

REPORT
OF THE
STUDY GROUP ON
INDUSTRIAL RELATIONS
(Eastern Region)



NATIONAL COMMISSION ON LABOUR

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FOREWORD

The National Commission on Labour appointed the Study Group on Industrial Relations for the Eastern Region comprising the States of Bihar, West Bengal, Orissa and Assam in its attempt to understand the state of Industrial Relations in that region since Independence. This was one of four Study Groups set up for building up a picture of industrial relations in different regions. The Study Group was required to analyse available information and project its thinking on typical labour problems in the area taking into account the possible industrial developments in the region.

The views expressed in the report are the views of the Study Group. In examining them for framing its final recommendations, the Commission will attach due importance to these views coming as they do from knowledgeable persons. In the meantime, the report is being published by the Commission with a view to seeking comments on it from persons/institutions interested in Industrial Relations in the region.

The Commission is grateful to the Chairman and Members of the Study Group individually for completing their work within the time-limit fixed for them. The Commission is also grateful to all persons/institutions who may have helped the Study Group in reaching its conclusions.

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FOREWORD

Shri P.B. Gajendragadkar, Chairman of the National Commission on Labour, constituted an Industrial Relations Study Group (Eastern Region) in May 1967 comprising the States of West Bengal, Bihar, Orissa and Assam with headquarters at Calcutta. The composition of the Study Group is as follows :

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2. Shri M. Ghose,
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Later on Mr. Arun Bhattacharya, General Secretary, INTUC, Assam Branch, was also nominated as a member

of the Study Group. The Study Group was expected to draw upon such material on the relevant area of the Commission's enquiry and project its thinking for the years to come on the specific aspect entrusted to it. It was also pointed out in the letter of the Chairman to the members of the Study Group that "the emphasis in the Study Group will be on existing data and not on collection of additional information". The Chairman of the Commission held a meeting of the Chairmen of the various Study Groups on Industrial Relations in New Delhi on 12th August 1967. At this meeting, the Eastern Region Study Group was requested to make a "special study of the problem of *gherao* in all its aspects".

The Study Group held seven sittings in Calcutta and one sitting each in Rourkela, Jamshedpur and Delhi. The work of the Study Group was hampered by the political and industrial disturbances that occurred in Calcutta during the months of November and December 1967 and January 1968. An endeavour has been made in this report of the Study Group to present an unanimous view of the members on most of the problems. However, wherever there was difference of opinion, an attempt has been made to record it. The report consists of two main parts—one dealing with the existing condition of industrial relations and the other dealing with recommendations. A special note on *gheraos* in West Bengal is appended in Annexure 'A' of the report.

INTRODUCTION

The eastern region comprising the States of Assam, Bihar, Orissa and West Bengal covers an area of 2,08,230 square miles which is about 18% of the country's total area. More than 25% of India's population lives in this region. Thus, the density of population is high. The plains of Bihar and West Bengal are one of the most densely populated areas in the world.

About 70% people of the region depend on agriculture for their livelihood. Among food crops, rice is the major product, and approximately half of the rice produced in the country is grown in this region.

Substantial quantities of other varieties of food crops like wheat, gram, barley, pulse etc., are also grown. Jute and tea are the main cash crops of the area. The region accounts for almost the entire jute cultivation in the country. A major portion of the tea produced in the country comes from Assam and West Bengal. Assam alone produces about one-fourth of the world's tea. Thus the region has the privilege of having jute and tea industries—the two main foreign exchange earners of the country. Sugar cane, tobacco and forest products are the other cash crops of the area. However, agriculture in the region is largely dependent on rains because of inadequacy of irrigation system and therefore, crop failures are not uncommon.

The region occupies a prominent place in the country's economy due to its richness in cash crops, mineral resources and industries based on these raw materials. The region accounts for approximately 28% of the total factory employment in the country, but compared to western region, the pace of industrialisation in this region has been rather slow. Besides jute and tea, the other major industries of the area are mining and quarrying, iron and steel, cotton textile, sugar, engineering, transport, chemical and oil. Out of the six steel plants in the country, four are located in this region and the fifth one at Bokaro is under construction. Some of the big units of the engineering industry, viz., Heavy Engineering Corporation, TELCO, Chittaranjan Locomotive Works, etc., are

also located in this area. There are oil refineries at Gauhati, Barauni and Digboi and fertilizer plants at Sindri and Rourkela. Two more fertilizer plants are coming up at Durgapur and Namrup. In 1961, the region accounted for 33.5% of India's total productive capital employed in manufacturing industries. In the same year, the region accounted for 31.3% of the total value added by manufacture in the country.

The region has great potential of industrial development. In fact, in a seminar held by the U.N.O. in 1966 on the growth of cities in the world, an American Professor had mentioned that Calcutta and its hinterland had the potentialities of growing into the largest industrial complex and the biggest city in the world. However, the region at present is suffering from many handicaps like limited port facilities, slowing down of investments, unstable political conditions and the unsolved refugee problem. Some consider that the industrial growth has been inhibited by labour unrest, while others are of the opinion that such unrest is mainly due to low wages in some major industries in this region compared to western region.

INDUSTRIAL RELATIONS

The pattern of industrial relations in Eastern India is more or less the same as in other regions. Some of the special features of this region indicated in the "Introductory Note" have their repercussions on the labour situation in general. One of the noteworthy features of this region is that while terms and conditions of employment in major industries such as jute, cotton, plantations and coal mines have been determined by successive omnibus awards or by wage boards' recommendations, wages and other terms of employment have been fixed by collective bargaining between employers and employees concerned in other industries. In the engineering industry, the pattern was laid by successive omnibus tribunal awards, but collective bargaining has progressed considerably in some units.

1.2. Since the loss of man-days is often regarded as a barometer for assessing the industrial relations in an industry or a region, the relevant figures of man-days lost in Assam, West Bengal, Bihar and Orissa from 1960 to 1965 are given below :

<i>Year</i>	<i>Assam</i>	<i>West Bengal</i>	<i>Bihar</i>	<i>Orissa</i>
1960	74,045	26,06,698	2,00,654	1,11,680
1961	72,009	21,43,538	1,58,654	2,36,801
1962	29,214	13,56,260	1,77,532	4,280
1963	10,603	9,30,822	80,289	18,209
1964	52,368	20,15,055	5,36,758	1,30,532
1965	24,324	18,29,096	2,18,126	90,427

1.3. Man-days lost throughout the country in 1965 were more than 6 million, out of which 33% of such loss is due to stoppages in the eastern region. Of course these figures will have to be considered in the light of the number of establishments in the region and persons employed therein vis-a-vis the number of establishments and personnel employed in other regions. It is significant to note that in 1963 the man-days lost in the eastern region except in Orissa were much less than those in the previous year. Similarly, loss of man-days in 1964 was much more than

those in 1962. It appears that the tempo of industrial production built up immediately following the Chinese aggression and adoption of the Industrial Truce Resolution gradually tapered down in 1964. Other factors which contributed to the industrial unrest in 1964, are difficult to assess ; rising prices might have been one of them.

