated with the workmen or the employer, then that is not the case of an industrial dispute. This is what is known as the factum of dispute specifically.

When you are looking into the parties to the dispute, Section 2, Clause K of the Act enumerates three pairs that could be parties to dispute. One is the employers and employees. employers which we have already seen employees and workmen again we have underscored in the definition and workmen and workmen so usually an industrial dispute occurs mainly as i've already tried to establish the fact between an employee and employer in order to widen the scope of definition let's say To bring in everything, to make the definition more exhaustive, disputes between let's say two employees and two workmen have also been included. However, disputes between workmen and workmen are generally rare.

So this is what we understand with respect to the parties to the dispute. Now, we'll go to the third aspect of the critical definition, the subject matter of the dispute. According to Section 2, again of the Act, industrial disputes may be connected with the employment or non-employment. I'm talking about the subjects specifically, the terms of employment, the conditions of labor of any particular person. So, if the dispute is

does not relate to these three categories it will not please note it will not specifically fall within the ambit of an industrial dispute so what we understand here as industrial dispute and if something has to be qualified as industrial dispute essentially the subject matter of the dispute should fall within one of the three i repeat Either the employment or the non-employment. Second, the terms of the employment. Or third, the conditions of the

employment. So whatever is beyond the scope of these parameters or these elements, they strictly do not fall under industrial disputes.

Now let's look into the types of industrial dispute. There are four types generally what we understand. The first one is interest disputes. Second is grievance dispute or rights dispute. The third is unfair labor practices disputes and the fourth is recognition dispute.

So basically we are looking into all the different parameters associated to welfare. Just recall the classes or the sessions we have done in Module 1, where we have tried to introduce the necessity of welfare. So in that, we specifically mentioned certain aspects of interest. There was an element of grievance redressal possibility. Unfair labor practices have to be somehow mitigated.

And obviously, recognition also was coming in as part of sanctity within the workplace. So when we go deeper into interest disputes, let's look into that. Interest disputes are also known as disputes of interest or economic disputes. So if you come across the word economic disputes, they are one and the same thing. So in most of the situations, the particular dispute arises from the demands or proposals for improvement in wages. So, we are looking into economic specifically benefits, job security or even terms or conditions of the employment. So, whatever could be specifically economic in nature and associated with the discipline, then it would come under the interest disputes part. So, interest dispute must be properly negotiated or compromised or bargained and the test of the economic power should be avoided as far as possible because nobody, specifically nobody is going to benefit out of any tussle that is happening out of interest disputes.

So these disputes should be settled through maybe a mediation or conciliation process as far as possible. Now, the second aspect is or the second type of dispute is what we understand as the grievance dispute or the rights disputes. So when you are looking into the grievance or rights dispute, they are also called as or known as the conflict of rights or legal disputes. So whenever you are looking into something like legal disputes, it is nothing but the rights disputes specifically. So when we look deeper into it, a careful reading of this grievance disputes, we'll try to understand that these disputes actually take place from day to day working relations in the undertaking.

So it's a protest by the workers. Against the act of management that deprives the right of employees. So the grievance dispute actually, again, could be an outcome of, let's say, payment of wages or maybe some fringe benefits or let's say even the working hours over time, the demotions, promotions, safety issues. Health related aspects or even seniority related aspects. So basically, if the grievance disputes are as such are not sorted out in accordance with the procedure that is accepted by the parties, it often results in disturbing the working association or working relationship between the management and the employees.

There is no doubt about it. So the government. also encourages specifically voluntary arbitration for this type of settlement because this is something which is legal, something which is very significant. So the government takes in extra effort if there are any cases of grievance disputes or rights dispute to actually solve those disputes. The third type of industrial dispute is nothing but the unfair labor practices dispute.

So this would be actually the most common labor type of dispute as far as the industrial disputes in 1947 record goes on. The management many times actually discriminates against workers on, let's say, the ground that they are the members of the trade union. Because we have already understood that there would be a possibility of a stigma or some sort of disturbance or irritation with workers. respect to the management towards the employees in actually entertaining the unions and getting into the union activities. So the management as a consequence may at times discriminate against those workers on the ground that they are the members of the trade union and they participate in specific activities of the union.

So unfair labor practice could actually include pressure on the employees. When they exercise, let's say, the rights to organize, take part in union activities, to stay away from those things. Or maybe a refusal to bargain or recruiting new employees during a strike, which is not actually legal. So creating an environment or actually creating an act of violence or force or stop communication, etc., also will lead to such disputes. Such disputes, again, are very critical when it comes to the realm of industrial disputes.

