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INDUSTRIAL RELATIONS

AND

TRADE DISPUTES

UNITED PROVINCES

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J. SINGH, M. A.
Statistical Superintendent

Department of Economics and Statistics, United Provinces Government



ALLAHABAD:
SCHERINIENDENT, PRINTING AND STATIONERY, UNITED PROVINCES, INDIA
1948

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CHAPTER I

Industrial Relations

In the modern world the most important problem in connection with Industrial labour is the problem of the maintenance of industrial peace. It has come very much in relief in the Post-War Period and there is no industrialised country worth the name where it does not face its people in a very acute form.

- 2. The problem of the conflict between labour and capital all the world over is a product of large scale enterprise. The essential characteristic of large scale industry is the concentration of economicpower in the hands of individual employers and the employment of workers in a mass. Due to the ownership of the means of production of a country by a few individuals only, it places them in a very strong economic position; on the other hand the workers, who do not own anything, are left to the mercy of their employers. In order to live, they must sell their labour power; they cannot live if they do not work. An individual worker finds himself in a very weak bargaining position against his employer and has, therefore, to accept the terms of the latter who is always in a position to dictate. Whenever the conditions of service do not suit the worker and he makes a demand, the employer ie not always ready to accede to it. This sets the worker thinking and he takes the help of other workers also in achieving his economic ends. As there is a common interest of all the workers in an industry they decide to put their demands before the employer collectively, rather than individually. Workers in other industries also similarly placed, try to organise themselves and, if possible, to force their demands by refusing to work, in case they are not accepted by their employers. The employers in their turn also become class-conscious and in order to protect their interests, find it necessary to work together. They eschew their business rivalries and competition amongst themselves and organise Employers' Associations to face the organised strength of workers and deal effectively with their demands. Both the workers and their employers realise the advantages of collective bargaining and expand their respective organizations to bring within their ecope other industries also similarly placed.
- 3. If the employer does not accept the demands of his employees there arises a dispute which ultimately takes the shape of a dispute between the organizations of employers and their employees and a

measure of strength between them. When industrial disputes assume this character, their outbreak some times involves a complete cessation of work, and then it is not possible to look upon them as a break between an employer and his employees, but as industrial dislocation of magnitude to be reckoned with. Frequent break downs in the economic system are very much likely to impoverish a community and, therefore, the prevention of industrial strife becomes an important matter in the national policy of a country. In advanced industrial countries this tussle between the organised strength of the working class and industrialists has been going on since many decades, and it is noteworthy that the efforts of the former have not been in vain. They achieved laudable concessions both at the hands of their employers and the State. What was not recognised as their right at one time was acceded to them at a later date. The mass of labour and industrial legislation that we come across has been the direct outcome of the concerted efforts of labour at different stages of economic development for the amelioration of their economic conditions. The recognition of the principle of collective bargaining itself has a history behind it and was achieved after a good many battles which the working class had to wage,

4. In India also the development in industrial relations has followed the same pattern. There was a time when collective action on the part of workers was unknown. The organised industry in India has a comparatively long life, but the problem of industrial peace is of recent growth. In the United Provinces it is a product of the last 25 years or so.

First World War

began to manifest itself after the First World War of 1914-18. Though there had been some unorganised strikes particularly at Kanpur before this period, the history of organized labour movement dates only from the end of the war. Conditions at the close of the war, the Russian Revolution and the world working class movement did not leave the workers in this Province unaffected. Economic and political conditions also contributed to this new awakening. The workers in organised industries in the Province got their aspirations from the growing national movement and realised the significance of organised effort and collective action. During the war, prices had doubled without any increase in wages. A strike wave for rise in wages started from Bombay and affected the minds of the industrial workers of this

Province also. They began to organise themselves in labour organizations and within a few years gained appreciable strength. The foundation in 1920 of the All-India Trade Union Congress marked the first recognition of common interest of labour throughout the country. The movement was, however, threatened with penalties against trade unions and the leaders in the absence of any protecting law. The Indian Legislative Assembly adopted a resolution in 1920 favouring legislation for the registration and protection of trade unions. The Indian Trade Unions Act was passed in 1926. The passing of this Act, though placed certain limitation on trade unions also, gave them a stimulous and enhanced their position by giving them status and recognition in the statute book.

6. The Kanpur trial of 1924 and the Meerut Conspiracy case of 1929 in which many important labour leaders were involved gave new inspirations to the labour movement. In fact these cases did not serve the purpose for which they had been initiated, but provided new forums to the labour leaders to propagate new doctrines involving extensive socio-economic changes in the country. This attracted the mass of workers and active agitators caught their fancy. Trade Unionism began to be more aggressive and took a new turn of development.

Growth of Labour Unions

7. Brisk organisation of labour unions on proper lines began in the thirties and opened a new chapter in the history of Trade Unionism in the United Provinces. Early in the decade, workers in general were faced with rationalization schemes and wage cuts. These they could not face without closing their ranks. The political turnoil in the country also provided them with new ideas and gave them popular support for their cause. The following table shows the development of Trade Unions in the Province:

Trade Unions in U. P.

			Total no. of	Membership			
	Years	registered Trade Unions		Men	Women	Total	
1952-33	••	•••	6	9,623	••	9,623	
1933-84	••	••	7	7,511	••	7,711	
1934-85	••	••	8	3 ,245	••	3,245	

				Membership			
	Years		Total no. of registered Trade Unions	Мел	Women	Total	
1935-36			10	7,324	12	7,236	
1956-37	••	••	10	10,070	11	10,061	
1937-28	••	••	13	13,910	71	13,981	
1938-39	••	••	40	11,720	32	11,752	
1939-40	••	••	43	15,597	214	15,811	
1943-41	••	••	43	17,890	155	18,045	
1941-43	••	••	43	17,233	260	17,493	
1942-43	••	••	33	23,333	295	23,628	
1943-44	••		37	35,331	653	36,023	
1944-45	••	••	43	55,973	670	56,649	
1945-46	••	••	5ā.	58,985	1,066	60,031	

These figures suffer from two limitations. They relate so only those trade unious which:

- (i) were registered under the Trade Unions Act of 1926, and
- (ii) submitted correct annual returns to the Registrar of Trade Unions. Such unions which either do not submit their annual returns or submit incorrect returns are at once de-registered by the Registrar of Trade Unions. The statistics, therefore, do not give the correct picture of the strength of trade unions in the Province, but for whatever they are worth, they reveal some very marked features.
- 8. What is most striking is that the whole labour movement got a new I fe with the advent of Congress Ministry in the Province in 1937. Although the Congress regime was only short lived, it enabled the labour organizations to place themselves on much stronger footing. For the first time, the industrial workers received sympathetic and benevolent treatment from the State. The number of unions increased by fourfold and the union membership was almost doubled during the period. Just after the Congress Ministry resigned, the II World War broke out which brought in its wake new economic difficulties which could not be faced without greater efforts by labour

organizations. The zeal was, therefore, kept up and both the number of unions and their membership increased during the first three years of the War. Then followed the National upsurge of 1942 which gave another spure to the labour movement and increased the membership by more than 40 per cent. The aftermath of the II World War created a revolutionary spirit in the ranks of industrial workers and they attained higher land marks in the development of their movement. The membership of trade unions in United Provinces which stood at 7,000 in the year 1935-36 just before the inauguration of Congress Government of 1937, reached the mark of 60,000 in 1945-46 the post-war period.

9. The following table gives a comparison of Trade Union membership in United Provinces by industrial groups for the last four years:

			Membership						
Grou	₽ a		1942-43	1943-44	1944-45	1945-46			
Railway and trans	port	••	2,701	8,131	19,977	24,543			
Textiles	••		12,592	19,377	20,809	18,863			
Printing Press	••		755	62 5	594	1,167			
Engineering	••	••	1,821	926	1,337	1,161			
Miscellaneous	••	••	6,259	11,564	14,431	14,794			

Railway and transport group accounts for the largest number of members, followed by textiles. During the four years the membership of the former increased by more than eight times and of the latter by about 150 per cent. The Railway and transport workers turned the corner in 1944-45 and marked a definite step in the development of their Unions.

10. The table below gives the number of Trade Unions together with their memberships districtwise in the Province for the last two years:

			Number of T	rade Unions	Total membership		
Distric	ts .		1944-45	1945-46	1944.45	1945•46	
Allahabad	••	•	1	5	594	1,694	
Aligarh	••			1		600	
Bareilly	••		3	3	1,785	992	
Banaras	••	• .	4	4	1,584	688	
Basti	••	•.		1		247	
Kanpur	••	(11	13	21,959	16'160	
Farrukhabad	••			1		192	
Gonda	••		l	2		630	
Gorakhpur	••]	13	9	20,144	14,013	
Lucknow	••		4	2	8,897	13,983	
Mireapur	••	}	4	6	1,355	1,264	
Moradabad	••		1	2	34	604	
Mainpuri	••			1		76	
Naini, Tal	••			1		138	
Saharanpur	••		2	1	2,445	2,145	
Shahjahanpur	••		1	1	2,258	2,425	
Sitapur	••		·	1	••	4,180	
T	otal		43	52	56,048	60,031	

The main centres of trade union activity in the order of their importance are the Districts of Kanpur, Gorakhpur and Lucknow. These three districts alone account for 72 per cent, of the total trade union membership of the Province. Other districts have not organised or have very little trade union activity.

