# Industrial Disputes , Causes And Settlement : An Indian Perspective

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## **ABSTRACT**

An industrial dispute is a manifestation of a disagreement and a difference of opinion between the two disputants, namely the employer and the workmen. The potential for conflicts exist in all human situations and organizations. A passive and subdued workforce is not conducive for good relationships. The relationships in the industrial relations system start with cooperation, soon change between the two into conflicts, and after they are resolved, change again into one of cooperation. This changing process is a continuous feature of the industrial relations system. Industrial disputes arise due to various causes, which may be classified into economic, organizational, physical, technical, political, psychological and market-oriented conditions. The workers are especially interested in higher wages, congenial working conditions, and opportunities for career advancement, welfare facilities, job satisfaction and the like. When these are denied to them, the workers are forced to assert their rights, which then lead to industrial disputes. In the present economic scenario, there is a situation of rising input costs and declining output prices. Productivity improvement becomes imperative even to maintain the existing levels of profitability.

The resultant squeeze in employment, wages, dearness allowance, bonus and benefits create a sense of helplessness and result in disputes in the industrial setup. The present research paper analyses the causes and settlement of disputes from the perspectives of both - the workers and the management and suggests measures for maintaining good relations between the management and the workmen. The Findings of the study show that bonus, wages and allowances are the major causes responsible for industrial disputes from the perspective of both the workers and the management. Inter-union rivalry is the prime factor which influences disputes, and arbitration is the best way for the settlement of disputes.

Keywords: Causes of Industrial Disputes, Mode of Settlement of Disputes, Job Satisfaction, Workers, Senior Management

JEL Classification: J5, J52

## **INTRODUCTION**

❖ Industrial Disputes: An industrial dispute is a manifestation of disagreement and difference of opinion between the two disputants, namely the employer and the workmen. It may be in relation to employment or non-employment, or in relation to the terms and conditions of the employment of the workmen. Such a dispute may be a collective one or an individual-based one. The Industrial Disputes Act, 1947 contains provisions relating to individual disputes and also for collective disputes in sections 2(A) and 2(K) respectively. An Industrial Dispute has been defined as "any dispute or difference between employers and employers, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non employment, or the terms of the employment or in the conditions of labour of any person."

❖ Causes Of Industrial Disputes: Industrial disputes are referred to the Industrial Relations Machinery, whether they involved strikes or not, had arisen due to various causes, which may be classified into economic, organizational, physical, technical, political, psychological and market-oriented conditions. However, the relative importance of each one of these causes is very difficult to evaluate. The workers were especially interested in higher wages, congenial working conditions, opportunities for career advancement, welfare facilities, job satisfaction and the like. When these are denied to them, the workers are forced to assert their rights, which then lead to industrial disputes.

## **LITERATURE REVIEW**

The potential for conflicts exist in all human situations and organizations. A passive and subdued workforce is not conducive for developing good relationships. The relationships in the industrial relations system start with cooperation, soon change between the two into conflicts, and after they are resolved, change again into one of cooperation. This changing process is a continuous feature of the industrial relations system.

The National Commission On Labour (1969) commented that though a variety of factors operated from time to time to disturb the labor-management relations, case studies on many different industries disclosed that such disputes were

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often caused by deep-rooted beliefs and prejudices and hence, did not lend themselves to easy solutions. At times, these problems were purely economic and yet defied solutions. This divergence of interests between labour and management gave rise to occasional or frequent conflicts. A comprehensive personnel department with adequately trained staff was very useful for evolving a stable and consistent system of industrial relations.

The Report of National Commission on Labour (1995) envisaged: "A quest for industrial harmony is indispensable when a country plans to make economic progress, as industrial harmony inevitably leads to more cooperation between employers and employees, which results in more productivity and thereby contributes to the all round prosperity of the country."

Verma (1992) in his article entitled "Industrial Conflicts Since 1921-A Statistical Analysis" concluded that there was an upward trend in all the three indicators of conflict namely, the number of disputes, the number of workers involved, and the number of man days lost over the period 1921 to 1984. But this upward trend was subject to cyclical changes and irregular movements. Both economic and institutional variables influenced these industrial conflicts. The economic variables included growth in economic activity, wage rates and inflationary trends. The institutional variables included growth in the trade union movement and political changes in the country. He analyzed the features under the three periods. During the period 1921-38, rising prices, political events and trade union history were the critical factors in influencing the disputes. The period 1939-60 was marked by the increasing influence of wages and consumer prices on industrial conflicts. The period 1961-1978 witnessed the growing impact of wages, inter-union rivalry and political events in the country.

