

Emergence of industrial relations in india



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Industrial relations is a sum total of Labour relationship, employees relationship, human relationship, and relationship among managerial employees relating to work and off the work. While it is true that the role of labour relations cannot be undermined while discussing Industrial relations, simultaneously, the role of employees relations and management relations also cannot be ignored. With the growing number of Unions among white - collared employees and equally vehement response from officers' Associations, the study of Industrial Relations is becoming more and more difficult and complicated.

The most important aspect of study of Industrial Relations is, what type of public relations it allows to build up between company and its shareholders, employees, financial institutions, press & media, government agencies, various influence groups, community and general public at large. IR was developed as a consequence of Industrial Revolution, when workers were treated as commodity that could be easily purchased and replaced. It has passed through various stages of experiments, hopes and despair and ups and downs.

The academicians, industrial relations professionals, trade unionists and industrial relations policy framers are reviewing the outcome of the existing policies and for giving a new shape to the to the policies of the first century. The IR policies have undergone a drastic change over a century. In the 19th century, the Workmen's Breach of Contract Act, 1859 and Workmen's Dispute Act, 1860 were designed to assist the employers in enforcing their work contract and maintenance of their security and order in their industries.

The laissez faire policy continued till 1928 in spite of the strong recommendations of the Bengal Industrial Unrest Committee, 1921 for establishment of Joint Works Committee, conciliation panel for PSUs and a Conciliation Board. The Bombay Industrial Disputes Committee, 1921 also had recommended for a statutory tribunal. The close of the First World War gave a new twist to the labour policy, as it created certain social, economic and political conditions, which raised new hopes among people for a new social order.

There was intense labour unrest as workers' earnings did not keep pace with the rising prices, the working conditions deteriorated with development of industrial units, and there were strained relations between the labour and management. The establishment of International Labour Organisation (ILO) in 1919 greatly influenced the labour legislation and Industrial relations policy in India. The emergence of trade unions in India, particularly the formation of All India Trade Union Congress (AITUC) in 1920 and Employers' Organisation Federation of Indian Chambers of Commerce and Industry in 1927 was a significant event in the history of industrial relations in our country.

These organisations nominated their representatives to the ILO conferences. The persistent demands of these organisations led the Indian Government to adopt the practice of holding consultations on important labour issues with the representatives of Provincial and State Governments, of employers and workers. This practice continued after the Fourth session of ILO Conference which was held on 7th August 1942 under the Chairmanship of Dr. B. R. Ambedkar. These tripartite meetings have played a significant role in review

and formulation of labour policies and in the making of labour legislation in India.

The first time Government exercised its power in IR was during 1920s, through the Indian Trade Unions Act, 1926 for establishing formal IR and Trade Disputes Act, 1929 for mutual settlement of industrial disputes through conciliation machinery. Then there were subsequent laws to bring about industrial peace like Bombay Trade Disputes Conciliation Act, 1934, the Trade Disputes Act, 1938, the Bombay Industrial Relations Act, 1946 and the Industrial Disputes Act, 1947. Since Independence, there have been major changes in the environment, the relations between the 2 parties and emergence of new forces in the field of IR.

Yet our antiquated laws have not really changed. The policy of “ free and voluntary collective bargaining” still operates without any positive push like Taft Harley Act. To maintain the balance of power between the 2 parties the Trade Unions (Amendment) Act, 1947, was planned by the Indian architect of IR policy, Sri V. V. Giri. His mission of promoting healthy IR and collective bargaining, popularly known as the “ Giri approach” through Labour Relations and Trade Union Bills of 1950 was destroyed by the voluntary approach under Code of Discipline in Industry, which itself failed to reap the purpose of its introduction.

Collective Bargaining machinery again is a reflection of a particular social and political climate. The history of trade union movement shows the union are affiliated to one or the other political parties. As a result most of the trade unions are controlled by outsiders which are a major reason for its

failure. The Trade Unions Act 1926 permits one to be the leader of the union who does not actually work in the industry. Sometimes a dismissed employee working as a union leader may create difficulties in the relationship between the union and the employer.

Some of the other special features influencing IR system are formation industrial federations, coming of big corporations and multplant units, revival of faith in voluntarism and the emergence of the Government as the biggest single employer and structural changes in the industrial organisation. The expanding public sector and the big size of the industrial organisations employing large manpower would dominate the future industrial relations system. I would like to look upon certain trends, issues and challenges we will be facing, as HR managers in the future, in the IR scenario.

The system of Wage Boards and Pay Commission has brought in Industrial federations because of which the broad issues are being negotiated at industry or national levels. This is leading to greater concentration of bargaining power and striking power at the industry and national levels, which is lethal for an economy, because strikes, lockouts and violence paralyses the economy with long term effects on the welfare of the society. The surge in industrial disputes shows that battle lines are being drawn in labour actions across India. Managers, amid the global economic downturn, want to pare labour costs and remove defiant workers.

Unions are attempting to stop them with slowdowns and strikes that have led at times to bloodshed. But the main reason for the growing number of industrial disputes is the country's archaic labour laws. Even after long

experiments and experiences the industrial relations policy makers are at a crossroad and again paralysed by the red tape, corruption and bureaucracy that prevail at every level of the country's administration. For example, the Industrial Disputes Act of 1947 still requires companies to gain government permission before dismissing workers.

The Contract Labor Law of 1970, meanwhile, prohibits employers from using temporary workers for long-term jobs. Both aim to encourage companies to protect workers by making them permanent. It's no surprise, therefore, that absorption of contract workers is one of the main issues in the recent Manesar case. No wonder IR professionals feel that the Contract Law is the most brutal law ever made, just to serve Government's purpose of hiring contract workers. Aspirations of the working people have to be considered and negotiations have to be conducted for healthy industrial environment.

HR Managers, being the facilitators in every company, are responsible to create that collaborative and conducive environment, where there can be equitable participation and a flexible approach to collective bargaining, and making the employees a part of the bigger purpose. The onus is on us, the future HR Managers of this huge country, to bring in a synergy of new thoughts and implement them in the best manner possible, because even though we are not yet a part of this whole mess, we definitely are aware of what is wrong and what should be right.

As we are empowered with such ideas and information, we are in a good position to bring in a change that we all want to see. Hence, looking at the way Industrial Relations has evolved over the 21st century, one can surely

envison the future, that is, what we as the future Human Resource Management fraternity can do to revolutionise the industrial world, as India is emerging as a fast growing manufacturing hub of the world and it would not hurt to help the bottom of the pyramid, as C. K. Prahlad puts it rightly, to find gainful employment. After all, they are the major human resource that India has.