Position of Trade Unions

11. In fact the labour movement in the Province has not yet attained the status which it should have. Only one of every five workers in the Province is a member of his Trade Union, and quite a hig mass of industrial workers still remain unorganised. From the

(7)

following table it will be seen that only a small percentage of workers have so far been brought in the fold of labour unions:

4	Ye	Par		Daily average no. of workers employed	Total Trade Union Membership	Percentage of column 3 to column 2
	1			2	3	4
1939-40		••	••	159,788	15,811	10
1940-41	••	••	••	179,785	18,045	10
1941-42	••	••		222,632	17,493	8
1942-43		••	••	231,446	23,629	10
1943-44	••	••		253 ,9 35	86,023	14
1944-45	••	••		277,147	56,649	20
1945-46	••	••		275,413	60,031	· 92

12. Even if we consider the position of the organised labour movement of the country as a whole, it would still appear in infancy. The following table gives the reported membership of labour organizations in a few countries of the world which were represented at the World Federation of Trade Unions in October, 1945, at their first meeting in Paris:

	Cou	ntry		Membership Reported		
Union of Sc	cialist S	oviet Repub	olios	•••	27,124,000	
United Kin		•••	•••	***	6,600,000	
United Stat	es of An	aerica	•••	•••	6,000,000	
France	•••	•••	•••	•••	5,850,000	
Italy	***	•••	•••	•••	5,200,000	
Czechoslovs	kia	•••		***	1,500,000	
Rumania	***	•••	•••	•••	1,267,000	
Sweden	•••	•••	•••	***	1,087,000	
Poland	•••	•••	***	•=	1,011,000	
Hungary	•••	•••	•••	•••	838,000	

		Country		Membersh	p Reported
India		•••	***	***	864,000
China	•••		**-	***	800,000
Australia	y ex	***		•••	625,000
Yugoslavia		•••	•••	•••	622,000
Cuba		•••	•••	•••	558,000
Uruguay	•• •	•••	•••	•••	540,000
Belgium	•••	•••	•••	•••	500,000
Denmark		***	•••	•••	500,000
Nigeria	•••	•••	14.	•••	500,000
Norway	***	•••	•••	•••	400,000
Austria		•••	***	•••	350,000
Canada	•••	***	***	•••	300,000
Finland	•••	•••	•••	***	260,000
Switzerland	•••	***	•••	***	2 60,00 0
Columbia	•••	•••	•••	•••	200,000
Netherlands	***	•••	•••	•••	170,000
New Zealand	١	***	•••	•••	168,000
Spain		•••	•••	•••	163,000
Palestine	***	***	***	•••	158,000
Brazil	•••	***	•••	***	150,000
Ireland	•••	•••	***	•••	145,000
Egypt	•••	•••	•••	***	138,000
United Provi	inces*	•••	***	•••	60,031

13. As will appear the position of India is very low in the list, Even countries like Czechoslovakia, Rumania, Sweden, Polaud and Hungary have higher membership of organised labour though they would pale into insignificance if they were compared with India on the map of the World. Similarly even very small countries which would not compare well in many respects with United Provinces, have recorded very high figures of membership of their labour organizations as compared to the membership in our province. Finland claims a membership of 260,000, Denmark and Belgium of 500,000 each, New; Zealand of 108,000, Palestine of 158,000 and Ireland of 145,000 while at the same time United Provinces has got only 60,000 members of organised labour at its credit which is rather depressing. The working class in India has still to make many strides to achieve a position of honour worth the name and has still to learn many things in this field from foreign countries.

^{*}Inserted for comparison.

14. The following table taken from the issue of July 1947 of Indian Labour Gazette compares the membership of Trade Unions in different provinces of India during the six years of II World War:

Province		1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	Fercen- tage increase from 1939-40 to 1944-45
1		2	3	4	5	6	7	8
Ajmer-Merwar	•	3,466	281	238	4,794	1,047	946	72.71
Assam		982	1,476	1,502	1,948	1,580	2,486	159-16
Bengal		122,368	103,662	175,595	221,635	289,658	286,255	133-93
Bihar	ļ	13,596	29,925	10,337	18,738	21,947	73,498	440.07
Bombay		105,799	121,886	120,158	130,688	149,359	172,679	68-21
Central Provin	rces	11,560	17,261	23,984	29,430	14,833	18,748	18 '93
and Berar. Delhi		24,376	24,189	21,546	16,895	24,712	90,504	25-14
Madras		71,092	53,637	42,924	49,451	64,567	88,270	24-16
North West F tier Province		684	619	917	418	428	828	52.05
Orissa	••	374	328	535	259	653	1,494	299-47
Punjab	••	11,051	6,742	7,191	12,493	13,714	8,308	24.82
Bind .		7,629	11,051	11,500	8,934	10,677	12,431	58· 78
United Provin	C65	15,811	14,807	17,493	29,976	32,944	36,734	132.33
Trade Uni whose obje were not con to one Prov	ots fined	122,150	12 7,9 73	140,205	168,540	154,803	161,774	32-44
Total	••	511,188	513,832	573,520	685,290	780,967	889,388	74.00

The Province of Bengal leads in the membership of registered trade unions followed by Bombay, Madras, Bihar, United Provinces and Delhi. The figures against various provinces represent the membership of unions whose objects were confined to those provinces alone. In the year 1944-45, barring 'Central Unions' the Province of Bengal had 320, Madras 154, Bombay 93, Central Provinces and Berar 53, Bihar 49, Delhi 40 and United Provinces 34 Unions only. There was an all round improvement in working class organizations. War time conditions brought complex problems like dearness allowance, bonus, long hours of work, overtime, etc. and collective bargaining on these issues made better organizations of industrial workers imperative.

Short Comings

15. The financial position also of Trade Unions in the Province does not give a bright picture. The following tables give the liabilities and assets from consolidated balance sheets drawn from the annual returns submitted by the Trade Unions to the registrar in various years:

Liabilities

-	1943-44	1944-45	1945-46				
			•		Rs.	Rs.	Rs.
Loans	••	••	••	••	757	9,763	4,573
General fund	••		••	••	11,787	26,444	41,357
Other liabilities	••	••		••	15,881	1,922	90,694
			Total	·	28,425	38,134	1,36,629

Assets

110000										
•	Assets						1945-46			
					Rs.	Rs.	Rs.			
Cash	••	••	••	••	14,046	19,706	1,05,76 6			
Becurities	••	••	••		929		••			
Unpaid subscrip	ption	••	••		6,088	7,314	9,132			
Goods and furni	iture	••	••		742	1,399	4,488			
Losns	••	••	••	}	418	1,643	6,636			
Miscellaneous	••	••	••	[6,202	8,072	10,607			
		Total	••		28,425	33,184	1,86,629			

The financial position of the majority of the Trade Unions as evidenced from their balance sheets was far from satisfactory. In 1943-44 out of 23 Trade Unions as many as 13 Unions had their general fund below Rs. 50, while some had below Rs. 5. One Union, having the biggest amount of general fund had Rs. 3,786. In the year 1944-45 also the position was very much the same. Out of 43 Unions, 16 had their general fund below Rs. 50 and there were 3 Unions which had below Rs. 4. The Kanpur Mazdoor Sabha Kanpur registered in 1923, which is the oldest and one of the prominent unions in the

Province had a deficit budget. One Union alone was responsible for Rs. 63,000 under unpaid subscriptions on the assets side. The figures under 1945-46 are more deceptive than real. Some district authorities had laid down that they would allot yarn to weavers through their registered Trade Unions only with the result that many Unions of weavers cropped up during the year. The high figures of other liabilities on the liabilities side and cash on assets side is represented to a great proportion by heavy amounts of share capital raised or deposits taken by these Handloom Weavers' Unions, many of which got deregistered shortly afterwards. In fact the financial position of many Trade Unions continued to be be unsatisfactory. About 50 per cent of the unions had a closing halance of general fund below Rs. 50 and quite a good many reported arrears under unpaid-subscriptions which has all along been a marked feature of their chaotic finances.

- 16. Due to the unsound financial condition of Trade Unions, they are not in a position to render much help to their members: they cannot undertake ameliorative measures for their well being, which should form an important item of their functions. The annual report from the Registrar of Trade Unions in the Province for 1945-46 shows that of the Unions from whom information was received only one rendered death benefit to the extent of Rs. 10 and only in one case a member was paid Rs. 50 as old age pension. Two unions awarded Rs. 65 as compensation to their members for victimization. An active member of a union being victimized by his employer for Trade Union activities is a common occurrence, and it should be a moral duty of the union to which he belongs to stand by him in his distress and render financial help during his unemployment, But few unions as they are, can give any hope to those in their fold in this direction with the result that the common worker is averse to active participation in Trade Union activities.
- 17. It is common knowledge that Indian workers are illiterate and are not aware of the provisions of the various industrial and labour laws: they do not know even such legal provisions which have been made to protect their own interests. It becomes the duty of his Union, therefore, to help a worker to secure such benefits as he can under any of the laws. But it is disappointing to note that the majority of the unions fail in this matter and their constituents do not receive the help they so much deserve. It is reported that in the year 1945-46 in the United Provinces only 8 Unions rendered assistance to their members in getting relief under various acts. It is interesting to note, however, that in respect to 3S cases under the Workmen's Compensation Act and

4 under the Payment of Wages Act taken up by a Union, encess was achieved to the extent of 90 per cent. and 100 per cent. respectively. It can be imagined how much real service would be done to the working class, if their own Unions realised their responsibility in this matter and gave such attention to it as it deserved.

18. In the following table trade unions in the Province have been grouped according to their total membership at the end of 1945-46:

Berial number	Number of members		Number of Unions	Percentage total number of all Unions	Total member- ship	Percentage over total membership of all Unions
1	Under 100	••	9	17.3	527	.9
2	100 and under 500	••	20	38-4	4,545	7.5
8	500 and under 1,000	-	10	19-2	6,824	11'4
4	1,000 and under 2,500	••	7	13.2	12,017	20.0
5	2,500 and under 5,000	•	3	5.8	10,552	17.5
6.	5,000 and under 10,000	••	9	3-8	11,649	19*4
•	Over 10,000	••	1	2.0	13,917	23.2
	Total	••	59	100.0	60,031	100.0

It is interesting to note that a great proportion of the total number of trade unions falls in the group 100 to 500 and 500 to 1,000, the percentage in the former group being the highest i.e., 38 per cent. Only 13 Unions, i.e. one-fourth of the number in the Province had their membership above 1,000 and only one had a membership above 10,000.