And as I already mentioned, the majority falls under this bracket. So such disputes can be settled through conciliation, no doubt about it. Or such disputes are settled according to the normal procedure laid down under the Industrial Disputes Act 1947. So we see that this is one of the most common issues, most common type of industrial dispute.

Now, we come to the fourth one, which is recognition disputes. Now, as it's a functional word, recognition. Recognition disputes mainly arises... When the management of an organization categorically refuses to recognize a trade union for the purpose of collective bargaining or to represent its member employees in case of a conflict or dispute.

So when the management, let's say, dislikes a particular union, it, you know, it generally moves out or shies away to accept the trade union for the purpose of negotiation or sometimes some bargaining, then it becomes a case of trade union victimization possibly. This also happens when there is already an existing trade union or let's say there are cases of multiple trade unions and each making a claim for recognition. So, recognition disputes mainly multi... Trade union is one singular aspect which can actually bring in a problem with the recognition dispute. So this particularly happens when there is, you know, a multiple trade union, multiple trade unions coming into picture.

So recognition disputes generally arises when a particular trade union does not have sufficient number of representatives and recognition will, you know, come in as a big criteria that, you know, you are in very few in number. So the management or the entire organization is not going to recognize your existence, not trying to accept any of your considerations. So that will essentially create or lead to recognition disputes. now recognition disputes are settled through the guidelines given by the government for recognition of you know trade union or with the help of code of discipline which has been voluntarily laid down by the government so these are some of the types of industrial disputes and some of the significant aspects which should be considered while looking into the types of disputes now when we look into you know

The trade unions, specifically the industrial dispute, we have seen the types of industrial dispute, no doubt about it. But what generally emanates or what generally elicits the clashes or conflicts or disputes generally? So when we look into the entire scheme of

things, we have seen that the trade union itself exists for certain aspects. It could be for the welfare. It could be for the betterment of the working conditions, safe and hygienic working conditions, the wages, salaries, basic economic aspects like that, or even some benefits associated with the existence of the organization or the work they are doing for the organization.

So when these dimensions are equally active, There could be some causes that actually give rise to industrial dispute. And some of the typical causes are economic causes, managerial causes and political causes. Let's look into all of this in detail. Let's look into the causes on an economic angle.

So when you look into the first and foremost thing, The demand for higher wages and allowances is one of the most critical aspects when it comes to the economic causes. Obviously, everybody is working for wages and salaries. So any and every significant demand for higher wages would actually happen every now and then. So that happens to be one of the critical segments of economic causes.

The ultimate aim of specifically why workers in various industries... is to earn their living and meet economic requirements that they have. So when these workers realize that the current wages or the rate of wages do not actually fulfill their needs that is happening, they demand an increase in wage rates and other allowances from the management. So this happens to be one of the significant factor in raising dispute. The main aim of the management, on the other hand, let us be very frank and transparent in analyzing this.

On the other hand, the management would actually always try to increase its profit. And therefore, any chance of such representations, they'll try to reject the workman's demands for higher wages. So this particular conflict, this conflict where the demand of higher wages is coming from the workman and the management essentially is always trying to maximize the profit this conflict of interest between the management and the workmen actually creates tussles between them no doubt about it leading to an industrial dispute so if you look into the case of India specifically it is one of the most common causes of industrial disputes Now, we move to the second aspect or one of the second sub points of economic causes, which would be the issues related to working conditions and safety.

So please note that we are trying to address all the critical aspects of the welfare mechanisms. So many times industrial disputes specifically come up as a case of working conditions and safety. So workmen, they do expect, not only fair wages, let us be very reasonable, or even, you know, a standard working hours, but they also have eye on a safe working condition, no doubt about it, with required equipment installed, or safety measures taken to provide enabling conditions for the workmen. So it also includes, let's say, providing various other facilities, let's say something like a canteen, clean toilets, clean drinking water, proper lighting, etc.

So all of these aspects are Very critical working conditions and safety conditions concerning the labor or the workmen. If those things are not met, it is inherent reason for economic costs towards an industrial dispute. Now, another significant aspect would be the demand for bonus. So we are not talking about the wages and allowances, demand for bonuses by workers actually accounts for many industrial disputes in India so when you are looking into the workmen the needs of the workmen workmen wanted to have a greater share in the profits earned by the industry so but if when such a request is put forward, such a representation is put forward, the management might not accept the demand, which may inherently cause or effectively lead to industrial dispute. So that is yet again another critical cause. When you are looking into issues related to working hours, many times we see that industrial disputes actually occur due to conflict in fixing a particular reasonable working hour for the workmen. So there is a standardized protocol that this should be the working hour.