Kathiresan (1987) in his study "Dispute Proneness- A Statistical Analysis" attempted to build a model for explaining the generation of industrial disputes - both in the textile industry as such and in the dispute-prone units. The dispute-prone situation could be explained by the influence of certain economic variables such as employment, money wages, bonus and prices. The increase in employment, money wages and bonus payments resulted in a decline of dispute-prone situation in the textile industry. The findings of the study revealed that employment, wages and prices were negatively correlated to industrial disputes; whereas bonus payments were positively correlated to industrial disputes in textile units.

Gopal (1998) analyzed the causes for disputes in his thesis entitled "A Study on the Labour Management Relations in Textile Industry in Kerala". He found that wages and allowances, bonus payments and workload were the main causes for disputes as per the viewpoints of the workers and the managerial personnel. He suggested that the managements of all the textile units should reconsider the workload of the workers and should conduct time bound and motion studies before fixing the workers' work load. The government should also ensure the proper representation for all the recognized unions of the industry in the Industrial Relations Committee to reduce the number of industrial disputes and thereby, improve the labour-management relations.

Bean and Holden (1992) elucidated the major determinants of strikes in India over the last forty years in their study, entitled "Determinants of Strikes in India: A Quantitative Analysis". They confirmed that no consistent and statistically significant relationship could be found between the number of strikes and the changes in real wages, but political factors had a major influence on strike activity. Further, they confirmed that the industrial disputes and trade union membership fluctuations were very much inter-related.

The Report of the Expert Committee on Textile Policy (1999) commented that the ease of union formation, and the low threshold of membership requirements often led to the formation of multiple unions and militant, competitive trade unionism resulting in inter-union rivalry, or even violence and irrational demands, or even illegal strikes. There is, therefore, a dire need for balancing the labour-management relations, trade union rights and the formulation of a fair and balanced exit policy to optimize the utilization of scarce resources and for improving the productivity and competitiveness of the textile mills.

Mohannan (1999) in his article entitled "Some Aspects of Industrial Relations Since New Economic Policy" stated that in India, the managements consider the trade unions to be a necessary evil of the industrial system, while the trade unions consider that challenging and opposing the decisions of the management constitute their main task. The scope for collective bargaining was considered to be very weak owing to the basic disagreement in the view points of the political parties who controlled the different unions. The ideological orientation of most of the Indian trade unions was highly conservative as compared to the moderate approaches of the European and American trade unions. However, since the adoption of the economic reforms, radical changes have taken place, and the approach has moved

towards cooperation from that of confrontation.

Ratnam (2001) found in his study entitled "Globalization and Labour Management Relations - Dynamics of Change" that traditionally, wages and working conditions were under the domain of collective bargaining. Over the years, however, anything and everything has come under the purview of collective bargaining, such as staffing arrangements, workforce and composition, work norms, incentives and overtime payments, job and income security arrangements, technology and other changes, working tools, techniques and practices, staff mobility including transfers and promotions, rewards and punishments, individual grievances, discipline matters and the like. In fact, everything – from recruitment to post-retirement benefits have become a part and parcel of negotiations.

According to the Report of the Second National Commission on Labour (1999): The new mind set that the new context calls for must be reflected in all attitudes and activities, industrial relations or employer-employee relationship. All efforts must be made to promote bilateralism based on mutual interest and universally accepted fundamental rights and norms. Where differences persist, the law must be enabled, contending views to be settled through mediation and arbitration, including compulsory arbitration where a dispute may lead to disruption of social life affecting public health, sanitation, drinking water, supply of medical facilities and transport, and cause suffering to a large section of the people who are unrelated to disputes.

Bose (2011) said that job characteristics - such as safety and welfare measures, incentives, promotional opportunity, task clarity and significance, transport facilities and skills utilization, as well as organizational characteristics such as commitment and relationship with supervisors and co-workers - have a significant effect on job satisfaction.