2. Cause of Industrial Disputes

The table given below shows the cause of industrial disputes resulting in loss of man-days throughout the country from 1960 to 1966 :

Year	Wage and Allowances	Bonus	Personnel & Retrenchment	Leave & Hours of work	Other reasons
	%	%	%	%	%
1960	37.1	10.5	24.7	2.4	25.3=100%
1961	30.4	6.0	29.3	3.0	30.4=100%
1962	30.2	12.3	25.2	0.7	30.6=100%
1963	27.8	10.0	25.9	4.6	31.7=100%
1964	34.9	7.9	27.4	2.0	27.8=100%
1965	34.1	16.9	17.8	0.4	31.7=100%
1966	32.1	14.1	27.4	2.5	23.9=100%

2.2 The figures of West Bengal in respect of the year 1966 are as follows :

Causes	Percentage of man-days lost
Wages & Allowances	21%
Bonus	14%
Personnel & Retrenchment	19%
Leave and Hours of Work	5%
Others	41%

Source: *Labour in West Bengal, 1966* published by the Government of West Bengal.

2.3 Compared with the All-India figures, the man-days lost on account of wages and allowances was low in West Bengal, whereas the loss of man-days on account of other factors was very high. Sometimes inter-union and intra-union rivalry influenced by political conditions might have been responsible for loss of man-days in certain cases. It may be mentioned that man-days lost on account of hartals and general strikes in West Bengal have not been included in the above figures.

3. "Gheraos"

In 1967, *gheraos* became a form of labour protest in West Bengal. During the period between 1st March and 31st August 1967, there were 915 cases of

"gheraos" according to the statistics maintained by the Home Department, Government of West Bengal (*Statesman* dated 21st September).

Figures related to each month are shown below

March	47
April	163
May	237
June	163
July	138
August	167
Total	<u>915</u>

3.2. Cause-wise analysis of these figures is as follows:

Non-implementation of awards of Labour Courts and Tribunals	26	3%
Retrenchment and lay-off	191	21%
Miscellaneous, viz, wage increase, dearness allowance, recognition of unions, suspension, dismissal, bonus etc. (subsequently it was reported that the total number of "gheraos" upto the end of September 1967 was 1230)	698	76%

(A Note on "Gherao" is attached—Annexure 'A')

4. Machinery for Prevention & Settlement of Disputes *Works Committee*

In accordance with Section 3 of the Industrial Disputes Act, industrial establishments employing 100 or more workmen are required to set up works committees where notifications to the effect have been issued by the appropriate Government. The number of works committees in the eastern region during the years 1964 and 1965 is given below:

States	Number of Works Committees	
	1964	1965
Assam	81	91
West Bengal	637	803
Bihar	—	142
Orissa	18	23

4.2. It appears from the above figures that the number of works committees in this region is on the increase. In some industries, works committees have been functioning satisfactorily whereas in others they have not. Previously in some cases, terms and conditions of employment of workers were also discussed and settled at the works committee level, but in view of the ruling of some of the courts, works committees do not deal with collective bargaining matters. However, they provide a forum for discus-

sion of day-to-day problems of an industrial establishment where these function satisfactorily. In some cases, sub-committees of works committees act as joint consultative bodies for dealing with canteen, welfare, safety, etc.

4.3. It has been noted that in establishments where unions were strong and representative in character, formation of works committees was not favoured. Some unions even regarded works committees as rival bodies. However, this misgiving has been dispelled by the action taken by Government in defining the functions of the works committee vis-a-vis unions by amending the Central Industrial Disputes Rule. Recently, it has been noted that in cases where there is inter-union rivalry and rival unions wish to challenge the representative character of the recognised union, they press for formation of a works committee which indirectly determines the representative character of a union. Sometimes, inter-union rivalry is accentuated prior to and during works committee's election reflecting adversely on industrial relations of an establishment. It is felt that formation of works committees to deal with day-to-day problems of establishments should be encouraged. Shri Bhattacharya and Shri Sharma, however, are of the view that since these works committees tend to be rival bodies to trade unions there is no necessity of forming such committees.

5. Conciliation, Adjudication and Arbitration

Only in cases where there is a recognised union, disputes are initially discussed at the bipartite level and the intervention of the conciliation officer is sought only when the bipartite negotiation fails. Because of multiplicity of unions in many cases, disputes are referred to conciliation officers even on issues settled with recognised unions. In order to overcome this difficulty, settlements reached with recognised unions at a bipartite level are often taken to conciliation officers for their signature so that settlements become binding on all workmen and matters covered thereunder cannot be reopened by any rival union. Although under the Code of Discipline in industry it was accepted by all concerned that collective issues should be settled with recognised unions, this principle could not be strictly adhered to by the Government Industrial Relations Machinery because of the provisions of the Industrial Disputes Act, which confer right on any union to raise an industrial dispute. In any case, the Conciliation Machinery has played an important role in resolving disputes, and it may be made more effective, if amongst

others (i) a sound bargaining relationship is developed between the parties by eradicating multiplicity of unions; (ii) reference of disputes for adjudication is reduced to the minimum; (iii) the time consumed in conciliation proceeding is reduced and (iv) the machinery is manned by trained and experienced persons.

5.2. Similarly, adjudication system has also contributed towards stabilisation of terms and conditions of employment and formulation of certain important principles and norms for resolving differences between employers and employees. Trade unions consider adjudication as a time-consuming and litigious process and they do not favour it. Consequently, the realisation is gaining ground that effective and purposeful collective bargaining should be encouraged in preference to adjudication.

5.3. As regards voluntary arbitration, it can be said that, in this region, it has not made any progress worth mentioning.

6. Employees' Organisations

The four Central Trade Union Organisations, viz., Indian National Trade Union Congress, All-India Trade Union Congress, United Trade Union Congress and Hind Mazdoor Sabha, have their affiliated units in different States in the eastern region. In addition to these, there are unions at the unit level as well as in industries, which are not affiliated to any of the Central Trade Union Organisations mentioned above. Recently, a few other trade union organisations such as Bhartiya Mazdoor Sangha, Indian Federation of Independent Trade Unions, have come into existence, but they have not made any appreciable impact on the trade union field in this region. In a number of industries, there are industry-wise as well as plant-level unions. The structure of trade union organisation in some of the important industries in the eastern region is indicated below.

(i) Jute Industry

The important unions in the industry are National Union of Jute Workers (affiliated to INTUC) and Bengal Chatkal Mazdoor Union (affiliated to AITUC). Both these unions are organised on an industry-wise basis having membership in a large number of units. The Hind Mazdoor Sabha and the United Trade Union Congress have some following in some jute mills. In addition to these, there are plant-level unions at a few individual mills. The representative strength

of these unions is not known and unions are not generally recognised by the management, but the Indian Jute Mills Association deals with unions informally and consults them on issues concerning the industry as well as individual units as and when the situation so warrants.

