

SUGGESTIONS FOR IMPROVING LABOUR-MANAGEMENT RELATIONS IN INDIA

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Introduction: The two terms 'labour-management relations' and 'employer-employee relations' are synonymously used. The scope of labour-management relations varies from place to place, time to time and establishment to establishment. Based on the major findings of the study and conclusions, some suggestions are being forwarded herewith.

In the present industrial scenario, the Indian economy has to face global competition as there is a rush of foreign capital and industry in our country. Therefore, this change in economic environment has affected the total gamut of styles, structures and contents of all those who are at stake in the field of economic firmament (heaven) and concept of industrial relations. There is need for change in the direction of labour-management relations, change in the comradeship between the two protagonists of labour and management which is to be governed by a totally new set off parameters. The gradual realization by both partners who are to survive, have to surrender their sectional interests in the interest of the economy of the country.

Moreover, the rapid development in industry and need for attainment of economic reliance are the two major jobs which the country need to set out to accomplice these tasks in addition to others. The key to achieve this objective is increased production which depends upon the effective co-operation between labour and management at every stage. The way to ensure their co-operation is to satisfy their psychological and social needs in addition to economic needs.¹

Earlier, the industrial organizations had focused on growing and attaining bigger status. But now due to increasing international competition as well as rapid pace of technological change, there is need for Indian industrial organizations to become flexible, lean and faster. The issues which are posing challenges to the Indian industrialists are three-fold in the system, i.e.,

- To strengthen collective bargaining instead of adjudication by trying to determine a bargaining agent for negotiation. A sole bargaining agency should be created in every unit and industry. It has also

¹ Dayal Sahab, "Industrial Relations System in India" (1980) p. 742.

been advocated where the parties involved have a full understanding. Because the disputant may arrive at a speedier settlement of disputes between themselves through collective bargaining.²

- The gaps are occurring due to variations that occur in Central and State legislations regarding the matters which are concerned with labour and industry. Therefore, there is need for forming a Common Labour Code. The adoption of a Common Labour Code will help in solving some of the problems faced by the Indian legislation process.
- The third issue is the participation of workers in the management. It has been experienced earlier that the workers' participation schemes in management have made no headway. There is need to probe into the failure of such schemes so that the workers may participate in management.

Suggestions: Due to growing inter-linkages between the industry and its environment, the above three issues be taken into account to effect their actions on consumer and society. In terms of strategy, they need evaluation and to decide appropriate alternatives to adopt in managing the personnel and industrial relations' functions. Since the industrial environment is changing speedily and there are pressures from different groups which are involved are starting to get more vocal and intense. Hence there is need that the strategy chosen for the attainment of peaceful labour-management relations, will depend on the values, objectives and structures available and the environment wherein these are to be operated.³

- In this era of globalisation, the competitiveness can be acquired through harmonious relations between labour and management. Both of them are required to develop their mindset that looks upon each other as partners to develop a work culture to accept new technology.
- To create competent, full time and well-disciplined trade unions with leaders of sound trade union education.
- The union must play a more constructive role in improving the living conditions of the workers. Greater interests must be evinced for the welfare programmes of the members such as literacy, health and family planning, education, cultural and recreational activities.
- The government should also grant financial aid to those trade unions which are inclined to promote personal and environmental hygiene and other welfare activities for their members.⁴

² *Ibid.*

³ Hoffman, Rillen B., "*Resolving Labour Management Disputes*" (1973) p. 238.

⁴ *Ibid.* p. 257.

- There is need to evolve a new culture, the wages which are paid to the workers should be looked upon as incomes earned through hard work. Individual workers' attitude should include pride in maximising productivity to repay his debt to the society which should reflect in quality of work.
- The duty of managements should be to make contribution to improve the work culture and also to maintain high level of work culture. The arrangements should be made for fair wages, equitable profit sharing and opportunities to interact.
- The attitude of working hours should not be rigid. If working hours are beyond nine hours a day and forty hours a week that should be compensated with overtime wages.
- To meet the demand of hire and fire, a social acceptability must be created. For this purpose, a social institution must be created which can take care of the consequences. There is need for evolution of socially accepted consensus for this fundamental change and there should also be a system of constant upgradation of employability and there should also be a provision for social security including unemployment insurance.⁵
- The benefits like maternity leave, child care, medical benefits, employer's compensation and certain other benefits of social security and safety must be applicable to all workers irrespective of the size of establishment and nature of its activity.
- The industrial laws must be grouped into limited groups of laws pertaining to industrial relations, safety of workmen, wages, social security and welfare and working conditions etc.
- All these laws relating to industrial organisations should be judiciously consolidated into a single law.
- Some of the terms like wages, workmen, and industrial establishment should be well-defined and they should be common in all labour laws.⁶
- The trade unions generally adopt the practice of 'go slow' and 'work to rule'. This practice should be treated as a part of misconduct.
- In the field of essential services, there must be a strike ballot. If this strike ballot shows that more than fifty percent of workmen are in favour of strike then the matter/dispute should be referred to compulsory arbitration.