The "objectionable remarks" made by the supervisor against an employee triggered violence at Maruti's Manesar Plant on July 21, 2012. Workers at the plant turned violent, attacking and injuring executives and managers in the office premises. The attackers also set fire to the property and damaged facilities. They blocked the exit gates and held the executives hostage. The Maruti management claimed that it tried to resolve the issue amicably, but during the talks, the workers allegedly attacked the members of the senior management, executives and managers. This version was contested by the union. Sarabjeet Singh, general secretary of the Maruti Suzuki Workers' Union (MSWU) said: "The supervisor made objectionable remarks against a permanent worker who belongs to the Scheduled Caste category. When we opposed it, they misbehaved with us and suspended the worker." Maruti Suzuki declared an indefinite lockout at its Manesar plant. This incident explicitly shows the antagonist attitude between the workers and the management. The cause for dispute and unrest is the absence of harmonious relationship between the management and the managed.

## **OBJECTIVES**

- a) To assess the major causes of industrial disputes.
- **b)** To identify the factors which influence industrial disputes.
- c) To examine the mode of settlement of industrial disputes.
- **d)** To study the attitude of workers towards the performance of the Industrial Relations department.

## **HYPOTHESIS**

The following null hypothesis has been formulated:

There is no significant difference of opinion between the workers of the private sector units and of the cooperative sector units regarding the performance of the industrial relations department.

## RESEARCH METHODOLOGY

The study was empirical in nature and it was carried out to find out the major causes of disputes; factors which influence industrial disputes and mode of settlement of industrial disputes.

**Construction of The Interview Schedule**: The study involved the collection of data from both primary and secondary sources. The primary data was collected from the sample respondents. For this purpose, two separate comprehensive interview schedules were prepared; (1) for the workers and (2) for the managerial personnel. The schedule for the workers was designed to seek data on the workers' socio-economic background, their

perceptions/attitudes regarding the causes of disputes, and mode of settlement of disputes.

The interview schedule for the management personnel was designed to elicit information regarding the perception / views of the managerial personnel on the causes and settlement of disputes. As the interview schedule included both positive and negative statements, it facilitated an inbuilt mechanism to reduce the weightage of inconsistent and contradictory responses. The interview schedules were pre-tested with the workers and management personnel in one of the units in each category.

- ❖ Sampling Design: In the study area, there were 222 textile mills as on January 1, 1999. The following criteria was taken into account while selecting the sample units for the study.
- a) The selected units should represent both the private and the cooperative sectors.
- **b)** The units employing less than 500 workers were to be excluded from the purview of the study as trade unions were generally weak in those units and the scope for a study on labour-management relations was very much limited in those units.

There are ten textile mills, employing more than 500 workers in the study area. Of the ten mills, eight mills are under the private sector, and two mills are in the cooperative sector. Therefore, four units from the private sector and one unit from the cooperative sector (50 per cent from each sector) were selected on a random basis. Thus, in total, five mills were selected for the present study.

- ❖ Selection of The Sample Workers: There were wide variations in the number of workers employed in the five mills selected for the study. However, sixty workers were selected from each of the five units, i.e. 240 workers in all from the four private sector units, and 60 workers were selected from the cooperative sector unit by adopting the simple random sampling technique. Thus, a total of 300 workers were selected for the present study.
- ❖ Selection of The Sample Managerial Personnel: The simple random sampling technique was adopted for selecting the managerial personnel also. Ten managerial personnel were selected from each of the five units, that is, 40 sample managerial personnel in all from the private sector (four units) and 10 sample managerial personnel from the co-operative sector (one unit). Thus, the total managerial personnel selected for the study worked out to be 50.
- ❖ Tools of Analysis: For the purpose of the analysis, statistical tools like Garret's ranking technique, Choice based ranking and Mann-Whitney U-Test were used.

# RESULTS AND FINDINGS ON CAUSES OF DISPUTES

**Workers' Perception On Causes of Disputes:** The workers' perception of the major causes for disputes in the private sector and in the cooperative sector are given in the Table 1.

