



Industrial Disputes


- ID refers to any conflict between employers and employees or between employers and employers, or between employees and employees.


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- “Any dispute or difference between the employer and employees or between employees and workmen, or between workmen and workman, which is connected with employment or unemployment or the terms of employment or with the conditions of labour of any person”.


Causes of Industrial Disputes

- I. Psychological Causes-
- Difficulty in adjusting with each other (i.e., employer and worker)
- Clash of personalities
- Authoritarian Leadership (administration)
- Demand for self-respect and recognition by workers.
- Strict discipline

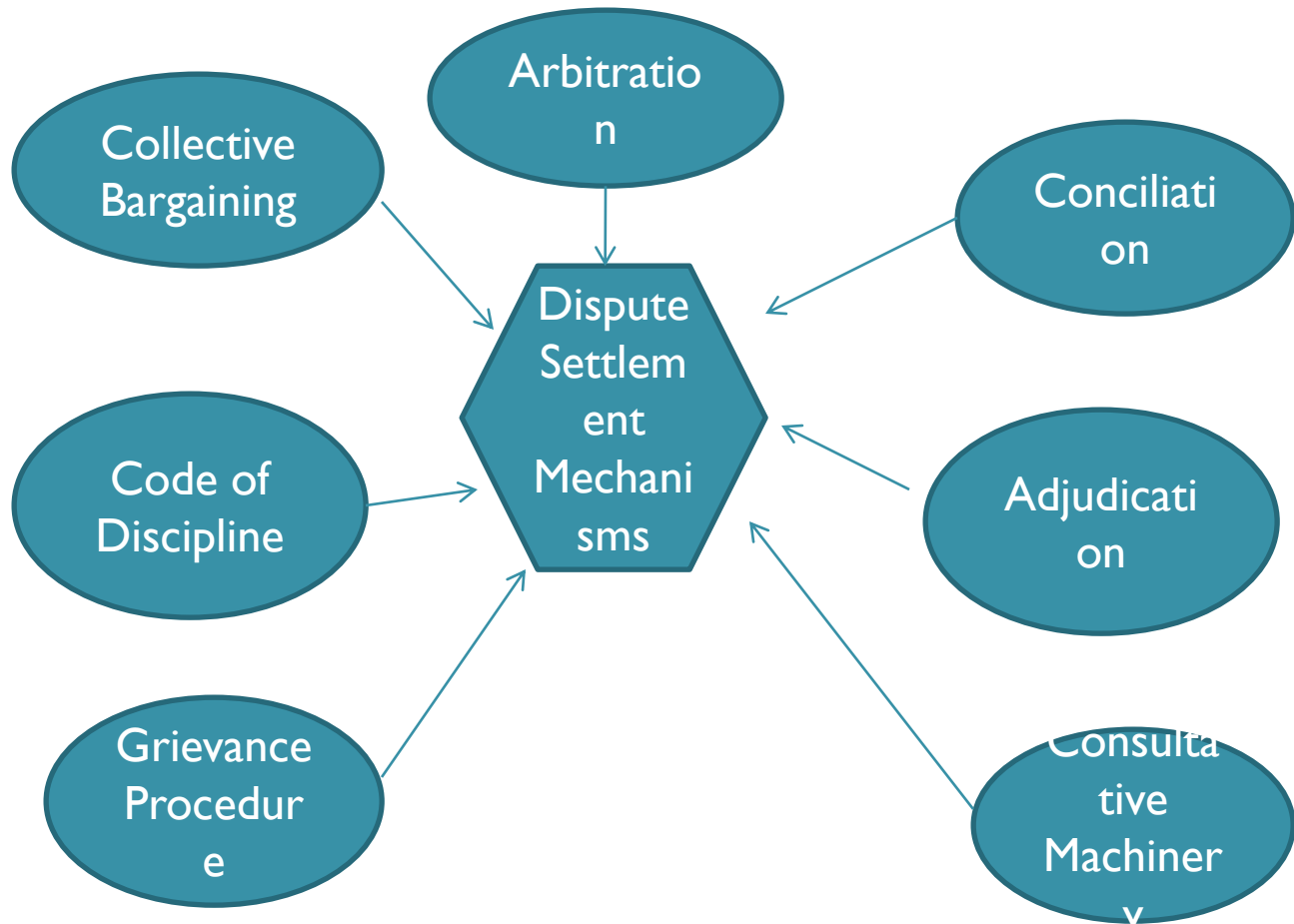
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- **2. Institutional Causes-**
 - Non recognition of the labour union by the management
 - Matters of collective bargaining.
 - Unfair conditions and practices.
 - Pressures workers, not to become members of union, etc.

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- **3. Economic Causes-**
 - ***A. Terms and conditions of employment***
 - *More hours of work*
 - Working in night shifts
 - Promotion, layoff, retrenchment, dismissal, etc.
 - ***B. Workers conditions***
 - ***Environmental conditions such as too hot, too cold, noisy, dirty, messy, etc***
 - Improper plant and workstation layout.

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- ***C. Wages and other benefits***
 - *Inadequate wages*
 - Undesired deduction from wages
 - Poor fringe benefits
 - No bonus or other incentives, etc.

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- **4. Denial of legal and other rights of workers-**
 - Not proceeding as per labour laws and regulations, standing orders, etc
 - Violation of already made mutual agreements (i.e. between employer and workers).

Settlement of Industrial Disputes



Process of collective bargaining

- 1. Preparing for negotiations
- 2. Identifying bargaining issues
- 3. Negotiation
- 4. Reaching the agreement
- 5. Ratifying the agreement
- 6. Administration of the agreement

Code of Discipline

- The code of discipline defines duties and responsibilities of employers and workers.

Arbitration

- Refers to a procedure in which a neutral third party studies the dispute, listens to both parties and collects information and makes recommendations which are binding on both the parties.

Adjudication


- means a mandatory settlement of an industrial dispute by a labour court or a tribunal.

Collective machinery

- Refers to bipartite and tripartite bodies operating at the plant, industry, state and the national levels.
- Purpose- to bring both parties together to settle the dispute.


Industrial Disputes Act, 1947


- The **Industrial Disputes Act, 1947** extends to the whole of India. It came into force April 1, 1947


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- The Government has passed Industrial Disputes Act 1947. According to this Act, “industrial dispute’ means “any dispute or difference between employers and employees employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment and conditions of employment of any person”.

Objectives

- The objective of the Industrial Disputes Act is to secure industrial peace and harmony by providing machinery and procedure for the investigation and settlement of industrial disputes by negotiations.

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- There are elaborate provisions relating to ‘Strikes and Lock-outs’.
 - The Act also has created machinery for prevention of industrial disputes. They are as follows:
 - Works committee
 - Standing orders
 - Code of discipline

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- For settlement of industrial disputes the mechanisms are
 - Conciliation
 - Arbitration
 - Adjudication
 - Trade Union Act 1926, gives permission to form and register Trade Unions with rights and duties, to strengthen their bargaining power and for obtaining rightful concessions from management.

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- **The Act also lays down:**
 - The provision for payment of compensation to the workman on account of closure or lay off or retrenchment.
 - The procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments
 - Unfair labour practices on part of an employer or a trade union or workers.

Applicability

- The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part-time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. This Act though does not apply to persons mainly in managerial or administrative capacity, persons engaged in a supervisory capacity and drawing > 10,000 p.m or executing managerial functions and persons subject to Army Act, Air Force and Navy Act or those in police service or officer or employee of a prison.