

Industrial Relations

55. The industrial situation as reflected in the statement of mandays lost on account of strikes and lockouts, has shown improvement in recent years. Despite increase in the number of strikes and lockouts in 1997 compared to 1996, the mandays lost due to these agitations have actually declined. The total number of strikes and lockouts increased from 1166 in 1996 to 1305 in 1997, but the mandays lost on account of these strikes and lockouts declined from 20.3 million in 1996 to 17 million in 1997 (Table 7.15). Among the states, Andhra Pradesh, Tamil Nadu, Gujarat and West Bengal recorded most of the agitations. Cotton textiles, engineering and jute hemp and mesta textiles were the industrial groups which witnessed maximum loss of mandays on account of strikes and lockouts.

56. Wage and wage related issues, personnel issues, retrenchment and indiscipline have been identified as major reasons behind strikes and lockouts. Protests against privatisation and entries of multinationals are issues that have gained importance in recent years.

57. The steady improvement in industrial relations has been possible mainly because of the Government's proactive role through timely and effective conciliation of industrial disputes

and involvement of the social partners at various bipartite-tripartite fora for the formulation of labour and industrial policies.

58. One important issue, which needs to be addressed, is the extant labour laws especially Industrial Disputes Act (IDA) 1947, which governs lay off, retrenchment and closure. Central and State Governments have often been inhibited in granting necessary permissions for closure, even when economic compulsions justified granting of such permissions. It has often been observed that the present legal provisions and procedures restrict labour market flexibility and thereby discourage growth of employment. A thorough review of the provisions of the IDA and other labour legislations is called for to impart greater flexibility to the labour market and thereby encourage more employment.

59. Considering the radical changes that have taken place in the domestic industrial scenario and the labour market, the Government has decided to set up the Second National Commission on Labour to suggest among others, rationalisation of the existing laws in the organised sector so as to make them more relevant and appropriate in the changing context of globalisation and opening up of the Indian economy.

TABLE 7.15
Industrial Relations Scenario

Year	Strikes		Lockouts		Total	
	Number	Mandays lost (in million)	Number	Mandays lost (in million)	Number	Mandays lost (in million)
1994(P)	808	6.7	393	14.3	1201	21.0
1995(P)	732	5.7	334	10.6	1066	16.3
1996(P)	763	7.8	403	12.5	1166	20.3
1997(P)	793	6.3	512	10.7	1305	17.0
1998(P)*	350	3.9	251	4.0	601	7.9

* Upto Sept. 98 P : Provisional
Source : Labour Bureau; Shimla