Table 1: Major Causes For Disputes As Perceived By The Workers					
Causes for Disputes	Private Sector (	Cooperative Sect	ooperative Sector(N=60)		
	Average Score	Rank	Average Score	Rank	
Wages and Allowances	62.70	II	58.76	II	
Bonus	69.13	I	63.23	I	
Worn-out Machinery	49.92	V	53.25	IV	
Work Load	55.64	IV	52.17	V	
Poor Working Conditions	34.73	VI	44.30	VI	
Retrenchment	58.18	III	53.55	III	
Political Interference	22.70	VII	27.60	VII	
Source: Survey data. The coefficient of rank correlation: 0.97					

The Table 1 reveals that there was a uniformity in the viewpoint of the workers in the private as well as in the cooperative sector in respect of the following causes: Bonus (Rank 1); Wages and allowances (Rank 2);

Retrenchment (Rank 3); Poor working conditions (Rank 6); Political interference (Rank 7). The ranks assigned to the remaining two causes, namely, worn-out machinery and work load are different in the two sectors. The coefficient of rank correlation (0.97) shows that there was a similarity of thought regarding the major causes for disputes among the workers in both the sectors.

❖ Managerial Personnel's Perception On The Causes of Disputes : The Table 2 reveals the managerial personnel's perceptions of the major causes for disputes in the textile mills in the area under review.

Table 2: Major Causes For Disputes As Perceived By The Managerial Personnel						
Causes	Private Sector	(N=40)	Co-operative Sector (N=:			
	Average Score	Rank	Average Score	Rank		
Wages and Allowances	65.15	II	60.60	II		
Bonus	76.30	I	74.40	ı		
Worn-out Machinery	44.05	V	49.30	IV		
Workload	49.88	IV	46.50	V		
Poor Working Conditions	40.48	VI	39.20	VI		
Retrenchment	50.35	III	52.40	III		
Political Interference	23.80	VII	27.60	VII		
Source: Survey data						
The coefficient of rank correlation: 0.97						

The Table 2 reveals that there was a uniformity in the viewpoints of the managerial personnel in the private as well as the cooperative sector in respect of the following causes: Bonus (Rank 1), Wages and allowances (Rank 2), Retrenchment (Rank 3), Poor working conditions (Rank 6), Political interference (Rank 7). The ranks assigned to the remaining two causes, namely, worn-out machinery and work load were, however, different. The coefficient of rank correlation (0.97) lends support to this observation. Therefore, it can be presumed that the managerial personnel in the private sector as well as in the cooperative sector had uniformity in their views with regards to the major causes for disputes.

From the above analysis, it can be concluded that the economic factors were the major causes for industrial disputes.

## THE FACTORS INFLUENCING INDUSTRIAL DISPUTES

In addition to the common causes for disputes as analyzed above, there were a number of other factors, which were responsible for the emergence of the industrial disputes in the textile mills. The eight important factors which influenced the emergence of disputes were selected after prolonged discussions with the managerial personnel. With a view to analyze the perception of the managerial personnel regarding the selected factors, the technique of choicebased scoring was adopted. The respondents were asked to choose three factors which they found to be the most important factors in the occurrence of disputes, and they were asked to rank the chosen three options in the order of their preference. Scoring was done by assigning the weights of 3,2,1 to the 1st, 2nd, and 3rd option respectively. On the basis of the total scores obtained by each factor, the ranks were given.

**Perception of The Managerial Personnel In The Private Sector:** The Table 3 depicts the perceptions of the managerial personnel with regard to the factors which lead to industrial disputes. The ranking was done on the basis of the total scores obtained for each response (choice based ranking system was followed).

As revealed by the Table 3, 'inter-union rivalry' was the first factor in influencing disputes followed by 'the unchanging attitudes and approaches of the union/workers'. The 'wrong perceptions of the workers about the workload' scored the third rank. The fourth and fifth ranks were assigned to other reasons, namely, 'importance of the issue' and 'mob culture' respectively. The impact of other factors was found to be negligible in influencing the industrial disputes.

Table 3 : Managerial Personnel's Perception of Factors What Causative Factors	Priorities of Managerial Personnel (N=40)			Total Score	_	Rank*
	ı	II	III			
1.Inter-union rivalry.	30	4	6	104	44.33	I
2. Importance of the issue.	0	10	4	24	10.00	IV
3. Wrong perceptions of the workers on the workload they have to take on.	0	10	6	26	10.83	III
4. Mob culture.	0	6	6	18	7.5	V
5. The unchanging attitudes and approaches of the union/ workers, namely, that they have to fight and extract benefits.	9	9	4	49	20.42	II
6. Failure of the management to recruit workers with the right attitude and social background.	1	1	2	7	2.92	VII
7. Negative attitude of the management towards unions and unwillingness to recognize the rights of the workers to form unions.	0	0	2	2	0.83	VIII
8. Exploitation of unions and workers by political leaders for their personal gains.	0	0	10	10	4.17	VI
Total	40	40	40	240	100.00	

Source: Survey data

<sup>\*</sup> Ranking was done on the basis of the total scores obtained for each response (choice based ranking system is followed).