(ii) *Engineering Industry*

In the engineering industry in West Bengal, there are four major industry-wise unions or federations of unions, viz., the Metal & Engineering Workers' Federation (affiliated to AITUC), the United Metal & Engineering Workers' Union (affiliated to UTUC), West Bengal Engineering Workers' Union (affiliated to UTUC controlled by Socialist Unit Centre) and the National Federation of Engineering Workers (affiliated to INTUC). The representative strength of these industry-wise unions/federations is not known.

There is no pattern of direct negotiation or collective bargaining between these unions/federations and the industry, but a large number of unions at the plant level are recognised by the management concerned and terms and conditions of employment are usually determined by direct negotiation or collective bargaining with these unions. Intra- and inter-union rivalry is rampant in this industry and this has affected industrial relations adversely in a number of cases.

(iii) *Tea Industry*

In the tea industry also, there are industry-wise unions affiliated in the Central Trade Union Organisations. The major unions in West Bengal include:

- National Union of Plantation Workers (INTUC)
- West Bengal Cha Sramik Union (HMS)
- Dooars Cha Bagan Workers' Union (UTUC)
- Zilla Cha Bagan Workers' Union (AITUC)
- Rashtriya Cha Mazdoor Congress (INTUC)
- West Bengal Tea Employees' Association (INTUC)
- Darjeeling Cha Bagan Workers' Union (UTUC)
- Darjeeling District Cha Kaman Mazdoor Union (AITUC)

In Assam, the major unions are:

- Assam Cha Karmachari Sanga (INTUC)
- Assam Chah Mazdoor Sangha (INTUC)
- Assam Chah Sramik Union (HMS)
- Cachar Cha Sramik Union (INTUC)
- Indian Tea Employees' Union (INTUC)

Besides these Central Trade Union organisations, there is an industry-wise union at Darjeeling known as the Cha Kaman Sramik Sangha (Gurkha League) which is not affiliated to any Central organisation.

Some of the aforesaid trade unions in East Bengal which operate industry-wise have branches in different areas in the tea district, but the areas in which they have a sizeable membership is not clearly defined. Moreover, there is considerable overlapping with several unions operating on individual estates, their area of jurisdiction being nowhere defined. In Assam, the industry-wise Assam Chah Mazdoor Sangha (INTUC) and Assam Chah Karamchhari Sangha (INTUC) which represent the tea estates' workers and staff respectively and have jurisdiction throughout Assam Valley, and the Cachar Cha Sramik Union and the Indian-Tea Employees' Union which represent staff and workers respectively of Cachar District, have been recognised by the employers.

In West Bengal, the National Union of Plantation Workers (INTUC), the West Bengal Cha Sramik Union (HMS), and Rastriya Cha Mazdoor Congress (INTUC) which represent the workers, and the West Bengal Tea Employees' Association (INTUC) which represents the tea estate staff employees have been recognised by the employers.

Due to multiplicity of procedure in West Bengal, intra- and inter-union rivalry have often been the cause of labour trouble.

(iv) *Coal Industry*

In the coal industry also, there are industry-wise unions or federations affiliated to the three Central Trade Union Organisations, viz., INTUC, AITUC and HMS. The federations of unions are Indian National Mine Workers' Federation (affiliated to INTUC), All India Khani Mazdoor Federation and Colliery Mazdoor Congress (affiliated to HMS) and Indian Mine Workers' Federation (affiliated to AITUC). In addition to these, there are other unions, viz., Colliery Mazdoor Sangh (Dhanbad) and Colliery Mazdoor Union (Asansol). There are also unions at the individual colliery level and a number of them are recognised by the management concerned.

(v) *Iron and Steel Industry*

In the steel industry, unions are generally organised on a unit-wise basis. Most units have a number of trade unions

affiliated to different central organisations. At Jamshedpur, both the INTUC and AITUC have their affiliated units. Tata Workers' Union (INTUC) which is recognised by the management of Tata Iron and Steel Co. has two wings, one for workers and the other for supervisory staff upto general foreman level. This union has entered into a number of collective agreements with the management. The other union at Jamshedpur is the Jamshedpur Mazdoor Union (AITUC). The membership of this union is not restricted to the workers of the steel industry only. Similarly, Indian Iron and Steel, Burnpur also has two unions—the Asansol Iron and Steel Workers' Union (INTUC) and the United Iron and Steel Workers' Union (AITUC). The former is recognised by the management.

At the public sector steel plants, almost all central trade union organisations have their units. Rourkela steel plant has five registered unions. The recognised union is the Hindustan Steel Workers' Association (INTUC). The other registered unions are Rourkela Mazdoor Sabha (HMS), Rourkela Workers' Union (UTUC), Rourkela Steel Mazdoor Union (AITUC), North Orissa Workers' Union (Ind). At Durgapur also, there are five registered unions. Hindustan Steel Workers' Union (INTUC) is the recognised union at this plant. The other unions are Hindustan Steel Employees' Union (AITUC), Durgapur Hindustan Steel Workers' Association (Forward Bloc), Durgapur Steel Employees' Union (HMS) and Durgapur Steel Plant and Contractors Mazdoor Union (UTUC).

In the steel industry, a federation of trade unions affiliated to INTUC has been formed.

6.2 It may be mentioned in this connection that in the tea, jute and mining industries, the terms and conditions of employment have been generally determined by successive industrial tribunal awards and a considerable degree of standardisation has also been effected through the process of adjudication. The wage structure of these industries has been determined by the wage boards concerned. The number of problems relating to these industries have been solved by industrial committees set up for such industries. Representatives of employers' organisations and trade unions affiliated to the Central Trade Union Organisations serve on those tripartite committees.

6.3 In other miscellaneous industries, the pattern of trade union development has been on the unit basis. In

most mercantile offices, there are unions which are generally recognised by the management concerned and larger number of these unions are affiliated to the Federation of Mercantile Employees' Unions. An industry-wise union has been formed by the workers of Overseas General Insurance Companies and the union has negotiated a number of long-term settlements with the employers' organisations concerned with the industry. All-India organisations of bank employees, port and dock workers, railway workers, insurance employees, have their branches or affiliated unions in the regions.

6.4 The membership of the four Central Trade Union Organisations in different States in the eastern region during the year 1962-63 (latest figures available) is given below :

	INTUC		AITUC		UTUC		HMS	
	Affiliated unions	Verified membership	Affiliated unions	Verified membership	Affiliated unions	Verified membership	Affiliated unions	Verified membership
W. Bengal	145	3,34,292	182	140,579	91	53,669	42	71,535
Assam	14	1,78,628	13	5,496	—	—	2	16,629
Bihar	85	1,10,703	38	29,314	32	16,108	22	27,809
Orissa	13	19,045	3	1,420	—	—	13	11,086

(Source: Director, Labour Bureau, Simla)

Any breakdown of the above figures on the industry-wise basis in different States in the eastern region is not available. In any case, the number of unions not belonging to any of the four central trade union organisations is quite substantial in the four States in this region.

7. Employers' Organisations

All-India Bodies

The two all-India employers' organisations, viz., the Employers' Federation of India and All-India Organisation of Industrial Employers, which formed a co-ordinating committee known as Council of Indian Employers, have their registered committees in eastern India. The main function of the regional committee is to discuss regional industrial relations problems and to formulate policies for the guidance of the members of the region. These committees also communicate to their respective parent organisations the views of the members of the region on issues of an all-India importance and, particularly on subjects that are placed before the various tripartite bodies at the national level.