Employers' organizations

19. Trade Unions of workers in the Province which are so weak and suffer from so many handicaps are required to face powerful organizations of employers. The two parties concerned in the maintenance of industrial relations are extremely ill-matched: employers are, as a rule, immeasurably stronger than labour. Employers organizations may be roughly divided into three categories: (1) Commercial associations, (2) Industrial associations, and (3) Employers' associations in the strict sense of the term. The commercial associations are not the employers of industrial labour, but they have nevertheless a great indusence upon the development of labour policy both of the employers

and the Government. Industrial associations like the Indian Sugar Syndicate have been established chiefly for the promotion of industries exclusively; but as far as labour policy is concerned there is hardly any difference between industrial and employers' associations, except that for the former, the treatment of labour questions is only a part of their activities, while the latter have sprung up expressly for dealing with labour questions. United Provinces have the following well known organizations:

- (1) The Upper India Chamber of Commerce.
- (2) The United Provinces Chamber of Commerce.
- (3) The Muslim Chamber of Commerce.
- (4) The Employers' Association of Northern India.
- (5) The Indian Sugar Syndicate.
- (6) The Indian Sugar Milis Association.
- 20. The most important Employers' Association in the United Provinces is the Northern India Employers' Association, which was formed in August 1937 to counteract the general strike at Kanpur in that year. The chief Industrial Association in the Province is the Indian Sugar Syndicate which came into being in 1936-37 to arrest the fall in sugar prices which were going below uneconomic level due to over-production in that year. All vacuum pan factories have to be syndicates' member to enable them to get a crushing license. The membership fee is one anna per maund of augar produced. The Syndicate has also started a labour department to assist its members on matters relating to conciliation with labour, and interpretation of Government orders and also for proper enforcement of such orders. All of them are well organised and well financed. The membership of these associations is not always all-comprehensive, but the number of nonmembers is invariably very small. On the other hand the proportion of industrial workers brought in the fold of labour unions is as yet very small. This contrast in the strength of employers and labour organizations is universal, but in India and particularly the United Provinces it is much more accentuated.

Need for development

21. Employers of labour in India are fully conversant with the weaknesses of labour unions and are in no mood to encourage their development by declaring to deal with them in day to day development of labour problems and in the furtherance of industrial peace in general. It is generally believed that a well organised labour force would be in the interest of employers, because on all matters they would

find organized labour easier to deal. But paradoxical as it may seem. they would rather suffer considerable losses than encourage the formation and development of labour unions, particularly inconvenient ones. It is interesting to note that whenever there is a strike, the employer is prompt in exhibiting his reluctance to deal with the workers' union and negotiate with its leaders, and very often he is prompted in this by a false misconception that his softness towards a trade union may not give it a status and recognition. This attitude sometimes leads to disastrous consequences, and was very much deprecated by the Royal Commission on labour in India. The commission observed, "nor is labour the only party that will benefit from a sound development of the trade union movement. Whilst the advantages to be gained from repression are temporary and precarious, those that accrue from healthy organization are lasting. Further, some form of organization is inevitable, since the need is acute and is bound to evoke a response. If that response does not take the form of a properly organized trade union movement, it may assume a dangerous form. Some employers have already suffered severely from the lack of responsible trade Unions of their workers, and this type of suffering extends to the community as a whole."

- 22. Whilst the majority of the employers, in their own interest, are required to cast away their narrow outlook and adopt a more realistic and benevolent attitude towards the development of healthy trade unionism, it is all the more necessary that the working class also is prepared to play its role and help itself. The Royal Commission very aptly remarked "Everything that we have seen in India has forced upon us the conviction that the need of organization among Indian workmen is great, and that unless industry and the state develops along entirely different lines from those at present followed, nothing but a strong trade union movement will give the Indian workmen adequate protection. Legislation can act as a palliative and prevent the graver abuses, but there are strict limitations to the power of Government and the public to protect workmen who are unable to protect themselves. It is in the power to combine that labour has the only effective safeguard against exploitation and the only lasting security against inhuman conditions."
- 23. Of late the greatest and most important role in the maintenance of industrial relations has begun to be played by the state. In every country the state is confronted with strained industrial relations as a consequence of the economic and social upheavals brought by the

Second World War. Instead of the state being a spectator to the growing schism between the employers and the working class with dire consequences to the community, it steps in fo regulate the relations between them. Maintenance of industrial peace has become the prime responsibility of the state; and it is the state, therefore, in a country like India which will gain the most by encouraging and affording facilities to the working class movement for development on sound lines. Legislative enactments providing machinery for keeping industrial peace, e.g., industrial tribunals and conciliation boards, would not be of much avail in the absence of strong and effective labour organizations. How has it to be achieved?

Trade Union Rights

- 24. The State should provide a congenial atmosphere for the growth and development of trade unions by adopting and declaring a There are some very fundamental charter of industrial relations. trade union rights which have not only to be recognised by the state but have to be guaranteed and made effective. Without this the mere declaration of the principle of encouraging trade union movement would not give real help to the cause of labour. The International Labour Conference in the 26th session in Philadelphia declared as one of their fundamental principles that " freedom of expression and of association are essential to sustained progress". This principle has been accepted by all countries of the World and they agree that it should be the very basis of the organization of collective labour relations, but opinions differ, noue the less, with regard to the practical measures which should be taken to give effect to that principle. Though there are countries where the freedom of association has been greatly denied to the working class, many countries have taken steps to guarantee this principle and have afforded ample opportunities also. In India it is not so much the problem of acceptance of this principle as it is of giving real effect to it.
- 25. One of the most important trade union rights is the right to organise and to bargain collectively, because it enables employers and workers to form powerful organizations which must underly any system, of collective bargaining. Democratic countries have accepted these rights, but have failed as yet to protect these rights to the extent of making them realistic and effective. In a country like India the acceptance of this right is much more negative than it has a positive aspect. The mere acceptance of this trade union right does not help the working class unless they are adequately protected by the State. An employer of labour is free to subject the employment of a worker to

the express condition that he does not join a certain trade union or that he withdraws his membership from a certain union of workers. During employment the employer can resort to various methods to discourage the workers under him to participate in trade union activity. It is a common experience to find active trade unionists being dismissed by their employers, which ultimately becomes one of the voints of conflict in a trade dispute. It is necessary to prevent these malpractices on the part of the employers, if the State is really conscious and is prepared to protect the interest of the trade union movement.

26. The State should also provide collective bargaining machinery to secure the due observance of the right to organise. The third Regional Conference of the American States members of the International Labour Organization which was held in Mexico City in April 1946 took a lead in this matter and adopted several resolutions relating to industrial relations. These resolutions were not confined to a mere affirmation of some principles but also laid down a number of rules, to which the American States ought to conform when preparing legislation concerning industrial relations. As these principles are extremely important and may be adopted in this country with profit, the text of the principal resolutions is given below. The International Labour Organization also passed a resolution on similar lines at its 30th Session.

Resolution concerning Freedom of Association

- (1) Employers and workers, whether public or private, without distinction of occupation, sex, colour, race, creed or nationality should be entitled to form organizations of their own choosing without previous authorisation;
- (2) Organizations of employers and workers should be granted full autonomy in organising their administration and activity, in drawing up their constitution and administrative rules, and in framing their policies;
- (3) Organizations of employers and workers should not be subject to dissolution by administrative orders; in those countries where forced dissolution is imposed by way of paralty for certain acts deemed illegal, the trade unions should be entitled to the full protection of the appropriate procedure;
- (4) Organizations should have the right to constitute federations and confederations of trade organization; the formation, operation and dissolution of federations and confederations should not be subject to formalities other than those prescribed for employers' and workers' organizations;

(5) Where the acquisition of special privileges by organizations is subordinated to certain conditions of substance and of form, these conditions should not be such as to imperil freedom of association as defined above.

Resolution concerning Protection of the Right to Organise and to Bargain Collectively

- I-Protection of the exercise of the Right to Organise—(1) In view of the fact that the individual worker's right to organise may be placed in jeopardy by discriminatory measures directed against him at the time of hiring or during tenure of employment, the law should particularly prohibit on the part of the employer or his agents all acts designed to:
 - (a) make the hiring of the worker subject to the express condition that he does not join a certain trade union or withdraws from a trade union of which he is already a member;
 - (b) prejudice or injure in any manner whatsoever a worker on account of his being a member, agent or official of a certain trade union:
 - (c) dismiss a worker for the sole reason that he is a member agent or official of a certain trade union;
 - (d) in general exert any kind of pressure upon a worker with the object of compelling him to join or not to join a certain trade union.
- (2) With a view to ensuring that collective bargaining be undertaken in good faith, the law should particularly prohibit on the part of the employer or of the employers' organizations or their agents all acts designed to:
 - (a) promote the formation of trade unions controlled by the employer:
 - (b) interfere in the formation or administration of a trade union or support it by financial means or otherwise except that an employer should not be prohibited from permitting workers to confer with him during working hours without loss of time or pay, and further that nothing in these provisions should prohibit the collection of dues;
 - (c) hamper the exercise of the workers' right to form organizations, conclude collective agreements and take concerted action for the defence and protection of their interests;
 - (d) refuse to recognise trade unions and to negotiate with them with a view to the conclusion of collective agreements.

It should, however, be understood that a clause in a collective agreement requiring compulsory membership in a certain trade union, not only as a condition precedent to employment but also as a condition of continued employment, is not barred by this resolution.

- (3) Appropriate legislative measures should safeguard in each country the exercise of labour union rights and the activities of the labour leaders, particularly during the preparation and the period of strikes so that labour leaders may not be dismissed, prosecuted or deprived of their liberties because of their legitimate union activities.
- II—Collective Bargaining Machinery—(1) The State should undertake to place at the disposal of the parties agencies to secure the due observance of the right to organise as defined above.
- (2) These agencies should be given exclusive power, in so far as the judicial system permits, to take cognisance of and impose penalties for violations of the exercise of the right to organise.
- (3) The agencies should be entrusted with the authority to determine which labour organization represents a majority of the workers for collective bigaining purposes; in case of disagreement they should hold a secret-ballot election and certify the union which represents the majority of those voting in the appropriate collective bargaining unit as the exclusive representative of all the employees in that unit for the purposes of collective bargaining

Recognition of Unions

27. For the principle of collective bargaining to succeed, it is necessary that labour unions have access to their employers to put their grievances before them. If the two parties agree to come together in a reasonable frame of mind to discuss the points of conflict between them. there is no reason why a satisfactory solution should not be reached particularly in respect to pettier grievances of working class. But unfortunately the greatest handicap has been the attitude of the employers to keep the trade unions and their leaders at arms length. They have a misconception that their refusal to talk to them would save them from many unnecessary troubles. But in fact, this has led to graver issues and many strikes were launched by workers just to gain a recognition of their unions by their employers. When the employers failed to give adequate facilities to trade unions by voluntarily recognising them, the State had to make statutory provisions for the purpose qy amending the Indian Trade Unions Act of 1926. The Central Government passed the Amendment Act of 1947, to fill this great gap

in the original Act. The provisions relating to recognition of trade unions provided in the Act are given below:—

