

## CHAPTER - V

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INDUSTRIAL PEACE - THEORETICAL FRAMEWORK OF THE SUBJECT

AND INDUSTRIAL PEACE IN MTM

INTRODUCTION

The problem of industrial peace is common to almost all the industrially developed countries of the world ever since industrialisation began. The ways and methods of solving the problem, however, differ from country to country depending on its economical, social and political environment. Still the problem has nowhere been solved completely. Industrial disputes still arise and will continue to arise in the future also. Maintenance of satisfactory industrial relations forms an important plank in the labour policy of every civilized nation; it is a condition of a country's progress especially of industrialisation. A major prerequisite of industrial progress is the prevalence of industrial peace - a suitable climate in which industries can breathe.

Before studying the nature of industrial peace or labour capital relations in capitalistic, socialistic and mixed economies, let us analyse the concept of industrial peace and some allied terms.

5.1 CONCEPT AND DEFINITION OF INDUSTRIAL PEACE

The concept of industrial peace is clear but its definition is difficult. It broadly implies co-operation between labour and capital and the absence of industrial unrest which is the result of workers' discontent... which, in turn, is mainly due to economic reasons but for which social, psychological and political forces are also responsible. Some of the well known definitions of industrial peace :-

Rostow - Industrial peace is not simply a negative concept (absence of industrial unrest) but also a positive one. It implies amity and good will between labour and capital - a condition which is both the cause and the effect of fruitful co-operation.

Punekar - Industrial peace demands a suitable background of happy industrial relations marked by laying down of fair labour standards by the state, desire of employers to bargain on equal terms with employees and genuine sympathy of the general public. The keynote of all the methods of industrial peace is co-operation without which the good intentions and actions of the state, employers or employees may be misunderstood as unjustified methods to conceal the profit motive or an exhibition of class struggle.

Arthur Kornhauser - Industrial peace signifies a condition where labour and management work together harmoniously towards their socially desirable goals.

As Kirkaldy observes, industrial peace cannot be achieved on any lasting basis unless those within whose hands power lies realize that power implies responsibility, that the rights cannot be divorced from the duties and that domination in modern times must be exercised on the basis of trusteeship rather than domination.

## 5.2 SOME TERMS CONNECTED WITH INDUSTRIAL PEACE

' Conflict', 'Complaints', 'Grivances', 'Industrial Disputes', 'Industrial Relations', 'Industrial Unrest', are some of the terms connected with the broader term ' Industrial Peace'. Hence let us analyse these terms first.

### 5.2.1 Conflict

Conflict is an expression of disagreement arising due to lack of unanimity in goals, methods to accomplish goals, roles of participants in goal attainment, task assignment, power, privileges and rewards.

The impact of such conflict is generally undesirable. Workers and management in conflict are in a poor posture to co-operate and work together.

Removal of dissatisfaction of workers with working conditions, better management policies, compensation practices etc. may bring about improvement in these matters so that the eventual outcomes may be better co-operation, more efficiency and more equitable goal sharing. Of course such conflicts lead to conditions undesirable for goal attainment.

### 5.2.2 Complaints

A complaint signifies " a reference to the person or persons appointed by the appropriate authorities of a grievance which has not been heeded to or disposed of to the satisfaction of the parties concerned ". It may relate to breach of the standing orders, nonimplementation of labour laws, agreements or awards etc.

### 5.2.3 Grievances

A grievance is any dissatisfaction that adversely affects organisational relations and productivity\*. But this definition is impracticable to adopt since no management has the resources, skill or time to handle all grievances including emotionalised grievances and unexpressed dissatisfactions. Hence a workable definition would be like this :

A grievance may be said to be the representation by a worker, a group of workers or their unions to the management relating to terms and conditions of employment, breach of the freedom of association on the provisions of the standing orders, or non-implementation of the Government orders, conciliation, agreement or adjudications' awards. But a grievance cannot

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\*Jucius, Michael j, Personne Management, 1977.

challenge the propriety of any legislative provision, award or a Government order or question, the validity of any provision of a collective agreement.