In the eastern region, the Employers' recreation have about thirty five members and in addition, six industrial associations, viz., Indian Jute Mills Association, Indian Mining Association, Indian Engineering Association, Indian Tea Association, Master Stevedores' Association and Calcutta Hydraulic Press Association subscribe to the Federation. Similarly, firms and industrial associations which are affiliated to the Indian Chamber of Commerce, Bengal National Chamber of Commerce and Industry and Bharat Chamber of Commerce, Calcutta, are affiliated to the All-India Organisation of Industrial Employers. A number of small industrial establishments dealing with engineering and other products are members of the All-India Manufacturers' Organisation.

The activities of the all-India employers' organisations are confined to dealing with policy matters, giving advice to members on tripartite conclusions adopted at the national level and ensuring implementation thereof by their constituents. These organisations do not deal with industrial relations problems that may arise in their constituents' establishments nor do they participate in any negotiations with trade union organisations relating to their individual or association members. Nevertheless, the importance of these all-India employers' organisations has grown considerably during the last decade because of the setting up of wage boards and bipartite bodies at the national level. All-India organisations have also set up Screening Committees in this region to examine proposals made by their constituents for filing appeals against decisions of tribunals and labour courts.

7.2 Chambers of Commerce

The Chambers of Commerce which exist in different States were originally started with a view to safeguarding the trade and commercial interests of their constituents. The evolution of these Chambers has been according to the local need and circumstances. The Chambers of Commerce are affiliated to either Associated Chambers of Commerce and Industry or Federation of Indian Chambers of Commerce and Industry. The most important Chambers in West Bengal are (i) the Bengal Chamber of Commerce and Industry, (ii) the Indian Chamber of Commerce, (iii) the Bengal National Chamber of Commerce and Industry, (iv) the Bharat Chamber of Commerce and (v) the Oriental Chamber of Commerce. The membership of the Chambers of

Commerce represents a conglomeration of trading, commercial and industrial interests including banks and insurance companies. To these Chambers of Commerce are also affiliated the various industrial associations. As for example, the Indian Jute Mills' Association, Master Stevedores' Association, Exchange Banks' Association, Overseas General Insurance Association are affiliated to the Bengal Chamber of Commerce and Industry, whereas the Engineering Association of India, Tea Association of India, Paint Association, Chemical Manufacturers' Association and Indian Sugar Mills' Association of India are connected with the Indian Chamber of Commerce. Some of the small industrial associations are affiliated to the Bengal National Chamber of Commerce and Industry and the Bharat Chamber of Commerce. Although industrial associations affiliated to the various Chambers of Commerce had established labour departments long ago, the Chambers of Commerce did not build up such departments prior to 1950. Introduction of the Industrial Disputes Act which is applicable to all industrial and commercial establishments, including banks and insurance companies, encouraged Chambers of Commerce to set up centralised labour departments. The functions of the Chambers' Labour Departments are to lay down broad policy on labour relations and to help members in conciliation and adjudication proceedings. Although the Labour Departments of some of the Chambers of Commerce help members in bipartite negotiation with trade unions, the Chambers of Commerce cannot negotiate directly with trade union organisations because there is no homogeneity of interest among members who may be engaged in commercial, industrial, banking or insurance activities. They, however, co-ordinate the activities of their members by laying down broad policy and principles and disseminating information on labour matters, but effectiveness of such organisations would depend on the solidarity of their membership and the part played by them in persuading their members to follow a common policy.

7.3 Industrial Associations

The industrial associations which represent homogeneous interest are in a different position from the Chambers of Commerce. They can evolve standardised terms and conditions of employment for workers and negotiate with trade union organisations on behalf of their members in this regard. Some of the industrial associations affiliated to the

Bengal Chamber of Commerce and Industry and the Indian Chamber of Commerce have centralised Labour Departments to guide their members in all matters relating to labour relations. However, direct negotiation between these industrial associations and trade unions' organisations has not made much headway because of (i) the existence of multiple unions in different industries and the difficulties of recognising an industry-wise union and (ii) existence of more than one industrial association in industries. However, there are a number of instances where an industry-wise understanding between industrial associations and trade union organisations has been reached at the tripartite level—either in conciliation or at meetings of industrial committees set up for the various industries. However, most of industrial associations maintain informal contacts with central trade union organisations and the Labour Departments of such associations play an important role in resolving disputes between workers and their constituent units.

In industries such as jute, tea, coal and cotton in the eastern region where a standardised practice has been evolved with regard to terms and conditions of employment of workers, the industrial associations concerned play an effective role in maintaining such standardised practice and give guidance to members on all matters governing industrial relations. In the engineering industry, successive tribunal awards and the setting up of the Wage Board for the industry have introduced greater cohesiveness amongst the constituent units of the two engineering associations, but still there is considerable variation in the terms and conditions of employment of workers and personnel practices followed by them because of the difference in the size of those units and the products manufactured by them. In this industry, collective bargaining on a unit-wise basis has been the pattern, while in other industries industry-wise practices have been sought to be evolved.

Since the existence of more than one industrial association in a particular industry may stand in the way of collective bargaining on an industry-wise basis, the difficulties have to a certain extent been overcome in some industries, such as tea, coal, etc., where joint consultative committees have been formed to ensure a uniform approach by employers in dealing with industrial relations problems concerning the entire industry and in making representations

to Government in matters affecting the industry. It is worth considering whether similar organisations can be set up by different trade unions connected with an industry to facilitate collective bargaining with employers' organisations by adopting a unified approach.

SUGGESTIONS AND RECOMMENDATIONS

1. Registration of Trade Unions

The ~~Indian Trade Unions Act~~ was enacted in 1926 with a view to encouraging formation of trade unions and to afford legal status and protection to such unions. The Act provides that any seven persons working in an industrial unit can form a union and get it registered. A question has now arisen whether the number of persons who can form a union for the purpose of registration should be the same as at present or it should be increased.

1.2 One view is that during the last 42 years, there has been a growth of multiple unions in a number of industrial units resulting in inter-union rivalry which is sought to be eliminated by giving the bargaining right only to the representative union in a unit. This multiplicity of unions can be effectively checked, if the number of persons forming a trade union for the purpose of registration can be reasonably increased, say to 10% of employees of the unit, subject to the minimum of seven persons employed there. This will also help to strengthen and consolidate the trade union movement.

1.3 The other view is that since the workers got the right to form a trade union after a long and arduous struggle and the majority of workers still are unorganised, any restriction in the form of increasing the number of persons required for registration of a union should not be introduced. Such restriction would not solve the problem of multiplicity of unions. Moreover, in cases of workers employed in certain industries which are composed of small units and/or widely dispersed, practical difficulties will arise in ascertaining the number of persons employed in such industries and in determining the percentage required for registration. It is also feared that if the number is increased, there may be undue pressure by some employers on the applicants desiring to form a union thereby frustrating workers' efforts to organise a union. Once the sole bargaining right is conferred on the representative union, the tendency to form and register rival unions will be minimised.