- 28B. Appointment, constitution, powers and procedure of Labour Courts—(1) For the purpose of this Chapter the appropriate Government shall appoint such number of Labour Courts as it considers necessary, consisting of one or more persons each of whom
 - (a) is, or has been a Judge of a High Court or District Judge, or
 - (b) is qualified for appointment as a Judge of a High Court: Provided that the appointment to a Labour Court of any person not qualified under clause (a) shall be made in consultation with the High Court of the Province in which the court has, or is intended to have, its usual place of sitting.
- (2) Every Labour Court shall have all the powers of a Civil Court for the purposes of receiving evidence, administering oaths, enforcing the attendance of witnesses, and compelling the discovery and production of documents, and shall be deemed to be a Civil Court within the meaning of sections 480 and 482 of the Code of Criminal Procedure, 1898 (V of 1895),
- (3) The proceedings of Industrial Courts shall be regulated and conducted in such manner as may be prescribed.
- 28-C. Recognition by agreement—(1) Where an employer agrees to recognise a Trade Union, a memorandum of agreement signed by the employer and the officers of the Trade Union, or their authorised representatives, may be presented to the Registrar who shall record the memorandum in a register in the prescribed manner.
- (2) Such an agreement may be revoked by either party thereto on application made to the Registrar in the prescribed manner.
- (3) While such an agreement is in force, the Trade Union shall, in its relations with the employer with whom the agreement is made, have all the rights of a recognised Trade Union under this Act, and shall for all other purposes be deemed to be a recognised Trade Union.
- 28-D. Conditions for recognition by order of a Labour Court

 —A Trade Union shall not be entitled to recognition by order of
 Labour Court under section 28-E unless it fulfils the following
 conditions, namely:
 - (a) that all its ordinary members are workmen employed in the same industry or industries closely allied to or connected with one another.

- (b) that it is representative of all workmen employed by the employer in that industry or those industries.
- (c) that its rules do not provide for the exclusion from membership of any class of workmen referred to in clause (b);
- (d) that its rules provide for the procedure for declaring a strike:
- (e) that its rules provide that a meeting of its executive shall be held at least once in every six months;
- (/) that it is a registered Trade Union and that it has complied with all the provisions of this Act. Provided that the reference in clause (b) to "the employers" shall as respects, recognition by an association of employers, be considered as a reference to all the employers of the association.
- 28-E. Application to and grant of recognition by Labour Courts—(1) Where a registered Trade Union having applied for recognition to an employer has failed to obtain recognition within a period of three months from the date of making such application, it may apply in writing, setting out such particulars as may be prescribed, to the Labour Court for recognition by that employer.
- (2) A single application may be made under sub-section (1) for recognition ---
 - (a) by more than one employer, or
 - (b) by an association of employers as well as one or more members thereof.
- (3) The Labour Court may call for further information for the purpose of ascertaining whether the Trade Union is entitled to recognition by the employer under this section, and if the Trade Union fails to supply the required information within the time granted, the Labour Court may dismiss the application.
- (4) The Labour Court shall, after serving notice in the prescribed manner on the employer investigate whether the Trade Union fulfils the conditions for recognition set out in section 25-D and in deciding whether the condition set out in clause (b) thereof is fulfilled, the Labour Court shall have regard to, but shall not be bound by the fact whether the proportion which the number of the workmen referred to in the said clause who are members of the Trade Union and are not in arrears of their subscription for any period exceeding three months, bears to the total number of such workmen is less, or not less, than such percentage, if any, as may be prescribed in this behalf, either

generally or in respect of any particular locality or any particular employer or class of employers, or any particular industry or class of industries.

- (5) If the Labour Court is satisfied that the Trade Union is fit to be recognized by the employer, it shall make an order directing such recognition and may, where the recognition is to be by an association of employers, further direct, by the same or a subsequent order, recognition by every member of the association in relation to whom the Trade Union fulfils the condition set out in clause (b) of section 28-D.
- (6) Every order made under sub-section (5) shall be forwarded to the appropriate Government which shall notify it in the official Gazette, and while a recognition directed by such order is in force the Trade Union shall, in its relations with the employer concerned, have all the rights of a recognized Trade Union under this Act and shall for all other purposes be deemed to be a recognized Trade Union.

Need for Improvement

- 28. The Act in so far as it provides for statutory recognition of Trade Unions marks a revolutionary step in the right direction, but it seems it still suffers from shortcomings. It may be useful to point out a few defects in the 'Act and give suggestions for removing them, if possible:—
 - (i) A very common criticism that comes often both from employers and working class is that the personnel of machineries that the Government sets up for solving problems of industrial relation and industrial disputes is chosen from people of only legal capabilities most of whom have generally little experience of industrial matters and labour problems. The criticism may or may not be justified, but a democratic Government need not overlook the point of view of the two parties with whom it matters; instead it should take concrete steps to allay the fears in the minds of its people that the machinery set up by the Government is far from being perfect. This can be done by amending clause (1) of section 28B. The Labour Courts should be composed of experts in industrial relations and labour problems rather than of people with qualifications prescribed for a Judge of High Court.
 - (ii) The necessity of protecting the right to organise and to bargain collectively and facilitating its operation to be effective has already been emphasised. There would be no greater token of

consciousness and earnestness on the part of Government to guarantee this right that to make statutory provisions for it and thus give a positive aspect to their recognition of this valuable right. There would be no better place for making a statutory provision to this effect than in the Trade Unions Act. Appropriate legislative measures to safeguard the exercise of Trade Union rights would be on the lines laid down in the resolution on "protection of the right to organise and to bargain collectively" passed by the Third Regional Conference of the American States members of the International Labour Organization in 1946 in Maxico City.

(iii) Some concrete steps should be taken to remedy the financial weaknesses of trade unions in this country. Without this they would not get any stability. How very chaotic their financial condition is, has already been seen in the foregoing pages, and does not require any repetition here. The Government of India in the Labour Department sometimes back asked their Chief Commissioner of Labour to make an enquiry "in order to ascertain as to which of the two organizations viz., the All-India Trade Union Congress and the Indian Federation of Labour, is the most representative organization in the country." The report of the Chief Commissioner of Labour contained a considerable amount of useful information regarding various aspects of trade unionism in this country. During the course of his enquiry he came across a large number of paper unions which had in fact no real existence. This was particularly true of a number of unions affiliated to the Indian Federation of Labour. He observed that this was due to an omission in the Indian Trade Unions Act, because it did not lay down any minimum subscription which a Union should prescribe under its rules. Thus, a large number of unions merely provide in a general way that the subscription payable will be such as may be fixed by the Managing | Committee but cases are not wanting where the Managing Committee has decided not to levy any subscription but to receive from the members such amounts as they like to pay by way of donation. In order to remedy this defect the Chief Commissioner of Labour suggested to make a suitable provision in the Act laying down a minimum membership fee, but it seems while preparing the Bill to amend the Trade Unions Act of 1926, this suggestion has been overlooked.

If a compulsory subscription is not provided for in the amended Act, there will be no means to ascertain the correct membership of a Union by the Industrial Court while considering its application for recognition. To facilitate the smooth and successful working of the Industrial Courts, it would be absolutely essential to eliminate the paper unions at the earliest apportunity; and this would easily be achieved by making a suitable provision in the Act.

CHAPTER II

Industrial Disputes

The need for improved organization of industrial relations, which has been emphasised in the previous chapter, is particularly brought into evidence by the frequency of industrial strife in this country. An attempt will be made in this chapter to trace briefly the course of industrial unrest analysing their causes, as far as possible, and then to review the methods adopted for the prevention and settlement of disputes with a view to see how far they have helped the cause of industrial peace and whether any further efforts are called for in this direction.

Emergence of Strikes

2. Isolated industrial disputes took place in some parts of India as early as the eighties of the last century, but it was not until 1918 that they gained any importance and attracted attention both of the Government and the public. The history of organised attempt by industrial labour to resort to strikes to achieve economic ends, truly speaking, dates from 1918, and prior to this period organised strikes, in the true sense of the word, were generally unknown. The three post-war years, i. e., 1918-21 marked a period of industrial turmoil. The Royal Commission on Labour in India observed: "The main cause was the realization of the potentialities of the strike in the existing situation and this was assisted by the emergence of trade union organisers, by the education Which the war had given to the masses and by a scarcity of labour arising from the expansion of industry and aggravated by the great epidemics of influenza." This great outbreak of industrial disputes had, however, wider economic and political causes also. "A rise in wage levels was overdue and the workers awoke to the disabilities from which they suffered in respect of long hours and other matters." This statement of the Royal Commission may be illustrated by the fact that in 1918 although the profits in textile undertakings were enormous rising to 200 per cent. or more in some cases, the real wages of the workers declined owing to the abrupt rise of prices immediately after the war. Some increases of wages were granted by employers, but the rise in wages did not keep pace with the rising cost of living. A consciousness dawned upon the working class that they could no more suffer the

war-time economic burdens and that for the ameliaration of their working conditions they must resort to their only effective weapon, i.e., organised strikes. The countrywide political awakening also gave a stimulus to this consciousness. The year 1921 was the peak year of industrial disputes during the period.

- 3. By the end of the year 1921, the situation had begun to improve. Working hours were reduced, wages had risen, prices had declined very much as compared to the peaks attained in 1920 and 1921. The post-war boom was over and by the end of 1922 the position was more or less stabilised. During the years that followed, prices did not show any marked variations and both the state and the employers under-took some ameliorative measures as a consequence of which the quinquennium 1923—27 marked a period of comparative peace.
- 4. After a period of relative calm there was a fresh outbreak of industrial strife all over the country in the year 1923, and the years 1923-29 marked another important period of industrial dislocation after the great labour unrest of 1918-21. The general level of prices had declined and industrial profits had dwindled down and in a number of cases had disappeared. Industries were passing through a critical stage and a world wide depression had begun to appear. To meet the situation, industrialists were taking to rationalization schemes which involved retrenchment of staff on large scale, and reduction of wages in general. All these cases combined together and produced a rift of considerable magnitude in the industrial relations between the employers and their employees; the number of disputes and the loss of working days reached record figures in the year 1928; a significant feature of the strikes was that they led to picketing and intimidation for the first time. In 1929 industrial unrest was still going on; the number of workers involved had even increased although the number of disputes and of working days had shown a decrease.
- 5. Accurate data on industrial disputes did not become available until 1921 in which year Government of India, for the first time, took measures to compile records of disputes for the whole of British India. The number of disputes in British India tetween 1921 and 1929 together with the number of workers involved and of working days lost are shown in the table below:

Number of Industrial Disputes in India, 1921-29

	Year			Disputes	Workers involved	Workin; days lost
1921		••		39;	600, 351	6,984,426
1992	••	••		278	435,434	8,972,727
1923	••	••		213	301,044	5.051,704
1924	••	**		133	312,462	8,730,913
1925	••	••		184	270,423	12,578,129
1923	••	••		128	186,811	1,097,478
1927	••	••		129	131,655	2,019,970
1923	••	••	••	203	506,851	31,647,404
1939	••	••	[141	532,016	12,165,691

It is interesting to note that the figures of 1921 for disputes and workers affected were not again reached, although the number of working days lost was about twice as many in 1925 and 1929 and five times as many in 1928.