You know, there are different shifts. Then again, the shift should be working in this interval. There should be a four day, which is a holiday if it is a three shift scenario. So all these aspects have to be addressed. Otherwise, there will be a lot of impending tension or, you know, cognitive dissonance in these employees.

And they will try to know not only they are physically drained, they are also mentally drained and it will unnecessarily affect. you know, warrant certain problems and it will lead to disputes certainly. So issues related to working hours when workers do not agree to management's standards of working hours, a dispute can arise between them. When you look into issues related to working conditions and safety, I've already covered that.

When you're looking into other aspects, let's say gratuity, pension and other benefits, we see that there are certain critical aspects like not only the salary which they are getting on a day-to-day basis, they also would like to have a healthy living condition after they are retired or let's say they have gone past their working age. So some industrial disputes categorically occur as a result of demand of employees for payment of pension, gratuity and other benefits. When you look into another significant aspect that would emerge would be the modernization of machinery. So We have seen that there has been many industrial uprisings that have happened because of modernization, the technology comes in, it robs a lot of job opportunities.

So these are something which every single one of us know. So possibly the modernization of machinery is also one of the significant economic costs. When you look into industrial disputes due to this modernization and introduction of automated machinery in industry it leads to actually the replacement of the manual labor in the industry so what happens as a result is that workers often go on strikes or go slow that is also another aspect go slow they will not just strike they will try to go slow this is also a critical strategy in order to show their resistance to the management which ultimately leads to industrial disputes and finally the most critical aspect concerning any employee worth his or her salt leaves and paid leaves so sometimes what happens is that the workmen were forced to take leaves due to certain unavoidable circumstances of accidents that may be related to the family or surrounding environment so in this case the management cut their wages because,

Every single workman has a certain economic or financial planning. And if there are some emergencies, if all these planning or initiatives or whatever dreams they have, that goes for a toss, then it will cause a serious tension. And this may lead to a dispute. So we see that in the economic cause, we have a range of reasons why. Let's say starting from demand for higher wages and allowances to leaves and paid leaves.

So we have tried to cover a holistic list of an exhaustive list of the entire causes possibly that can actually lead to industrial disputes. Now let's look into some managerial disputes. The first and the foremost one would be non-recognition of the trade union. When you look into the trade union, it is for the needs and the wants and the representations of, you

know, a particular individual or employee or workman. But when the trade unions are not performing in the right way, there is possibility that the management can actually or the employer can actually say it or take it as an excuse or even if they are performing in the right way, they will intentionally try to de-recognize or not recognize the trade union. So many times what happens is that employers refuse to recognize the trade unions which were representing the workmen in several disputes. The management specifically of industry is usually you know suspicious about the workers involvement with the trade union so what happens is that they always try to prevent them from joining any trade union please recollect our discussions with respect to compulsory unionism and all from this perspective So what generally happens is that they always try to prevent from or they are prevented from joining trade union or uniting to form a new trade union.

So any level of unity that is coming within the workers, the workers unity or the workmen's unity. is always considered as a threat for the employers specifically. So when you look into these aspects, employers do not recognize their trade unions for representing them or deliberately recognize the rival unions so that their demands are specifically not accomplished. So this is one of the strategies that the employers generally take up. The second important aspect is non-enforcement of the agreements.

So before joining work in the industry, the workers and the employers specifically enter into various agreements. Let's say you have an introspection within yourself. You look into your job, your work. It could be like a very systematic job that you have entered into, not an informal one, a very formal one. So you'll have your own terms and conditions of work, the job agreement, employee agreement, etc.

But Look closely and see whether all the points or all the aspects of all the elements that were actually underscored in those agreements are actually being followed or are they actually happening now. So this will give you a clear picture of what generally happens when you are not having a say or you are just a workman. So whenever there is a, you know, recruitment, a selection process and the employer, the worker comes into picture, he enters into various agreements with the employer. But the employers on various occasions violate these agreements or do not enforce agreements as per such contracts. So this leads to actually violation of the rights given to the workers and workers often as a

result start opposing the decision taken by the employers which ultimately results in industrial disputes.

Now, looking into the conditions that have happened, post facto, we should also understand ill-treatment of the workers. When you look into the ill-treatment of workers as a reason, various authorities in the industry, and this is one of the significant reasons why the entire industrial relations and labour welfare concept itself has come up, because there is a certain self-recognition or self-dignity that every single individual has, be it an employee, be it a worker, every single individual will have a self-dignity. So that if it's due to some insult or some ridiculing, if that is tarnished or his or her image is tarnished or ill-treatment happens, then that also will come up as a significant factor of various authorities.