2. Recognition of Unions (Bargaining Agents)

While the Industrial Disputes Act lays down a detailed procedure for settling industrial disputes and the Indian Trade Unions Act provides for registration of trade unions, the employer-employee relations cannot be developed on proper lines unless the question of recognition of representative unions in an industry or an undertaking is settled and the method of determining the representative character of union in the industry or the undertaking is devised. The points for consideration are whether these matters should be settled by employers and employees themselves on a voluntary basis or statutory measures should be introduced to settle these two basic issues. In some industrially advanced countries such as the United Kingdom, the question of recognition of a union is left to the parties concerned, but in the U.S.A. where collective bargaining and direct negotiation between the parties as also voluntary arbitration have progressed considerably, legislative provisions have been made for determining the representative character of a bargaining agent in the event of a dispute between two unions claiming such a status. The law also enjoins on the parties concerned the obligation to bargain with each other on terms and conditions of employment.

2.2 Since laws have been progressively enacted to regulate employer-employee relations in India, it is felt that statutory provisions should be made for recognition of the representative union in an industry or an industrial unit provided that certain conditions as laid down in Section 26D of ITU (Amendment) Act, 1947 are fulfilled. The question as to whether the recognition should be on industry-wise or unit-wise basis will depend on (a) the set-up of employers' and employees' organisations in an industry, (b) the pattern of negotiation developed for determining the terms and conditions of workers employed in the industry, and (c) the extent of homogeneity of the various units of an industry. Recognition of a representative union in an industry or an industrial unit presupposes that other unions in the same industry or the industrial undertaking will be precluded from raising any industrial dispute in respect of workmen employed therein. Statutory provision for recognition of the representative union should also lay down the rights and obligations of both employers and trade unions concerned and specify the period, say three years, for which such recognition should remain

valid. In this connection, provisions on unfair practices by the ITU (Amendments) Act, 1947 may be adopted with such modifications as may be deemed necessary. However, Messrs A. P. Sharma and A. K. Bhattacharya (INTUC) are of the opinion that if any legislation is to be introduced for laying down rights and obligations of a representative and recognised union, the provisions of the Bombay Industrial Relations Act should be followed.

2.3 On the question of procedure to be adopted for determining the representative character of a bargaining agent in a bargaining unit, the views of the members of the Study Group differ. While the majority of the members are of the opinion that the representative character of a bargaining agent should be determined by a secret ballot by the entire body of workmen in a unit, Messrs. Sharma and Bhattacharya (INTUC) are of the view that the verified membership strength of a union should be criterion for its recognition as the bargaining agent for the workmen. Prof. A.D. Singh's view is that the secret ballot for determining the representative character of a union should be restricted to the members of all the unions in an industry or a unit. Determination of a bargaining agent either by verification or secret ballot should be conducted by an autonomous quasi-judicial agency set up for the purpose and not by the Labour Department of a State Government.

2.4 By determining the bargaining agent, the problem is only half solved. It is equally important to decide which should be bargaining unit for which the bargaining agency is to be elected. The bargaining unit can be an industry or an establishment. A bargaining unit can be elected after taking into consideration the tradition of industrial relations and the negotiation, conciliation and adjudication practices of the past and the patterns of employers' organisations and trade unions in the respective area. Industries well-organised and having a tradition of industry-wide settlement should be recognised as bargaining units for the purpose of collective bargaining. Where the tradition of industrial relations has been to settle industrial disputes at the establishment level, such establishments should be recognised as bargaining units for this purpose. A multi-plant company could also be a bargaining unit provided such pattern of negotiation has already developed. The disputes relating to the determination of bargaining unit may also be dealt with and disposed of by the same autonomous quasi-judicial agency referred to above.

2.5 Those who favour the verified membership strength as the criterion for recognition of a union and determination of the bargaining agent, consider that if secret ballot is introduced for the said purpose, (a) politics will come to play and trade unionism will recede to the background, (b) casteism, linguism, and communalism are likely to influence the outcome of such ballot, (c) workers will not be interested in becoming members of any union and paying union dues, (d) growth of responsible and healthy trade unions will be hampered, and (e) such ballot may be influenced by employers with their resources in some cases.

2.6 Those who favour secret ballot of *all* workers in a bargaining unit for the purpose of determining the bargaining agent, feel that (a) the only democratic way to resolve the controversies among the rival unions over the question of the representative character of a union is to ascertain the will of workers by secret ballot, (b) if it is recognised that a collective agreement between the representative union (bargaining agent) and the management is to be binding on *all* workers—regardless of their membership of any union—it is only fair and reasonable that *all* workers should have a voice in determining the bargaining agent which will bargain on their behalf, (c) in many places workers are not members of any trade unions at present and there is also overlapping membership of unions and as such the truly representative character of a union will not be reflected by verification. Further experience of countries where secret ballot has been introduced for determining the bargaining agent is that trade union movement has been strengthened and membership has also increased. Therefore, the fear that the trade union movement will be weakened is not real.

3. Check-off and Union Shop

If the vexed question of recognition of unions could be settled, introduction of check-off system might be considered, but the representatives of the trade unions on the Study Group are not in favour of the system. Their apprehensions are that (i) in some cases the money deducted from workers' wages through the pay-roll would not reach the trade unions, and (ii) the trade union leaders would gradually lose contact with the rank and file and trade union leadership will lose interest in the cause of workers, if the realisation of subscription to unions was left to the management. However, the Study Group feels that while there should not

be any compulsion for introduction of the check-off system, it could be introduced, only if the unions concerned desired it because of the conditions prevailing at a particular plant. The Study Group nevertheless feels that facilities should be afforded to the authorised representatives of the recognised union to collect union dues in the premises of the establishment. It may be mentioned that this practice is prevalent in some units in this region. The Study Group is unanimous in its views that the practice of "Union Shop" or "Closed Shop" should not be encouraged in any way.

4. Outsiders in Trade Unionism

The Study Group considers that "outsiders" have played an important part in developing trade union movement in the country and their presence is still necessary in trade unions. However, every effort should be made by trade unions to create a cadre of wholetime trained trade union workers to manage the affairs of unions. The Study Group also feels that the tendency of some individuals to become office-bearers of a number of unions without being able to devote the necessary attention to the affairs of such unions should be discouraged. They are more or less like "absentee landlords," whose main interest is to associate their names with the organisations for certain extraneous reasons. Such outsiders do not have adequate knowledge of the industries with which their unions are connected and as such they cannot play an effective role in collective bargaining and direct negotiation with the employers nor can they apply their minds to the solution of labour relations problems which arise from time to time. However, being connected with a number of unions, they are not easily available for joint discussions and as such the tackling of problems requiring prompt action is often delayed. The Study Group feels that the Trade Unions Act should be amended so as to restrict individuals from becoming office-bearers of more than certain number of registered trade unions.