- 6. The strikes of 1923-29 were also notable for the emergence, particularly in Bombay and also in Kanpur in our Province, of a new influence, that of communism amongst the working class, against which measures were taken both by the Government of India and the Government of Bombay Presidency. In March 1929 all important labour leaders in the country who had played a leading part in organising and promoting the strikes of 1928 were rounded up and put on trial at Meerut in the famous Meerut Conspiracy case, on a charge of conspiracy to wage war against the King. The legal proceedings lasted for 44 years and ended with the findings that the Communist Party of India was working in India on behalf of the Communist International with an effort to establish Soviet Republics and that the methods adopted by them included the encouragement of strikes, the incitement of antagonism between Labour and Capital and the development of labour organizations for the promotion of Communist programme.
- 7. If an unbiased and objective history of labour movement in this country is written, it will have to be admitted that the aim with which this case was started was hardly achieved; in fact the consequences were just the contrary. The Communist movement, insatead of having been killed in its very infancy which was the object

of the then Government, male the best of the worst signation and stretched its tentacles so deep in the minds of the large populace it had till then failed to reach that later it became all the more difficult to uproot it. The prosecution experts took a record time of 41 years to study the principles of Communism and the working of the Communist International, but they failed to prove convincingly that the labour leaders conspired to wage a war against the King. The accused, on the other hand, pleaded guilty of the charge of waging war, but they argued that the war they aimed at was not going to be against an individual, the King, but against a class which perpetuates exploitation of another class and brings misery to the society as a whole; they aimed to change the very structure of society by ushering a socio-economic revolution, the vanguard of which would be the working class. The accused used the court of law as a platform from where they made · the most effective propaganda of communist views and made the working class realise for the first time that they had a political role also.

8. The period from 1929 to 1936 was a period of relative calm; there was a remarkable decrease in the number of disputes and the number of workers involved throughout the British India as will appear from the following table:

Number	of	Industrial	Disputes	in	India,	1929-36.
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	Year		Disputes	Workers involved	Working days loss	
1929	••			141	532,015	12,165,691
1930	••	••		148	196,301	2,261,731
1931	••	••	••	166	203,008	2,408,123
1982	••	••	••	118	128,093	1,922,437
1938	••	••		146	164,938	2,168,961
1934	••	••	••	159	220,808	4,775,859
1935	••	•••	••	145	114,217	973,451
1936	••	••	••	157	169,029	2,358,062

^{9.} The announcement of the appointment of the Royal Commission on Libour in 1929 had a sobering effect upon the working class, although some organizations beyoutted the Commission. The report was published in 1931 which recommended many concessions to worker. The Government also abandoned repressive measures and instead took

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up a reasonable attitude and initiated ameliorative measures in the legislature. The period was of intense Legislative activity both at the centre and in the provinces. Some chief labour enactments passed during the period are mentioned below:

1929-The Trade Disputes Act.

1:32-The Trade Disputes (Amendment) Act.

1933-The Children (Pledging of Labour) Act.

1934-The Factories Act. The Trade Disputes (Extending) Act.

1935-The Indian Mines Act.

1935-The Payment of Wages Act. The Indian Mines (Amendment) Act.

10. In the year 1934 throughout the country there was a labour agitation for the restoration of wage cuts effected in 1931 and 1932., Bombay was the storm centre and the whole textile industry was paralysed by a general strike. The following table gives the number of strikes in the United Provinces during 1921-36 along with the number of workers involved and the number of working days lost:

Number of Industrial Disputes in the United Provinces, 1921-36

	Year			Disputes	Workers involved	Working days lost	
1921		***		17	85,051	835,193	
1923	-	***		19	17,777	376,939	
1923				7	10,935	73,262	
1934		•••		4	6,511	143,833	
1925	***	-]	6	5,923	88,353	
1925	p.+=	•••		3	1,310	14,570	
1937 🚅	,	•••		3	1,231	8,789	
1933	***	***		2	2,947	49,300	
1929	•••	***	•••	4	1,310	57,243	
1930	***	•••		2	3,250	15,344	
1931	***	***		11	7,969	52,227	
1989	•••	•••		3	131	231	
1933				5	6,573	178,237	
1534	•••	***		4	2,303	5,165	
1935		•••		6	5,251	102,142	
1936		•••	•	7	8,358	86,8 ₃₁	

11. Out of 95 disputes during 1921—36 in the United Provinces the cause of 53 strikes was wages and bonus alone. In fact the majority of strikes throughout the country during the period was declared to secure increase in wages including bonus which will be seen from the following figures:

Causes of Disputes in India, 1921-36

			······································									
	Year			Year			Wages	Bonus	Personal	Leave hours	Others	Total
												
1921	•••	•••	•••	167	75	65	11	75	896			
1922	•••	***	••-	127	82	50	19	0.6	278			
1923	•••	100	***	95	14	54	9	41	213			
1924			**1	53	7	32	4	87	133			
1925	***	•••	•••	65	6	35	•••	28	134			
1946	••	100	.41	60	4	31	11	22	128			
1927	•••	***	•••	61	•••	36	5	27	129			
1925		••	•••	109	1	44	6	43	203			
1939	••	***	***	54	2	55	3	27	141			
1980	•••	.4*	•••	€9	4	94	7	34	148			
1931	***	***	•••	69	3	39	20	86	166			
1982	••	190	•••	68	3	32	2	14	119			
1938	***	***		95	2	:0	5	25	147			
1934	•••	***		107	1	24	6	21	159			
1935	***	**	•••	91	8	21	10	21	145			
1:36	•••	***	***	96	1	24	6	31	16 1			

12. It is disappointing to note, however, that a large proportion of disputes resulted against the workers. The table below shows that during the years 1921—36, only 466 disputes out of 2,753 of which decisive results were known, were entirely successful and 502 were partially successful. The majority of the battles were lost by the working class:

Results of Industrial Disputes in India, 1921-36

	Number of disputes in which workers were									
	•	Year		Successful	Partially successful	Un- successful	Total			
1921	•••	•••	•••	92	87	211	390			
1933	***	***	•••	34	25	215	2 74			
1923	•••	•••		84	19	159	212			
1924	***	***	•••	2 3	21	88	132			
1925	***	***	10 0	17	27	89	133			
1926	***	***	** 1	12	12	104	128			
1927	•••	•••	***	15	32	79	126			
1928	***	•••	140	27	41	128	196			
1929	***	•••	***	31	27	80	. 193			
1930		***	***	36	22	89	147			
1931	••	***	•••	23	42	99	164			
1932	***	•••	•••	14	27	74	115			
1933	**	100	•••	20	23	96	139			
1934		***		32	25	100	15 7			
1935	•••	***	***	25	29	91	145			
1936	•••	***	100	31	4.3	83	157			
		Total	***	4 66	502	1,785	2,753			

13. During the period 1929—36 the Province of Bombay had the largest number of disputes followed by Bengal, Madras, Assam, Central Provinces and United Provinces. Comparative figures of number of disputes together with the number of workers involved and working days lost for various provinces are given below:

Industrial Disputes by Provinces, 1929-36

Province			·	Number of disputes	Number of workers involved	Days lost	
Ajmer-Mer se	3 r &	***			7,307	433, 180	
A 858 m	**	•••		87	41,324	114,219	
Baugalore	***	•••		2	2,200	101,600	
Bengal	144	**		253	673 ,3 09	7,884,052	
Bihar and O	rissa	•••	•••	14	21,860	421,403	
Bihar	***		•••	5	9,491	125.831	
Bombay	***	***	••••	59 2	651,515	15,851,518	
Central Prov	inces	***	 .	49	68,998	1,477,351	
Delhi	***		!	10	27,013	164,213	
Madras	•••	***		113	109,921	1,445,365	
Ori,6a	•••		***	1	1,151	17,265	
runjab	•••	•••	•••	20	6,587	62838	
United Prov.	inoes	•••	***	41	35,692	. 497,448	

14. In the year 1937 a significant change in the political set up took place with the inauguration of Congress Ministries in various Provinces. The advent of these popular Governments ushered another period of industrial unrest, because industrial labour, which had till then never received any sympathetic treatment from the Government could now expect benevolent treatment from a popular Government in the Province. Consequently, immediately after the assumption of office by Congress Ministry in the United Provinces in July, 1937, a number of strikes took place in the Province, particularly in the cotton industry at Kanpur. Most of the strikes were launched to secure increase in wages which had been directly or indirectly cut during 1929—1935, the period of great economic depression. To counteract the onslaught of labour strikes the Northern India Employers' Association was formed

In August, 1937. The mill owners refused to recognise the Kanpur Mazdoor Sabha and even the acceptance of intervention or mediation by Government and also declared that they would participate in conciliation proceedings only if the workers were to seek redress of their grievances individually and not through any labour union. The result was a general strike in Kanpur and the Houble Premier had to intervene personally. The employers also realised the gravity of the situation and his efforts were successful in bringing about an agreement between the representatives of the Mazdoor Sabha and the Employers' Association. Most of the demands of workers were conceded including the recognition of Mazdoor Sabha. The agreement provided, however, for the appointment of an enquiry committee also to go into the demands of workers in detail with particular reference to wages.