Factors	Priorities of Managerial Personnel (N=10)			Total Score		Rank*
	- 1	II	III			
1.Inter-union rivalry.	5	5	0	25	41.67	-
2. Importance of the issue.	3	2	3	16	26.67	Ш
3. Wrong perceptions of the workers on the work load they have to take on.	0	0	3	3	5.00	V
4. Mob culture.	0	0	0	0	-	-
5. The unchanging attitudes and approaches of the union/workers, namely, that they have to fight and extract benefits.	0	0	0	0	-	-
6. Failure of the management to recruit workers with the right attitude and social background.	2	3	0	12	20.00	III
7. Negative attitude of the management towards unions and unwillingness to recognize the rights of the workers to form unions.	0	0	0	0		-
8. Exploitation of unions and workers by political leaders for their personal gains.	0	0	4	4	6.67	IV
Total	10	10	10	60	100.00	

<sup>\*</sup> Ranking was done on the basis of the total scores obtained for each response (choice based ranking system is followed).

<sup>❖</sup> Perceptions of The Managerial Personnel In The Cooperative Sector : The Table 4 shows the perceptions of the managerial personnel with regard to the factors which influence industrial disputes in the cooperative sector.

Table 5 : Workers' Perception of Desired Forms of Settlement of Disputes						
Desired Form	Private Sector	(N=240)	Co-operative Sector (N=60)  Average Score Rank			
of Settlement	Average Score	Rank				
Mutual negotiations	71.58	I	68.75	I		
Conciliation	57.42	II	60.25	II		
Adjudication	44.00	III	44.00	III		
Arbitration	27.00	IV	27.00	IV		
Source: Survey data. The coefficient of rank correlation: 1.00						

The Table 4 shows that among the various factors, 'inter-union rivalry' was the most important factor in influencing the disputes followed by the 'importance of the issue' and 'failure of the management to recruit workers with right attitude and social background'. Since the scores of the other factors were marginal, their impact was found to be negligible in influencing disputes.

The above analysis on the perception of the managerial personnel in the two sectors with regard to the factors indicates that 'inter-union rivalry' was the most important factor in influencing disputes in both the private and the cooperative sectors. However, the managerial personnel in the two sectors had different view points with regard to the other factors which have an influence on industrial disputes.

## DESIRED MODE OF DISPUTE SETTLEMENT

This section analyses the workers' and managerial personnel's perceptions on the various modes of dispute settlement. In all, four different methods of dispute settlement were chosen and the respondents were asked to rank these according to their preferences. To understand the methods of settlement of disputes in their order of importance, Garret's ranking Technique was used.

**Workers' Perception**: The Table 5 provides the workers' perceptions of the desired mode of settlement of disputes.

Table 6: Desired Forms Of Dispute Settlement As Perceived By Managerial Personnel						
Desired Form	Private Sector	(N=40)	Cooperative Sector (N=10)			
of Settlement	Average Score	Rank	Average Score Rank			
1. Mutual negotiations	64.50	I	67.90	I		
2. Conciliation	63.50	II	61.10	П		
3. Adjudication	43.00	III	44.00	III		
4. Arbitration	27.00	IV	27.00	IV		
Source: Survey data. The Coefficient of Rank Correlation: 1.00						

Table 5 indicates that the workers in both the private and the cooperative sectors had identical viewpoints regarding the various methods of settlement of disputes. The workers considered mutual negotiations as the first important method for settling the disputes followed by conciliation, adjudication and arbitration in the order of importance. The coefficient of rank correlation (1.00) lends support to the above observation.

❖ Perception Of The Managerial Personnel: The Table 6 shows the managerial personnel's perceptions of the desired forms of settlement of dispute. The Table 6 shows that the managerial personnel in both the private and the cooperative sectors had identical perceptions with regard to the mode of settlement of disputes. They assigned the first rank to mutual negotiations. The second, third and the fourth ranks were given to 'conciliation', 'adjudication' and 'arbitration' respectively in both the sectors.