5. Functioning of Trade Unions

The Study Group feels that there is need to improve the functioning of trade unions in this region. The primary objectives of trade unions should be to promote the economic and social well-being of workers. The constitution of trade unions should very clearly lay down the objectives, based on model by-laws for trade unions published by various States, and all activities of the unions should be directed towards achieving these goals. The trade unions should function more democ-

atically and all major issues should be referred to the general body for a decision. Power to act should not be concentrated in the hands of a few. By-laws of unions regarding holding of annual general meetings and election of office-bearers, administration of funds, submission of periodical returns to the Registrar of Trade Unions should be strictly adhered to and the Trade Unions Act should be amended to ensure such adherence. At present, the financial condition of most unions is far from satisfactory. To be effective, unions should take steps to improve their finances. If necessary, they should enhance the rate of contributions from members to achieve this end. Since intra-union rivalry has often posed problems for trade unions themselves and also reflected adversely on industrial relations, it is suggested that autonomous quasi-judicial agency which will be set up to settle the representative character of unions, should be empowered to decide, as expeditiously as possible, the claim of rival groups to become office-bearers of a union as the existing procedure of resolving such disputes by civil courts and High Courts involves considerable delay.

6. Strikes/Lockouts

Prohibition of strikes/lockouts by law cannot always be effective, but nevertheless, there should be some restrictions on strike/lockout particularly in public utility concerns where cessation of work without exhausting the process of negotiation, conciliation, adjudication or arbitration may cause incalculable damage to the community at large. In any case, the principle sought to be embodied in the Industrial Disputes Act to restrict strikes and lock-outs as far as practicable in a planned economy and to prohibit all strikes in an establishment during the pendency of any dispute before a Tribunal or Labour Court has failed to achieve the desired objective. Strikes and Lockouts in contravention of the provisions of Act have taken place. Therefore, such provisions should be modified and strikes and lockouts only on issues covered by an agreement or award or on matters pending before an Industrial Tribunal or Labour Court should be prohibited. Parties should be increasingly free to develop their mutual relationship in a way that they think proper, leaving the State free to interfere only where the interests of the community are likely to be seriously endangered.

6.2 Hartals, *bundhs* and general strikes are often called by different political parties, and sometimes trade

union organisations lend support to the call for such strikes. Although Hartal, *bundh* and general strikes cause serious loss of production and disrupt the day-to-day life of the community, such strikes are political and as such the Study Group considers that the political solution should be found for such action. The Study Group, however, feels that the relationship between political parties and trade unions cannot be regulated by Law in a country which is wedded to political democracy. Workers are usually influenced by economic consideration, and in the process, they also change political affiliation and leadership according to the political climate in the country. The aim should be to develop full-time paid trade union leaders, preferably those who have worked many time in industry or trade. The main object should be to ensure that trade unions are not used for personal or political gain.

7. Settlement of Disputes

Once a bargaining agent in a bargaining unit has been determined on this basis of representative character of a union, all encouragement should be given to the parties concerned to settle disputes by direct negotiations and collective bargaining.

7.2 In any industry where the pattern of industry-wise bargaining has been developed or the terms and conditions of employment for the workers employed in the industry have been standardised by awards and agreements, industry-wise bargaining should be encouraged. Otherwise, bargaining should be done at the unit level. Messrs. Sharma and Bhattacharya (INTUC) are of the view that where industry-wise bargaining has not developed, efforts should be made to foster such pattern. The apprehension that the scope of collective bargaining with corresponding rights of the parties to resort to strike or lockout will upset the planned target, is not correct. Encouragement to collective bargaining by determining the bargaining agent with its rights and obligations properly defined will pave the way for better relationship between employers and employees and inculcate a sense of responsibility between them. The present practice of Government's intervention and frequent reference of disputes raised by any union for adjudication has not yielded the desired result of reducing strikes, lockouts and other type of work stoppages. The provision for reference of disputes for adjudication and restriction on strikes and lockouts have not made any substantial impact on the number of work stoppages and consequent loss of man-days.

7.3 The Study Group feels that there should be greater recourse to voluntary arbitration. A beginning should be made in this regard by providing a clause in the collective agreements that, in the event of any difference between the parties over interpretation of any terms of agreement, the matter should be settled by voluntary arbitration, if the parties fail to resolve it by direct negotiation. Minor issues not involving any question of principle or law or high financial stake should be settled by arbitration and the National Arbitration Promotion Board which has been set up by the Government should try to prepare an illustrative list of issues which should normally be settled by arbitration. An up-to-date list of arbitrators should also be prepared and circulated to all concerned. Arbitrators should not only be drawn from the cadre of judges, employers' organisations and trade unions, but also from professors, lawyers, civil servants and social workers having knowledge and experience of industrial relations. Tendency to appoint conciliation officers as arbitrators should be discouraged as otherwise they might be ineffective in their conciliation work. The cost of arbitration should be normally shared by both parties. In exceptional cases, where the unions' financial position is weak, Government may consider giving a suitable subsidy for meeting the cost of arbitration if approached by the union concerned.

7.4 In case where parties fail to resolve any dispute by direct negotiation, they may seek the intervention of the conciliation officer. If (i) greater emphasis is laid on collective bargaining and direct negotiation between the parties, and (ii) unrecognised unions are precluded from raising an industrial dispute, it is expected that the burden of the work on the conciliation officer will be reduced. Consequently, senior conciliation officers with greater experience will be able to devote more time in dealing with disputes. In any case, officers doing conciliation work should have thorough training and adequate knowledge of industrial and trade union set-up before undertaking conciliation work.

7.5 In case where conciliation fails and voluntary arbitration is not agreed to by the parties, a dispute may be referred to tribunal for adjudication provided that (i) strikes or lockouts are not in existence and (ii) Government is satisfied about the prima facie merits of the case. If, however, at any stage after conciliation both parties approach Government with a request to refer dispute for adjudication,

reference in such cases should not be denied. In the case of public utility concerns, however, the present restrictions on strikes and lockouts should continue as otherwise the normal life of the community may be frequently dislocated or endangered by hasty action taken by the parties concerned. Since strikes and lockouts are restricted in public utility services, proper care should be taken by appropriate Government in making any addition to the existing list of industries in the First Schedule of the Industrial Disputes Act, for the purpose of declaring a public utility service. All steps should be taken to expedite tribunal proceedings as the faith of workers in the efficiency in adjudication system has been shaken because of the delay involved in disposal of cases by industrial tribunals and labour courts. Normally an industrial tribunal should not take more than six months in disposing of cases ; technicalities involved in following the procedure laid down in the Civil Procedure Code and Evidence Act should be minimised as far as practicable. It is also worth considering whether industrial courts after examining the disputed issues should try to persuade the parties to come to terms on a reasonable basis thereby making their awards acceptable to them and reducing the tension which often follows on account of imposition of an award on the parties concerned.