- 15. The Kanpur Labour Enquiry Committee was appointed on 30th August, 1937, with no less a person than Dr. Rajendra Prasad as its Chairman. This produced an atmosphere of relative calm on the habour front. The report of the committee was published in 1933 and was well received by workers; a large number of recommendations were made in their favour which if fully implemented would have gone a long way in restoring industrial peace for a quite long time. The Employers' Association rejected the majority of the recommendations even though they were accepted by the Government and the workers. The consequence was a general strike in Kanpur which lasted for 51 days and in which more than 50,000 workers were involved. The workers ultimately won their battle, which will go down in the history of labour movement in this Province as one of the greatest achievements of the working class. They secured a ten per cent increase in wages and a conciliation machinery for the Province.
- 16. For the first time in this Province, the Congress Ministry made an earnest effort to maintain industrial peace; with this end in view they framed a bill to make provision for the promotion of peaceful settlement of industrial disputes by conciliation and arbitration. The bill was generally modelled on the lines of the Bombay Act and was vigorously opposed by the radical wing of trade unions. It could, not, however, become an Act, because the ministry resigned when the 11 Word War br-ke out in 1939.
- 17. The war brought a new and unparalleled wave of industrial unrest in the country; while it afforded new opportunities to millowners to reap huge profits out of war supplies and government

contracts, the condition of the working class deteriorated due to rise in prices and in their cost of living. The real wages of workers fell considerably and they had to restort to strikes to gain increase in wages and dear food allowance.

Number of Industrial Disputes in the United. Provinces 1937-46

		Year			Numter of disputes	Number of workers involved	Man-days los (all stoppage	
1937	••		••	••	15	63,350	7,04,940	
1938	••	••	••		14	53,851	20,45,863	
1939	••	••			84	58,462	9,09,971	
1940	••	••	••		20	12,179	2,45,429	
1941	••	••	••		43	41,350	2,81,992	
1942	••	••	••	• ••	48	47,466	1,90,483	
1943	••	••	••		42	43,523	1,13,115	
1944	••	••		••	- 62	51,005	1,59,186	
1945	••	••	••	••	63	52,693	16,05,022	
1946	••	••	••	••	109	1,52,373	11,19,580	

The year 1946 was the peak year of unrest and industrial strife. Even though the war had ended in 1945, prices did not decline and there were still no signs visible towards improvement. The Congress Ministry which had resigned in 1939 came in office again and this aroused the expectations of all classes of people for a definite improvement in the situation. But the popular ministry which was faced with many grave problems could not have any control on various factors which were responsible for the economic and political situation obtaining in the country. The people on the other hand could not have any patience and wanted immediate redress of their grievances, with the result that not only the working class was agitated but other classes of society also woke up and took resort to direct methods to get a hearing from the Government. Teachers, clerks, Government employees and many other sections of low paid middle class resorted to strikes for an increase in dearness allowance and revision of salaries. The industrial workers, however, were most conspicuous in resorting to strikes during the year. While as the number of reported strikes was only 20 in 1940, it rose to 109 in 1946. Never in history had the country seen so many strikes and lock-outs as in 1946.

18. With the breaking of the War, the number of complaints received in the Labour Office at Kanpur began to increase and the Government had to expand the staff considerably to meet the situation. The number of complaints received in Labour Office pertaining to

dismissals, wages, bonus, dear food allowance, etc., from 1940 to 1946 are shown in the table below:

1940 1941 1942				allowance	Other causes	Total
	215	70	••	••	139	425
	214 .	98	••		59	371
	213	869	••		89	671
1943	432	165	103	82	95	827
1944	301	114	102	15	277	809
1945	835	116	112	26	323	912
1946	754	181	364	14	428	1,741

It is interesting to note that demands for bonus and dear food allowance from workers became prominent in the year 1943 when the level of prices during the war was highest. Due to high prices, millowners were making huge profits at this time and the working class which was undergoing various kinds of hardships could not keep quiet and raised a voice for a share in the unprecedented profits the various industries were making. Naturally it led to an intense trade union activity which did not find favour with the employers who did not like any agitations and industrial dislocation. They took up the age-old method of repressing trade union activities by dismissing active trade unionists from their employment. It is significant that complaints due to dismissal of workers was highest in 1943; out of at otal number of complaints of 827 received in the Labour Office as many as 432, i.e., 52 per cent, related to dismissals. This position was again repeated in 1946 which was another year of great unrest. Largest number of demands for boous were made in this year and naturally, therefore, the largest number of dismissals also were reported in the same year, the number of complaints relating to dismissal being 43 per cent. of the total number of complaints.

19. The Kanpur Labour Euquiry Committee, 1937, in their report said, "While we accept the profit motive as a stimulus to economic enterprise, we at the same time wish to emphasise that the position of the worker must equally be safeguarded and secured. This factor has often not been considered as of much significance. In fact there has been great exploitation. Wages have been the first to suffer for any decline in industry and the last to benefit from any increase in prosperity. The worker's standard of living appears to have been the last consideration." This was never more true than during the II

World War when due to the unprecedented rise in the cost of living the working class suffered most, while the industries had the best days of their career and made such colossal profits as had never been witnessed before. The following table shows the annual averages of cost of living indices of industrial workers at Kanpur with August, 1939—100:

	-:J	Year				Cost of living index		
1939	• •	• •	••		••	107		
1940	••	••	••		•	111		
1941	••	••	••	••		123		
1942	••	••	••	••		181		
1943	••	••	••	••		306		
1944	••	••	••	**		814		
1945	••	••	••	••	• .	308		
1946	••	••	••	••		829		

The index rose abruptly to 306 in the year 1943 and with slight fluctuations in the following two years reached 329 in 1946. Dearness allowance is paid by the mills to their employees at different rates, though basic wages as a result of the dearness were not increased. Except the workers in the lowest -wage categories in some industries like the cotton industry, workers in general were not fully compensated by dearness allowances for the fall in their real wages. This led to a general discontent in the workers particularly in 1946 when there came a popular government in office. The Government could not in public interest tolerate frequent cessation of industrial production and was compelled to take severe legal measures against illegal strikes and lockouts. Due to lack of data on wages and complete and accurate information on other aspects of labour problems in general the Government could not take any definite ameliorative measures. The Government finally appointed a Committee of Enquiry in December, 1946, to investigate into the conditions of industrial labour in the United Provinces and desired that the Committee should submit their report on some of the urgent matters referred to them at the latest by March, 1947. It is unfortunate that the report has not come out even though the whole of 1947 has passed. In the year 1947, this has been one of the great causes why industrial strife has not shown any sign of abute ment.

Settlement of Disputes

- 20. Industrial disputes arise out of fundamental differences regarding wages and working conditions. If employers and workmen cannot reach agreement by direct negotiations some other means have to be found out to settle their differences. Due to serious repercussions of industrial disputes not only on the parties directly involved, but also on the community as a whole, the Government endeavours to minimise as much as possible the number of industrial disputes and to secure their speedy settlement when a strike or lockout actually breaks out. To that end, practically all countries have placed at the disposal of the parties two forms of procedure:—
 - (i) Voluntary conciliation and arbitration.
 - (ii) Compulsory conciliation and arbitration.

As these two forms of procedure are fundamentally different, they may be examined separately.

- 21. Voluntary conciliation and arbitration—These are merely supplementary procedures for the conclusion of collecting agreements and are in vogue in almost every country. The problem before the state is essentially of assisting the parties to arrive at an agreement without having recourse to any pressure and without infringing upon the independence and autonomy of the parties concerned. The practical value of conciliation and arbitration machinery is today universally recognised, but all countries show a preference for such procedures that are set up by the parties themselves. Where, however, such contractual conciliation procedure by agreement of the parties amongst themselves do not exist, Governments have placed at the disposal of the parties official agencies for the purpose.
- 22. The parties are free to have recourse to conciliation procedure or not and to accept or reject the services of conciliation an arbitration agencies. If, however, they agree to submit a dispute to conciliation and arbitration agency, they take upon themselves the obligation to refrain from any strike or lockout and from changing the conditions of employment pending a settlement. Decisions of conciliation agencies, unless enforced by Government, are not in any way binding on the parties and they are free to accept or reject them; but once the parties have accepted a decision it has the same force as a collection agreement voluntarilly arrived at.
 - 23. When conciliation fails, there is the voluntary arbitration machinery as the second stage in the voluntary procedure for the settlement of disputes. Arbitration even though voluntary is entirely

different from conciliation in its nature. The decision of a conciliation agency may be rejected by the parties, but that of an arbitration cannot be so rejected. The parties at the beginning have the same freedom to accept or reject voluntary arbitration as they have to accept or reject voluntary conciliation, but once they have agreed to submit their dispute to arbitration, they must abide by the award which is made. In other words, the acceptance of an arbitration is tantamount to the acceptance of the decision of the arbitrator whether favourable or not.

- 21. Compulsory conciliation and arbitration—Under the voluntary procedure examined above, the right to strike or lockout is only temporarily restrained during the course of procedures meant for facilitating the conclusion of agreements between the parties, but under the system of compulsory conciliation and arbitration strikes and lockout are absolutely prohibited. In every country, therefore, organizations of employers and workers are hostile to all forms of compulsory procedure; they do not want their right to strike and lockout to be attacked at any cost.
- 25. Under the system of compulsory conciliation, the parties are obliged to make a conciliation attempt and refrain from interrupting work while the procedure is in progress, but are free to accept or reject the final decision. Thus, although a temporary restraint is placed, the right to strike or lockout is not challenged, since the final decision is left in the hands of the parties. But compulsory arbitration on the other hand does not leave any stope for a strike or lockout and does, therefore, wean away from the parties some of their very important and fundamental rights.
- 26. Compulsory arbitration machineries were set up in many countries during the war, when the states considered obligatory to impose controls on national economy as a whole including war production, man power, prices, profits, etc. and the distribution of products essential for the prosecution of war. Arbitration mechineries were set up principally for fixing wages, because wage control seemed to be an essential complement to other controls; it was also believed to be an important means for maintaining economic stability and preventing inflation. To ward off industrial disputes in war time, it was necessary to guarantee a proper standard of living to every worker by fixing a minimum wage which could fluctuate with the index figure of the cost of living: the worker could abandon his right to strike only if he was properly compensated. The legal system of economicary arbitration came in vogue only to achieve this end and it served the purpose quite well. Reference of disputes to arbitration machinery

and the control on wages and other working condition by it was a necessary corollary to controlled economy in general.