Proper disposal of grievance is essential for good industrial relations and industrial peace. Accumulation of minor grievances leads to major explosions in various situations.

#### 5.2.4 Industrial Disputes

The Industrial Disputes Act, 1947 defines industrial dispute as :  
 " Any dispute or difference between employees and employers or between employers and workmen or between workmen and workmen , which is connected with the employment or non employment or the terms of employment or with the conditions of labour or any person."

This definition firstly refers to the factum of a real or substantial dispute or difference; secondly it refers to the parties to the dispute and thirdly, it refers to the subject-matter of that dispute. Thus from legal standpoint, the term 'industrial disputes' does not merely refer to differences between labour and capital as is generally thought of but it refers to differences that affect groups of workmen and employers engaged in an industry.

#### Industrial relations - some definitions :

Dale Yoder - " Industrial relations is the designation of a whole field of relationship that exists because of the necessary collaboration of men and women in the employment process of industry".

Prof. Dunlop - Industrial societies necessarily create industrial relations defined as the complex of interrelations among workers, managers and Government.

Encyclopaedia of Britannica - " Industrial relations include relations of all those associated in productive work including industry, agriculture mining, commerce, finance, transport and other services. The main aspects are the establishment of the conditions under which the proceeds of the work are divided as dividends among employers, management and work people of various orders - manual, clerical and technical".

### 5.2.5 Industrial Unrest

Strikes and lockouts are the most important index of the industrial relations in modern industries.

Patterson defines in " Social Aspects of Industry", a strike as :  
 " A strike is a spontaneous and concerted withdrawal of labour from production. It is usually organised by common agreement on the part of workers with a view to obtain or resist change in their conditions of work".

The Industrial Dispute Act, 1947 defines a strike as : " a cessation of work by a body of persons employed in any industry acting in combination or a concentrated refusal or refusal under a common understanding of any number of persons who are or who have been so employed to continue to work or accept employment".

Shrivastava K.N. in ' Industrial Peace and Labour in India' defines a Lockout as " When the employers want to dominate over the human rights of the workers and impose their property rights upon them, they turn them out of their business premises and prevent them from doing work. This is called lockout".

The Industrial Disputes Act defines a Lockout as : "The closing of a place of employment, or the suspension of work or the refusal by an employer

to continue to employ any number of persons employed by him."

Thus, a Strike is withdrawal of supply of labour, a Lockout is withholding the demand for labour. Lockout is not as frequent as strike and is generally declared when workers continued to be on strike, in order to avoid a direct conflict.

Strike, though most spectacular sign of industrial discontent, may not be a very reliable index of industrial unrest. If the number of strikes increases it means that discontent is being expressed in organised form. But if this number decreases, it cannot be categorically stated that industrial unrest is on decrease (same is true of threat of strike or organised 'Go slow' policy)

Unorganised or indirect forms of industrial discontents are less amenable to measurement and hence usually ignored e.g. a high rate of turnover or absenteeism show workers' frustration and dissatisfaction. Similarly, the loss due to spoilage of work, indiscipline and carelessness, greater fatigue and increased number of accidents, non-co-operation or disloyalty cannot be measured. 'Sit down', 'Lie down', 'Pen down', 'Tools down', 'Token strikes', 'Go slow policy', 'Gherao', 'Bandh', 'Slogans', 'Abuses' etc. are some modern forms of unrest. (A Gherao is a physical rather than an economic pressure.) Sometimes violence is resorted to in the form of brickbatting, marpit, murderous assaults, involving damage to machines and property. This may lead to lathi charges, teargas, firing etc. Very serious consequences result when violent forms are resorted to.