The coefficient of rank correlation (1.00) lends support to the above observation. From the above analysis, it is understood that there was a perfect consensus among the workers and the managerial personnel with regard to the importance of the different modes of dispute settlement.

## THE PERFORMANCE OF THE INDUSTRIAL RELATIONS DEPARTMENT

The industrial relations department plays a crucial role in settling disputes and promoting industrial peace within the sample units. The performance of the industrial relations department has an important bearing on the labour-management relations scenario in the factories. All the sample units had industrial relations department. So this section analyses the level of satisfaction of the workers regarding the performance of the industrial relations department of their units in preventing or in settling disputes with a view to promote peace in their units.

An attempt was made to measure the level of satisfaction of the workers about the performance of their industrial relations department. For measuring this satisfaction, five statements were prepared. Each of these statements was placed on a five-point scale. The average and standard deviation values were used to find out the levels of satisfaction. The mean value and the standard deviation were found to be 3.102 and 0.6602 respectively in the private sector.

 $X + \sigma = 3.7622$  (High level of satisfaction)  $X - \sigma = 2.4418$  (low level of satisfaction)

The value between 3.7622 and 2.4418 indicated a medium level of satisfaction. The mean value and standard deviation were found to be 2.773 and 0.8609 respectively in the co-operative sector.

 $X+\sigma = 3.6339$  (High level of satisfaction)  $X-\sigma = 1.9121$  (low level of satisfaction)

The value between 3.6339 and 1.9121 indicated a medium level of satisfaction. With these three levels, the researcher classified the levels of satisfaction of the workers in the two sectors as high, medium, and low as shown in the Table 7.

Table 7: Level of Satisfaction With The Performance of the Industrial Relations Department (As Perceived By The Workers)							
Level Private Sector (N=240) Cooperative Sector (N=60)							
of Satisfaction	No.	Percentage	No.	Percentage			
Low	40	16.67	0	-			
Medium	153	63.75	8	13.33			
High	47	19.58	52	86.67			
Total	240	100	60	100			
Source: Survey data.							

It is evident from the Table 7 that 63.75 percent of the workers in the private sector expressed a medium level of satisfaction. In the cooperative sector, 86.67 percent of the workers expressed a high level of satisfaction. The researcher tested the null hypothesis that there was no significant difference of opinion between the workers of the private sector units and those of the cooperative sector units regarding the performance of the industrial relations department. Since the calculated Z value (6.997) is greater than the Table value (1.96) at five per cent level of significance, the null hypothesis stands rejected. So, it can be concluded that there is a significant difference of opinion between the workers of the private sector units and those of the cooperative sector units regarding the performance of the industrial relations department.

## **CONCLUSION**

An overview of the facts presented reveals that the number of disputes leading to strikes and lockouts were very few in number in the area under study, but the intensity of the disputes showed the strained relations between the management and the workers. The economic factors were found to be the major causes for the occurrence of the industrial disputes in both the private and the cooperative sectors. It has been found that the inter-union rivalry was the most important factor leading to industrial disputes. The multiple union structure encouraged rivalry. 'Mutual

Z value: 6.997 P = < 0.05

negotiations' was found to be the best mode of settling disputes in both the sectors. A moderate level of satisfaction was found in the case of the private sector regarding the performance of the industrial relations department; whereas a high level of satisfaction was found in the case of the cooperative sector.

Bonus, wages and retrenchment were found to be the major causes for disputes. In the present economic scenario, there is a situation of rising input costs and declining output prices. Productivity improvement becomes imperative even to maintain the existing levels of profitability. The resultant squeeze in employment, wages, dearness allowance, bonus and benefits create a sense of helplessness and result in disputes in the industrial setup. Hence, the following guidelines will help for developing good relations between the management and the workers:

- 1) In the adjustment of differences between the labour and the management, the best course would be to prevent the differences from developing into disputes.
- **2)** Even if the difference has developed itself into a dispute, it would be desirable to secure its settlement by negotiations between the two concerned parties.
- **3)** If, however, it becomes necessary to secure outside help, it must rather be for the purpose of mediation and consultation rather than for adjudication; and
- **4)** If all attempts of conciliation fail, adjudication should be sought for by voluntary reference rather than by compulsory reference.

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