- 27. With the end of war, however, many countries progressively relaxed economic controls and began to return to peace time economy and, therefore, the conditions that made the control of wages, etc. indispensable during the war ceased to exist. In fact the enforcement of wage controls and the working of compulsory arbitration machineries during war time became possible only because it formed a part of the system of controls of the national economy as a whole. In a free economy, compulsory arbitration machinery is not considered competent to deal with economic disputes and the right to strike and lockout and collective bargaining is generally accepted as an essential corollary. Countries like America and Canada have very much returned to the system of collective bargaining, while in the United Kingdom and many other countries which were considerably devastated by the war and are still engaged in reconstruction, compulsory arbitration has been temporarily retained. But in fact it is the organization of workers and employees which themselves assume the responsibility for settling disputes and fixing wages and other conditions of employment by means of freely concluded agreements.
- 28. In many countries where the system of compulsory arbitration is in vogue, considerable compensations are given to the working class for the restrictions placed on their freedom of action. Some countries, for instance, empower, the investigation committees and arbitration machineries to have free access to registers, account books and other documents of the undertakings in order to be able to have full knowledge about the financial position of an undertaking and its ability to pay. They are thus better enabled to arrive at a decision whether the workers' demands are reasonable or not. In countries where labour disputes in public services and public utility services are compulsory referred to arbitration machineries and strikes and lockouts are completely [prohibited, the workers are given a special status particularly as regards security of employment, wages, and fair working conditions. The law makers considered that the workers could not forego their legitimate right to strike unless they were given a special status as compensation.

Defence of India Rule

29. In the United Provinces, the Settlement of industrial disputes prior to 1942 was governed by the Trade Disputes Act of 1929. The provisions of this Act were, however, very rarely used. With the

breaking of the IInd World War, the Government of India considered it necessary to make legal provision for the maintenance of public order and efficient prosecution of war and for maintaining supplies and services essential to the life of the community, and with this end in view promulgated the Defence of India Rules in January, 1942. Rule 81-A of these rules related to avoidance of strikes and lockouts and authorised the Provincial Governments also for issuing orders general or special making provision—

- (a) for prohibiting, subject to the provisions of the order, a strike or lockout in connection with any trade dispute;
- (b) for requiring employers, workmen, or both to observe for such period as may be specified in the order such terms and conditions for employment as may be determined in accordance with the order:
- (c) for referring any trade dispute for conciliation and arbitration in the manner provided in the order;
- (d) for enforcing for such period as may be specified in the order all or any of the decisions of the authority to which a trade dispute has been referred for adjudication.

Consequently in the same year the Government made an order under Rule 81—A of Defence of India Rules, that—

- (i) no person employed in any undertaking shall go on strike in connection with any trade dispute without baving given to his employer within one month before striking not less than 14 days' notice in writing of his intention to do so.
- (ii) No employer of any undertaking shall lockout his employees in connection with any trade dispute without having given to his employees within one month before locking out not less than 14 day's previous notice.
- (iii) when any or all of the matters of a trade dispute have been referred for conciliation or arbitration, no person employed in any undertaking concerned in the dispute shall go or remain on strike and no employer shall lockout or continue to lock out his employees, during the period from the making of the reference until the expiry of two months after the conclusion of the proceedings upon such reference.
- 30. The official termination of the Hand World War was declared by the Government with effect from 1st April, 1346, and after six months from this date, i. e. on 1st September, 1946, the Defence of India Rules automatically became inoperative. Conditions had by theu, however, not very much changed and the Government of India

extended the operation of rule 81-A of Defence of India Rules for a further period of six mouths, i.e. up to les April, 1947. By this date Government of India had already enacted Industrial Disputes Act of 1947, which came in force on April 1, 1947. This act makes provision for constituting Boards of Conciliation, Courts of Enquiry and Industrial Tribunals and thus provides for machinery for conciliation and adjudication. Under the Act while strikes and lockouts in public utility services are prohibited without 14 days' notice, they are not prohibited in other types of undertakings. The United provinces Government considered that the Act did not meet the situation fully and it was still necessary to have powers similar to those under rule 81-A of the Defence of India Rules. They, therefore, while having enforced the Industrial Disputes Act of 1947 in the Province, also simultaneously promulgated an ordinance on the lines of rule 81-A under the title. The United Provinces Industrial Disputes Ordinance of 1947, and by an order under this ordinance they prohibited all strikes and lockouts, in all undertakings without having given 14 days' notice in advance.

31. Thus at the present time, settlement of industrial disputes in the province is governed by the provisions of both the Industrial Disputes Act of 1947, and the United Provinces Industrial Disputes Ordinance of 1947. As soon as a notice for a strike or lockout is received, the dispute is referred either for conciliation or adjudication. The province has got a well organised machinery for this purpose in the Labour Office at Kanpur. The Labour Commissioner at the head is assisted by 10 Conciliation Officers in the matter of settlement of disputes.

Conflicting adjudication awards

32. If one goes through the many adjudication awards passed in this province and other provinces, one will be struck to discover that no uniform principles have been followed by the adjudicators in their awards pertaining to similar demands in trade disputes; the adjudication awards are so conflicting on the same point that it is difficult to discern any uniform legal principles emerging out of them. Though industrial disputes have been brought under the domain of law, there is no legal code to be followed by individual adjudicators; it entirely depends on the discretion and training of an adjudicator what view he holds of a particular demand in dispute and how far he observes the principle of equity and social justice. This situation has created fresh difficulties in the realm of industrial

relations and it seems imperative that a legal code is evolved at the earliest opportunity setting forth a charter of industrial relations comprising of the rights both of the employers and the employees. Without this the procedure of compulsory arbitration instead of smoothing industrial relations is more likely to complicate them.

- 33. Shree Yut Shanker Rao Deo upheld in his adjudication in the dispute between the labourers and the management of Delhi Clath Mills that the workers had a right to receive wages for the period a factory remained closed due to no fault of theirs, and consequently he awarded 75 per cent, of the wages to the workers of the Delhi Cloth Mills during the period the factory remained closed on account of communal riots. In many similar disputes at other places, adjudicators held an opposite view and considered that workers could not get wages for days they did not work. Recently when the mills at Kanpur remained closed due to cessation of supply of power on account of a strike in Electric Supply Company, the employers took advantage of such awards and resisted all moves on the part of workers in their mills for wages during the period of this unavoidable closure for which they were not responsible. It was adjudicated in the dispute with Cooper Allens and their workers that workers could not be dismissed even when there was no work for them, while in similar cases the adjudicators have upheld the rights of the employers to dismiss workers at their will particularly when it was necessary to retrench staff due to lack of work for them. Once an injuction was issued by a District Judge that a particular Union was not representative and hence could not be a party to a dispute. The adjudicator, however, said in his award that the union was most representative and had a right to represent the workers in that factory in a dispute with its employers.
 - 31. The most conflicting views held by adjudicators in their awards have been in regard to the payment of bonus to worsers. From the point of civil law it has been argued at many places that bonus was entirely an exgratia payment not being a part of wages and could not be claimed by workers as a matter of right. On the other hand many adjudication awards have declared that bonus is rightly claimed by workers as a right; it must be paid by undertakings which have ability to pay. Employers have taken advantage of civil law and have at several occasions succeeded in getting issued from Civil Courts injuctions that bonus being exgratia payment could not form part of a trade dispute and could not be adjudicated upon. In spite of this adjudicators have taken up the matter in their proceedings and have awarded in favour of payment of bonus on

individual merits of the demand. Mr. W. Cowley, 1.c.s., Punjab, in the dispute between Lahore Electric Supply Company and its workers in February, 1946, awarded that, "a bonus is obviously not a legal right that can be enforced in law, but the employees can claim the payment of bonus as a matter of moral and economic right." The Industrial Court of Bombay in their arbitration award in the dispute of Cotton Textile Mills and their workers held a similar view and said, "The Mill-owners Association's contention that bonus is an ex gratia payment is true from the standpoint of civil law which can only enforce the terms of a contract between the parties, but in the domain of industrial relations between employers and workers the rights and duties of the parties are not governed merely by civil law but by collective bargaining in the settlement of disputes arising out of demands made by one on another for more earnings, better conditions of work and increased production. The justification for such demands as "industrial matter" arises especially when wages fall short of the living wage standard and the industry makes huge profits part of which is due to the contribution which the workers make in increasing production. The demand for bonus is, therefore, an industrial claim when either or both these conditions are satisfied. In the present case there is no doubt that both these conditions are satisfied.

35. In a trade dispute between Kanpur Dying and Cloth Printing Company and its employees issue no. 3 was: Should the employers be required to pay bonus to the employees and, if so, in what magner? The employers contended that the payment of bonus or gratuity was an exgratic payment on their part and the demand for it could not form the basis of a trade dispute. In support of their argument they cited the rulings of the Bombay High Court and the findings of several adjudicators from time to time on this particular issue. The adjudicator Capt. S. T. H. Zaidi, however, observed that although the company had earmarked a huge sum every year for distribution as bonus, they never distributed at to workers. He said, "During my visit to the concern, I was surprised to see that in spite of heavy losses, this year a sum of Rs.25,000 is earmarked for bonus which is still lying undiscributed. It is a pity that men drawing huge salaries got bonus and the poor workers who deserved more help were left over altogether in spite of the fact that a provision was made for them also." He, therefore, ordered that the concern should pay bonus to its workers for the year 1945 at the rate of 4 annas per rupeeon the basic wages.