In the industries, let's say, be it what you call as managers or supervisors, show their superiority to the workers by dominating or treating them badly. And this is very common in most of the industries. Specifically, the workers are represented by the trade unions, specifically opposed ill treatment by the employers, which leads to the conflict between two parties. Again, another reason could be the corrupt recruitment procedures, because for various reasons, for multifarious reasons, we have seen it could be based on vested interests. It could be increasing their particular strength of a particular segment of people.

There are a lot of or maybe only monetary considerations. There are always there are always a lot of corrupt recruitment procedures which we generally see. So the management in order to, you know, get to or accomplish the selfish goals. employees corrupt practices in recruiting workers in the industry specifically so sometimes workers are recruited through bribed middlemen or workers are recruited based on favoritism or biases so even after recruitment such corrupt practices are also employed in the transfer promotion or training of the workers again finally if you look into the managerial courses we are looking into a supervisor-based or supervisor-led costs or maybe it is an abusive supervision or maybe it is non-enforcement of the agreements that have been already signed.

The final aspect within this managerial cost would be victimization or wrongful termination of workers. So many employers follow the policy of hire and fire, which means that there is actually no security of job for the workers. They are employed for some purpose and after fulfillment of that particular purpose, they're gone. They are fired without any reason. So workers are terminated or maybe retrenched due to the downfall in the industry.

That could be a rationale that is being given as a part of or a justification as part of firing. Without a particular reason, workers who actively participate in the efforts of, let's say, trade unions also face such dismissal and termination that have been observed within the industry. So these are some of the critical managerial causes that lead to industrial disputes. We look into the political causes now. The first and the foremost one, because as we have already mentioned, that there is a significant impact of politics, political ideologies into the trade union and the performance of the work of the trade union.

Political causes is also a very significant factor. The first one is political influence. When you look into the political parties or specifically the leaders involved, Often use various industrial issues as their election propaganda. We have seen it.

We have observed it. They instigate the management against workers or trade unions against the management to fulfill their selfish political motive. So this this specifically leads to industrial disharmony, if I can use the word, and several industrial disputes. So what we have seen is many a time that it happens that there are actually no fine reasons for a dispute, but it is politically motivated, intentional, so that there is a lot of unrest. And within this unrest, a chaos is formed.

Political opportunists actually see opportunity there and they try and come and solve. And that's how they gain the momentum or the required momentum for their election propaganda. So sometimes we see government support for management also as one of the significant reasons. Let's say the ruling government sometimes supports the management, whatever, irrespective of the political affiliation for their own political agenda. So due to this, negotiations between the workers and the management specifically fails, which gives rise to industrial disputes.

These are also situations not uncommon within the scheme of the things. The third one is specifically all about trade union movements. The workers of the industry on many occasions are involved in various trade union movements. We have already seen it. Those are meant to improve working conditions or provide various facilities to the workers in the industry.

So due to these movements, several conflicts between the management and the workers arise leading to industrial disputes specifically. So we see that trade union movements also happen to be one of the most critical and significant factor on a critical political cause. And finally, internal conflicts between trade union. So many times conflicts emerge between the members of the trade union on several issues, which leads to industrial disputes and causing a problem with respect to the industrial peace.

So what we have tried to see here is that there are, you know, the moment people come together, let's say in this particular case, workers, employers, employers and workers, a lot of dimensions that pitch in.

When these dimensions are actually coming in, there are a lot of scope of conflict. And not to forget, there are certain causes that actually lead to. We have seen in length the economic causes. We have seen the abusive supervision, managerial causes, or we have specifically seen the political causes also.

So whatever be the cause may be, Industrial disputes is a big umbrella which covers a lot of aspects with respect to the dimensions between these different stakeholders. But that said, one takeaway should be that irrespective of whatever checks and balances the law tries to bring in, there are certain causes which unless and until not rectified, unless and until not mitigated, these will actually lead to industrial disputes. No doubt about it.

I would like to repeat my statement. If these causes are not taken seriously, Because these causes are being derived after a lot of root cause analysis. So if these causes are not taken significantly or you are not underscoring the importance of these costs and rather doing some cosmetic changes, it will not actually bring industrial peace which you otherwise want. Thank you for listening to me patiently.

We'll look into more details of industrial dispute in the next lecture. Till then, take care.
Bye-bye. Thank you.