⁵ Srivastava C. Suresh, "Industrial Relations and Labour Laws" (2012) p. 385, Vikas Publishing House Pvt. Ltd.

⁶ *Ibid.* p. 401.

- The trade unions of workmen even in unorganized sectors should also be registered. There should also be a ceiling on the total number of trade unions.
- The trade unions based on craft or caste should not be entitled to any privileges, immunities or rights. The federations of Central organisations should also be subject to the same discipline as the primary trade unions.
- The diversity of laws enforced by the State Governments and Central Governments has increased complexity in the relations of labour and management. The Constitution has empowered the Central and State governments to legislate on certain similar matters concerning industrial relations. Therefore, to make the relations of labour and management comely, there is need for a single and unified legislation.⁷
- The political and ideological affiliation of the parties in power at different levels is also responsible for bitter labour-management relations. Therefore, there is need for a single or unified model of industrial relations. The general weakening of the tripartite system has also made it difficult to achieve any uniform pattern of industrial relations policy and the must be discouraged.
- The objective of the government in the successive five year plans to maintain harmonious relations between labour and management is no longer sufficient. The conventional system of industrial relations which is based on regulations has become obsolete. Only peace is not sufficient for good industrial relations but there is also need of harmony between labour and management. For a healthy economy, the harmony should also be considered as a pace towards healthy relations between labour and management.⁸
- The future of the labour-management relations should be oriented towards human resource management. It should believe in investment of human capital and the involvement of workmen in all matters that affect the working class at the workplace and beyond which seeks a security and a work-life balance. There should be development of competence and multi-skilling career planning. All this should meet the expectations of the workmen and secure a balance between their requirements and that of the organisations as well as the family needs of the working class.
- There should be a continuous improvement of work power and authority. Efforts should be made for better understanding and co-operation between the labour class and organisers with greater

⁷ Giri, V.V., “*Labour Problem in Indian Industry*”, (1972) p. 369, Asia Publishing House, New York

⁸ *Ibid.* p. 378.

devolution of authority at every level and there should also be decentralization of decision-making at all levels that go a long way in promoting common interests which secure the twin objectives of equity and efficiency.

- Since the emerging industrial relations scenario is complex and the existing regional and social imbalances are being worsened in the wake of the far reaching economic changes, there is need for consultation with the concerned social partners. Now some of the States are waking up to the need for making investment, foreign and domestic and creating jobs.⁹
- The interpretation of labour laws by the judiciary and the perception of the labour administration have been changing overtime which is giving a rise to new thinking on the subject. Strikes are not only legal but also justified although the criterion for justification is measured by public interest. In case, the trade unions are found lacking, the NGOs are rushing to fill this vacuum specially in the matters relating to minimum wages and living conditions of the working men in unorganised sector. Therefore, there is need that the fluctuations in interpretation of labour laws and discrimination in wages should be avoided once for all.

Conclusion: Everyone who is involved with an organization directly or indirectly becomes involved in the activities of organization. The overall quality of labour-management relationship and changes therein can have an important effect on the industrial relations, the performance and the activities in an organization. Therefore, there is a unique importance of good labour-management relations. Maintenance of industrial peace is the primary duty of all the stake holders including State who are associated with the labour and industries directly or indirectly. In a country like India, which is based on welfare pattern one cannot undermine the importance of labour-management relations. The subject requires constant research and vigil at all times on the problems of workers, employers etc. There is a need of balancing the interests of employers and workers which in turn will help in growth of industrial economy. In fact, if we carefully examine, there is no conflict between the interests of workers and employers. Although, prima facie, it appears that there is an apparent conflict between the two. At the end, it is submitted that one must keep in mind the ultimate goal of each and every person in this world and their duties towards others.

⁹ ILO SAAT India : “*Economic Reforms and Labour Policies*” (2008) p. 371, New Delhi

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