8. Joint Consultation

Collective bargaining is not a one-shot affair. One cannot just sign an agreement and expect the result to follow. There has to be a constant effort to make the contract work. The Study Group feels that joint consultation is very necessary for collective bargaining to be successful. Solution of day-to-day problems and settlement of employees' grievances can best be achieved by joint consultation. Joint committees can contribute much towards better understanding between the parties and healthy industrial relations. Joint consultation can be through various committees like the works committee ; joint industrial relations committee ; joint production committee ; joint canteen committee ; joint job evaluation committee etc. These committees should have two functions : (i) fact finding ; and (ii) problem solving. In terms of formal authority, these committees should be advisory and should not impinge either on the power of management to take decisions or on the union-management area of negotiations. However, unanimous decisions of the committee should always be respected. The membership of the joint committee

should generally be half and half, with the recognised bargaining agent nominating the members from the employees' side.

9. Conclusion

In the above recommendations the Study Group has endeavoured to record unanimous views of the members as far as possible, but whenever differences of opinion could not be bridged, they have been so recorded. There was complete unanimity of views that the state of industrial relations obtaining today should be improved to ensure industrial peace and industrial progress. There was no difference of opinion about the urgency to shift the emphasis from adjudication to collective bargaining. To achieve this, all members of the Study Group hold a view that the problem posed by the plurality of trade unions in a bargaining unit should be satisfactorily solved. They are also unanimously of the opinion that the majority union in a bargaining unit should be conferred sole bargaining rights. There should also be an obligation on the part of the employers to bargain bona fide with the sole bargaining agent. The difference of opinion was confined to the manner of determining the bargaining agent in a bargaining unit. All members are of the view that collective bargaining should be supplemented by effective joint consultation. To sum up, the recommendations are generally aimed at salvaging industrial relations from compulsory adjudication and legalistic ramifications and at promoting a voluntary negotiating relationship between both sides of the industry.

The Study Group has also made a special study of the 'Gheraos'. In this study an attempt has been made to analyse the factors giving rise to 'Gheraos' and the consequences thereof. The findings of the Group are embodied in a separate annexure to the report. One of the members differed in this assessment of the factors responsible for the 'Gheraos'. His views have been recorded in the annexure as a separate note.

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Annexure—A

I NOTE ON GHERAOS

1. The word *gherao*, in common parlance, implies a siege or a blockade. Some consider that *gherao* is more or less a peaceful demonstration, while others are of the opinion that it is 'an unchivalrous infliction of physical torture or threat thereof upon individuals of the management'. A *gherao* is different from 'Satyagraha or dharna which has a Gandhian tradition behind it and means inviting self-sufferings by labour upon itself to get justice.' *Gheraos* as developed in West Bengal recently have been described as 'the physical blockade of a target either by encirclement or forcible occupation; the target may be a place or person or persons, usually managerial or supervisory staff of an industrial establishment; the blockade may be complete or partial' (Judgement of the Calcutta High Court in the case of Jay Engineering Works).

2. Is *Gherao* unknown in industrial field ?

Industrial workers in the past had on some occasions resorted to forceful mass protest or demonstration including wrongful confinement of management personnel, to protest against a sudden unilateral decision taken by the management. Sometimes such mass demonstrations had also been organised in pursuance of workers' demands, but they were never supported by responsible trade unions nor were they considered as one of the recognised means for settling industrial disputes. A distinction can be made between *gheraos* which were the result of a spontaneous outburst of workers' feeling and those which were organised as part of a trade union strategy to exert pressure on the management to concede workers' demands. In any case, *gheraos* culminating in the confinement of the management staff was always regarded as a law and order problem and was handled accordingly.

3. Factors contributing to *Gheraos*

Immediately after the installation of the United Front Ministry in West Bengal, there was an exuberance of feelings among the working class that they would get full governmental support in redressal of their longstanding grievances.

This impression was particularly created because some of the parties which formed the United Front Government had a long association with the labour movement. Simultaneously, there was a sense of frustration in the minds of the workers about the efficacy involved in resolving the disputes through conciliation and adjudication and in the implementation of settlements and awards. The rising prices and shortage of essential commodities also contributed towards the growing discontentment of the workers. The apprehension of retrenchment or lay-off in industries which were hit by recession, also upset the workers considerably.

3.2 The Labour Minister, West Bengal, also issued a statement announcing that (i) *gheraos* were legitimate trade-union activities upto a certain point and (2) police would take a non-partisan attitude in labour disputes. Subsequently it was also indicated by the United Front Government that police would not interfere in labour disputes nor would they act as 'strike breakers'. It was subsequently clarified by Government that if any situation arose involving the safety and security of the management personnel or plant and machinery, the police would take suitable action. The stand taken by the Government of West Bengal might be in keeping with the general policy followed by them in dealing with law and order situation, as it was noticed that whenever any trouble took place, the Ministers themselves visited the spot and tried to control the situation by persuasion and not by normal police intervention. In a few cases, their words had the necessary effect on the *gherao's* organisers who dispersed with an assurance of an early intervention by the Government Industrial Relation Machinery or the Labour Minister himself. But subsequently, even the words of the Labour Minister or the Chief Minister failed to produce the desired result.

3.3 Although *gheraos* were not supported by some central trade union organisations, others felt that these were new techniques of labour protest which had to be resorted to by workers when other methods failed. Such views openly expressed at various tripartite forums, encouraged the workers to indulge in *gheraos* sometimes, even ignoring the advice of their leaders.

3.4 While instances of *gheraos* began to increase in West Bengal, the other States in the region were practically free from this form of labour protest mainly because of the different attitude adopted by the respective State Govern-

ments. The State Governments of Bihar, Assam and Orissa issued statements strongly denouncing *gheraos* and clearly indicating that *gheraos* would be handled firmly as a law and order problem.

4. Impact of Gheraos on engineering industries

The engineering industry in West Bengal was worst affected by the *gheraos*. The industry had been badly affected due to shortage of materials immediately following the India-Pakistan conflict and thereafter by recession. It was apprehended that if the position did not improve, large-scale retrenchment and lay-off which had been postponed in a number of engineering factories would be undertaken, particularly with a view to embarrassing the United Front Government.

4.2 Secondly, when the change in the policy regarding police intervention in labour disputes was effected by the United Front Government and the statement on *gheraos* was issued by the Labour Minister, controversy over the implementation of the Wage Boards' recommendations on interim relief, which were not unanimous, was going on. An appeal had also been filed against the award of the Seventh Industrial Tribunal and a stay order was obtained from the Supreme Court. The small engineering units which had been severely hit by recession found it difficult to implement the award and/or the Wage Board's recommendations because of their overlapping coverage. However, statistics subsequently compiled indicated that 85% of engineering factories in West Bengal had implemented the recommendations whereas in some other States the extent of implementation was extremely unsatisfactory. Nevertheless, the delay in implementation of the Wage Board's recommendations and award of the Seventh Industrial Tribunal by a number of engineering firms, caused frustration amongst the workers and resulted in *gheraos*.

4.3 At the outset, it appeared that small engineering factories which had not developed proper personnel management practices or a tradition of direct negotiations with truly representative unions were generally victims of the *gheraos*, but the impression quickly changed as a number of progressive firms, having very satisfactory relations with unions concerned, were subject to long hours of *gheraos* on some issue or other.