33. The most important and startling adjudication award in the United Provinces was given by Mr. M. Absan in the dispute between the Kanpur Electric Supply Corporation, Ltd., and its employees. Issue no. (i) was: from out of the reserve funds accumulated by the said concern are its employees entitled to any gratuity by way of profit-sharing, if so, to what amount and under what terms of conditions? The employees pleaded that they had a share in the reserves, because they had been sharing the profit in the shape of bonus and tecause the reserves had been built out of profits. The employers, on the other hand contended that bonus was an ex gratia payment and the proposition that by linking the bonus to profits the employers have recognised workers claim for bonus is fallacious. Payment of bonus is not the term of employment in the Corporation and therefore the employees cannot claim bouns as a matter of right and hence the shares in the reserves also. Mr. Ahsan in his award said, "Great stress has been laid on the contention that the payment of bonus was not an expressed condition of employment. While admitting this I cannot ignore the fact that besides the expressed condition of employment, the employees by their practice sometimes establish implied contract which in itself becomes a term of employment . . . The employees, by the past action of the employers were led by the implication that they would share the profit in shape of bonus at the close of every year. This establishes an implied contract between the employers and the employees for the payment of bonus which is closely connected with the claim of the employees forming the issue in discussion . . . I recommend that the employers of Kanpur Electric Supply Corporation, Ltd., would distribute 50 per cent, of all reserves, after meeting liabilities, if any, against them, to the employees proportionately taking into consideration their length of service and salary after they close their accounts of the current year. The party taking over the corporation should consider it a liablity against the corporation." It was for the first time that an adjudicator accepted. the claim of workers for a share in the reserve funds created by a company and when the award was enforced by the Government, it was received with mixed feelings by the industrial world; while the workers were jubilant on their achievement the employers were very much upset. The repercussions of this award on industrial relations in general in this province are being watched with interest. In the same dispute another issue related to the payment of "Farewell bonus". The adjuncator held an opposite view on this issue and said in his award, "Since the demand does not relate to the employment or non-employment or the terms of employment or with the conditions of labour, it does not fall within the purview of an industrial dispute. I hold that it is not in my jurisdiction to decide this issue.**

37. It has to be admitted that the procedure of complusory arbitration is beset with innumerable difficulties; it has failed to maintain industrial peace. Instead of ironing out differences between labour and capital, the adjudicators quite infrequently assume a superior attitude of sitting in judgment and their awards instead of healing the sores further aggravate them. It has been quite usual for labour to repudiate the awards and take recourse to lightning strikes in protest against the adjudicators alleged harshness towards The employers too on many occasions were compelled to flout Government orders enforcing the awards. It is not enough to give an award, or to enforce it the parties to the dispute should be made to feel that it is just and workable and that neither party has been let down. It is necessary that the adjudicator considers himself a conciliator first and an adjudicator afterwards. The Royal Commission on Indian Labour gave considerable thought to this aspect of the question and said, "The objections to any scheme involving the compulsory reference of disputes to arbitration are formidable, quite apart from the practical difficulties that confront such a proposal. We believe that the effects on an industry would be disastrous if there was a general tendency to look to some external authority to preserve industrial peace and to discourage settlement by the industry itself . . . It would be impossible to coerce large numbers of men into accepting terms on which they are unwilling to work, and the parties would thus enter into the arbitration on an unequal footing. Further it seems to us that if an award is to command sufficient confidence to justify its enforcement, it must rest, like a judicial finding, on the application of criteria which are accepted beforehand by the public. In other words, the principles which are to guide the tribunal's decision must be formulated in legislation".

Need for Conciliation

38. The need of settling disputes through conciliation as far as possible, instead of adjudication cannot be over-emphasised if what is desired is promotion of industrial hormony and stepping of production. It has been experienced that where adjudication had failed to bring about the desired result, the conciliation procedure achieved remarkable success. The practical instance of the adjudication award in the

Western India Match Factory, Bareilly, may be cited as an example. An award was given by a senior officer of the Labour Office and it was enforced by the Government. Labour was dissatisfied with the award and consequently a lightning strike followed and workers decided to go slow tactics with the result that while the province was faced with a match famine, the production of matches in this factory fell to 25 per cent. Shree B. B. Singh, the then Labour Commissioner, visited the factory personally, contacted both the parties, made them sit round a table as a result of which certain terms were agreed upon willingly between them. The management conceded certain demands and the workers promised to accelerate production. The Labour Commissioner issued a press note a week after and said that the workers had honoured their pledge and the production had gone up to its old level.

39. Where production is to be stepped up to meet an abnormal situation of the shortage of consumer goods in the country, more human methods, and not merely force of law, have to be employed to deal with industrial strife. If human touch is employed it seldom fails to produce results. In conciliation it is essential that both the parties should be made to appreciate each others point of view and this can only be possible if the two parties are kept in touch with each other, not only during the period of dispute but on a permanent focting. It is necessary that full use is made of the provision for establishing 'works committees' in all undertakings under the Industrial Disputes Act of 1947. Steps are being taken in this province to set up such committees in industrial establishments and it is hoped they will help to meet the situation they are meant for before long. The Royal Commission on Labour said, "We believe, that if they are given proper encouragement and past errors are avoided. 'works committees' can play an useful part in the Indian Industrial System."

Prevention of Disputes

40. In spite of the Government having issued an order prohibiting strikes and lockouts without having given at least 14 days' notice in advance, it is amazing to discover that a large proportion of strikes have been declared without giving any notice at all. The following table shows the number of strikes which were declared during 1945 and 1946 in the United Provinces and details of which

were received in the Labour Office in the various quarters of these years.

	•			Strikes which were declared				
	Pe	riod		With proper notice	Without notice	Total		
	15	945						
1st quarte	r	••	**	1	17	18		
2nd ,,	••	••	••	1	19	20		
3rd "	••	••	••	3	7	10		
4th ,,	••	••	••	2	14	16		
	19	946	,		i.			
1st quart	80	••	••	2	10	12		
20d ,,	••	••	••	8	33	41		
3rd .,	••	••		3	28	31		
4th .,	••	••	••	2	21	23		
		Total		22	149	171		

Out of 22 strikes which were declared after giving a notice only 19, i. e., 41 per cent. were successful and of the 149 strikes which were declared without giving any notice 36 strikes, i. e., 24 per cent. were successful. It is disappointing to note that where the total number of strikes during these two years was 171 as many as 149, i. e. 87 per cent. were declared without giving any notice in advance of their intention to do so.

41. Unfortunately too much emphasis has been laid on the force of law for the maintenance of industrial peace. Experience, however, does not seem to justify this course, unless collaborated by other means also. The Hon'ble Dr. B. R. Ambedkar, Labour Member to Government of India in the year 1945, in the course of his inaugural address to the Conference of Industrial Relations Machinery of the Government of India held at Bombay in that year rightly said, "Industrial peace based on law is possible. It is possible only because anything can be brought under law, anything can be made legal, anything can be made illegal. But to make law is one thing, to see it fulfilled is another. Questions like 'who is obliged to do', 'what is he obliged to do' are questions for lawyers. The administrator can find no satisfaction in them, no matter what the answer is. The question in which the administrator is interested is, 'Is the obligation

fulfilled or not'. This question of the fulfilment is not a legal question. It is a social question and involves other than legal consideration. Industrial peace based on law is possible, but not certain'.

42. Dr. Ambedkar further said, "Industrial peace based on social justice is a hopeful proposition. This involves a triangular approach which must start by recognising (1) on the part of the workers, the duty to work which is the same as elimination of shirking, (2) on the part of the employer to pay reasonable wages-which is the same as elimination of exploitation and to provide comfortable conditions of ! work-which is another name for labour welfare, (3) the duty on the part of the state and society to realise that the maintenance of proper industrial relations is a public affair and is not a mere matter of contract between the employer and the employee . . . If I may venture to make a few suggestions, I would like to emphasise the necessity of employers realising that because a worker can be had for a price, he does not become a thing to be used by the employer as he likes. He cannot be treated as one treats an orange, suck the juice and throw the rind away. He is a human being and his rights as a human being must be respected. It must be seen that he is comfortable in his home: as well as in the factory. It is only then that he will recognise that work is his duty."

Need for a positive labour policy

43. Insistence on the policy of maintaining industrial peace based on law is a negative policy and should be abandoned in favour of a positive labour policy based on social and economic justice. At a time when the Government is adopting a policy of decontrol and the country is returning to peace time economy by and by, a policy of control with reference to any particular question would seem out of place. A positive labour policy would involve recognition of some basic and fundamental rights of the working class and ameliorative legislative measures to make such recognition effective and real. It is imperative to guarantee to industrial labour at the earliest moment such conditions as security of service, full employment, living wage, decent housing, provident fund, old age and sickness insurance. Government of India have already undertaken a five-year plan to enact measures for the amelioration of the conditions of Indian labour, and it was only recently that the Constituent Assembly (Legislative) passed the Minimum Wages Act to provide for fixing minimum wages in certain employments including agriculture. The Labour Minister, Mr. Jagjiwan Ram, said during the debate on the bill that no industry, including agriculture, had a right to exist if it entailed the exploitation of the working class and could not afford them a minimum wage. The need for legislation on many labour problems was never greater than it is today and it is high-time that the Provincial Government formulates a concrete scheme and adopts a legislative plan for the province. The Government must ensure to the worker and recognise his claim that a living wage is the first charge on industry and that he is entitled to a share in the general increment in the wealth of the province in lieu of his efforts and sacrifices.

- 42. In countries where such amenivies of life have been guaranteed to the working class, they have made history during periods of crisis by their valour and sacrifice and here won a respectful place in society. During the victorious 1942 winter offensive of the Red Army, a Molotov worker by the name of Gorodilov worked 96 hours straight at his job knowing that the uninterrupted flow of parts to the assembly line depended on him. When he was requested to take some rest he replied; "They are advancing for weeks already, but my offensive has been going on for only two or three days." He did not leave his job until the last part was complete. Biting his lips from pain he dropped down and was carried in a stretcher as a wounded soldier is carried from the battle-field.
- 45. "There was a case at the Urals Heavy Machinery Works when a large press, producing important aircraft parts went out of Commission. Each hour threatened to cut the output of war planes. To repair it was necessary to dismantle and do a welding job in one of the high-pressure cylinders, a job that would have required almost a week under ordinary conditions. A volunteer repair crew found another course. They disconnected the cylinder, increased pressure correspondingly in the remaining ones, and began the repair job while the press was going. The cylinder had to be heated until it was almost red hot, yet the volunteer workers entered the scorching inferno, although each two minutes trick inside brought with it all the torments of being baked alive. True, they spend several days in hospital after this battle with heat, but the press did not stop a single minute and the front received as many air planes as the plan dictated."
- 46. Today India is passing a crisis of production, and a similar heroism is required of the Indian working class. India's Prime Minister, Pr. Jawahar Lal Nehru has made an appeal and has given the slogan: "Produce or Perish."
- 47. The Indian worker is capable of such feats of valour and sacrifice as described above. But he needs encouragement. That is the real need of the hour.

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