

INDUSTRIAL RELATION SCENARIO IN INDIA

Dr. Shaikh Tabassum Hameed
Assistant Professor
Department of commerce
Vishwa Hindu College, kalaburgi
Karnataka-585102

Industrial Relation focus has been shifted from regular employees to contract employees

Today, again Industrial Relation area has come into limelight. If we go back and observe the situation before 90s, there were strong Unions and most of these Unions were national unions and had strong ideologies. These unions were working on some values and principles. Though they were very strong, we were settling industrial disputes through vide bipartite & tripartite bargaining. Whereas we had about 90-95% regular employees and around 5-7% were casual employees. Contract management were not in existence that time. Sweepers, Gardeners, Housekeeping staff, canteen employees were on a permanent roll. We were very much welfare oriented and connectivity with these people was very high. The HR Manager knew each and every employee by their names. Even in the good and bad times, we were visiting their place and participating and there was very high level of human touch and feeling of caring was there amongst the employees.

In the year 1990, the globalization took place and a new philosophy generated, i.e. company will keep only those people on their regular employment who are contributing directly to the business, hence the company started identifying the employees who are working in non-core areas. Voluntary Retirement philosophy came into existence and those people working in housekeeping, security, canteen and so on were given this benefit of golden handshake and the strength of the organisation roles have been reduced. The same work has been given to outsourcing agencies and the contract labour management has taken birth. A number of outsourcing agency came into existence and the company has also realized that they are saving cost by engaging contract labour. In the last 15-20 years, no recruitment / limited recruitment has taken place in blue collar employees and those people who are retired, expired during this period were replaced by contract labours as there was recruitment freeze in regular employment.

Over a period of time, these contract employees started realizing that they are getting minimum wages whereas other regular employees are getting 6 times greater wages than them. Similarly, these people were kept away from getting basic welfare facilities i.e. canteen, rest room, safety equipments etc. etc. This disparity amongst these people forced them to form/join a Union.

The present Union has also not given more importance to the contract labours and not considered as a part of them. This results into a formation of new localized Unions. These Unions were local unions with no principle, value and they yield muscle power. Even this Union had lot of opportunities to justify irregularities in the organization and hence become popular. Even a contract labour also starts feeling that they are in employment only because of the Union. Today because of this scenario, if you see we have 20% regular employees and 80% contract employees. As IR manager spending most of the time in settling the issues of contract labour attending litigations / strikes etc. In short, our focus of Industrial Relation has been shifted from regular employees to contract employees. Even today, many organizations do not seem to realize this fact. Organizations do not involve themselves in managing contract workforce. They do not bother about the conduct of people coming inside, whether they are fitting to your organization, qualification etc. Lots of unwanted elements are recruited

by the contractors and they have spoiled Industrial peace, culture and philosophy of the organization. These results in frequent stoppage of the work, strike, noncooperation and you will find lot of litigations filed by the Union pertaining to the contract labour and make the life very miserable of IR and HR Managers.

In the next 2-3 years , contract labour management is very difficult & unmanageable in most of the companies. To overcome this issue, the company should pay fair wages and not minimum wages to the contract employees. When we are having a long term settlement with our regular employees, a similar agreement we should have with contract labours through contractor so that periodically they will get pay rise and basic facilities. They should also be provided at least minimum basic facilities like medical, canteen, rest room, safety equipment. We should also take care of statutory compliance under ESI, Provident Fund and Gratuity. They should also be given training on the areas of their function through contractor. As an organization, we should also think and develop a career development plan for such employees. We should avoid to engage contract labour into a core area of manufacturing. Management, have to re-look the IR philosophy. We should be fair in dealing with them and give a feeling that they are wanted, important and likeable persons. Our IR Managers should also be trained in this philosophy so that they can align / connect with such employees and develop a desire climate in the organization. The younger workforce expect a career path and management have to channelize their energy into positive action' Now the time has come to focus more on this area otherwise Unionization will increase again in India, if corrective action is not taken'