5. Effects of Gheraos

In most cases *gheraos* have left a trail of indiscipline, go-slow or work-to-rule by workers, while in others the tempo sought to be created as a prelude to *gheraos* had similar effects. Quality and quantity of products suffered; in some cases factories lost orders as they could not adhere to the production schedule nor could they deliver goods in time. Supervisors could not discharge their normal functions.

5.2 The normal industrial relations machinery of the State became ineffective. Conciliation officers generally failed to deliver goods. In a number of cases the Labour Minister himself intervened, but there were instances (such as in the office of the Indian Oil and Union Carbide) where workers refused to accept his advice and persisted in their coercive tactics. There were cases where the management staff were subjected to harassments, *gheraos* and even assault while coming out of the conciliation meetings.

5.3 In some places, workers were able to extract concessions from the management in the general atmosphere of tension prevailing in the State, but the *gheraos* led to closure of a number of small establishments and lockouts rendering a large number of workers unemployed. It was estimated that the number of persons unemployed went up approximately to 80,000 by the end of September, but in the beginning of October some mills resumed working. *Gheraos* resorted to by workers in some places also stiffened the attitude of management who, otherwise, might have settled the dispute on a reasonable basis. It was noticed that in a number of cases where trade union leaders were able to restrain their followers and carried on negotiation with the management, there was substantial improvement in the terms and conditions of employment of workers. Perhaps in such cases, both the management and union leaders were too keen on avoiding a *gheraos* situation which would have undoubtedly left a trail of bitterness between the parties.

6. Some features of Gherao movement

Although a large number of industrial undertakings were affected by the *gheraos*, the intensity of threat as also the attitude of employees who indulged therein differed from place to place. In places where there had been a tradition of good industrial relations in the past or where a convention of dialogue between the management and the representatives of workers had been developed for resolving differences, or where sound management principles were practised, the

management staff were not generally subjected to any form of harassment or torture during the *gheraos*.

6.2 In cases where relationship between the management and the trade unions had otherwise been strained, *gheraos* often took a very ugly form. Compared with industrial workers, white-collar employees in banks, mercantile offices and insurance companies generally refrained from indulging in *gheraos*. Most probably, the reason was that the leadership in their trade union organisations was strong enough to resist successfully the pressure from their followers to adopt the technique of *gherao* in pursuance of their demands for redress of their grievances. However, even during the height of *gherao* movement, the management and the trade union leaders in a number of units could resolve their disputes by direct negotiations. Both parties exercised considerable tact in avoiding a breakdown of the negotiations, and adopted a very realistic attitude in resolving the differences, but in cases where there was multiplicity of unions or inter-union rivalry, the tact and patience exercised by the management in resolving disputes were of no use.

7. Conclusion

It is heartening to note that adverse effects of *gheraos* on industry, trade unions, and economy of the country as a whole was realised by all concerned. The Study Group feels that *gherao* should not be resorted to for realisation of demands by the workers as this eats at the very root of trade unionism and collective bargaining. It is also sincerely hoped that causes of *gheraos* will be considerably minimised, if not eliminated, if the suggestions and recommendations of the Study Group are implemented in letter and spirit. If, however, there is recurrence of *gherao*, employers, Government and trade union should act with a common purpose to deal with *gheraos* firmly from the beginning so that the economy of this developing nation does not suffer.

II NOTE ON 'GHERAO'

While the majority of members hold the above view, Dr. Ranen Sen holds a different view which, in short, is as follows :

Gherao is not a new thing in West Bengal. In United Bengal there were numerous incidents of *gheraos*. After Independence there were a number of *gheraos* in West Bengal, particularly on the question of Puja Bonus in various industries. But those *gheraos* were suppressed by the employers with the help of police who were at their beck and call. The Government that ruled the State before the United Front Government, by and large, used to throw their weight in favour of the employers. So when the United Front Government declared that police would not intervene in industrial disputes and that employers and employees should settle their disputes between themselves, the employers got alarmed.

It should be noted that West Bengal is an industrially developed State with the employers highly organised in their associations. When recession hit the country, the engineering industry was worst affected. It was a section of engineering industry that refused to implement the Seventh Industrial Tribunal Award and thus wanted to shift the burden of recession on to the shoulders of the workers.

It should also be noted that despite the hue and cry raised by the employers of this industry about recession, they had for years together made huge profits without paying adequate share of the profit to the workers in any form as higher wages, dearness allowance, bonus, etc. The total emoluments received by a Bombay worker are much higher compared to those enjoyed by a West Bengal worker engaged in the same industry.

Gherao in Bengali means encirclement. After years of suffering and deprivation the workers felt that a new era has come when police would not intervene in the industrial disputes. Workers reacted spontaneously in most cases

with a determination to wrest their legitimate demands from the recalcitrant employers. In most of the cases, at least earlier *gheraos* were started for enforcement of elementary things (Kulti workers). In one important industry, the employees had to resort to *gherao* for reinstatement of the Union Secretary. In large number of engineering firms, *gheraos* were resorted to to get the Tribunal award implemented.

Naturally, the employers who wanted to go the old way raised a hue and cry followed by politically motivated persons, groups and parties who were waiting for any stick to beat both the workers and the U.F. Government.

It should be noted again that in places where there had been tradition of industrial relation, there have been very peaceful *gheraos*. The white-collared workers in banks and mercantile firms had seldom any occasion to resort to *gheraos*, the reason being that (i) their condition of service was much better comparatively, (ii) unions were either recognised or the industrial relations was better.

Then there are instances when after *herao* the employers reluctantly conceded the legitimate demands of the workers and later when normalcy prevailed in the undertaking, the employers retaliated by closing the units (Burn & Company, Howrah ; Indian Standard Wagon, Burnpur).

Further, it should be noted that out of 6,010 registered factories, mills, etc. (at the end of 1966) and 28,000 non-factory establishments in West Bengal, *gheraos* took place in 1,018 cases in 583 establishments covering public and private sectors i.e., roughly 3% of the total establishments in West Bengal were affected.

The politically motivated propaganda barrage, opened in chorus from Delhi to Calcutta and from Calcutta to Bombay by the Central Government and the press at the behest of the highly organised employers all over India, was able to create an impact in some quarters. The main content of the propaganda was that, unlike other industrialised States, West Bengal was plagued with such unbridled labour troubles that trade, industry and commerce have received serious set-back in the State.

Comparing the State of West Bengal with Maharashtra, we find the following industrial disputes involving work stoppages :

	Strikes and Lockouts		Sympathetic and Political strikes.	
	65	66	65	66
West Bengal	238	884	7	4
Maharashtra	592	810	46	20

The special feature of work stoppages in West Bengal was the preponderance of lockouts unlike Maharashtra or any other State. For example, in 1965, out of total lockout of 203 throughout India, 87 occurred in West Bengal involving 81,126 workers and 2,223,093 man-days lost ; i.e., one-third of work stoppages are due to lock-outs involving 50% of the man-days lost. In 1967, the number of work stoppages was 447 out of which 175 were cases of lockouts. The incidents of *gherao* that took place in West Bengal thus had a long background and the *gherao* movement should be taken as a legitimate weapon of the workers.