### 5.3 CAUSES OF INDUSTRIAL DISPUTES

Industrial disputes are inherent in the industrial system itself. Wage work is carried on for profits. Control of tools of production is in the hands

of a small class of entrepreneurs. The causes are economic and mental also. Economic causes of strikes pertain to wages, bonus, allowances, hours of work, conditions of work, holidays etc. Mental factors pertain to the management under whom the worker works, the expectations of his fellow workers, the family, his personal ambitions and so on.

The classical model of the 'economic man' is replaced by the 'socio-economic man' by Whyte in USA and S.K.Sen and H.C. Ganguli in India. Unlike a machine which is likely to conform to technological standards, a worker may not respond consistently to mathematical and logical standards. A worker feels and thinks about his work. As he works, he develops preferences and prejudices in respect of the work and co-workers as well as the attitude of the management.

But some of the causes are inherent in the industrial system such as:-

- (i) the workers may not get any opportunity for self expression, or
- (ii) their social needs may not be fulfilled i.e. the position of workers within the informal groups formed in individual undertakings and problems of conflict within the groups may not be taken into account.

Thus, on the one hand there is lack of communication between workers and management petty quarrels and on the other hand there is the problem of discipline in industrial units. Where there is no common aim between the discipliners and the disciplined, discipline becomes a mere frustration of human purpose, it embitters human relations and freedom is denied to the individual.\*

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\*Hare A.E.G. - First Principle of Industrial Relations.



Thus industrial unrest is not a product of capitalism alone. Even if the fact of wage and production for profit in capitalism is ignored, other factors will still operate. The workers go on a strike to make the employers understand their grievances and redress them. Many causes blended together produce a strike and it becomes difficult to distinguish between the immediate causes and remote causes.

#### 5.4 CONDITIONS FOR INDUSTRIAL PEACE OR GOOD INDUSTRIAL RELATIONS

If industrial peace is to be maintained , certain basic human needs must be satisfied. Among these, social needs occupy a prominent place. Industrial work is a group work and cannot be carried out without discipline. But where there is no common aim between the discipliners and the disciplined, discipline becomes a very serious problem. The low status of the worker also affects industrial peace.

It has been recognised that management without labour would be sterile and labour without management would be disorganised, illequipped and ineffective. Hence, industry has to serve the needs and protect the intents of various participating groups in the process of production. Today it is increasingly realised that the workers as individuals are human beings capable of holding responsibilities and extending co-operation to the achievement of the given objectives. The problem of industrial peace today, is not only to find out ways and means to solve conflicts or resolve differences but also to secure unreserved co-operation of and good will amongst groups in industry, with a view to divert their energies and interest towards useful and constructive channels.

Industrial peace, thus, may only be achieved by accepting a positive approach to the problem of industrial relations in modern industry. The true co-operation of different groups in industry may only be forthcoming in a society based on the principles of social justice and equity where the main purpose of the industry is to serve the society as a whole. Only by developing a sense of mutual confidence, dependence and respect among conflicting social groups and at the same time by encouraging them to come closer to each other for removing misunderstanding, if any, in a peaceful atmosphere and fostering industrial pursuits for mutual benefits and social progress can industrial peace be maintained.

Industrial peace thus plays a vital role in the establishment and maintenance of social harmony. As V.V. Giri said; " Such relations may be treated as those existing in the joint family system. Even if the members of the family are separated, they can conduct their business individually, but that cannot be done in an industry. If they try to do so, the whole industrial structure would collapse." Hence, harmonious relations are much more essential here than in any other sphere. It must be noted that state interference has failed to harmonise industrial relations.

## 5.5 INDUSTRIAL PEACE (INDUSTRIAL RELATIONS) IN CAPITALISTIC, SOCIALISTIC AND MIXED ECONOMIES

The problem of industrial peace can be studied with reference to Capitalistic Economies, Socialistic Economies and Mixed Economies like India.

### 5.5.1 Industrial Peace in Capitalistic Economies

In countries like U.K., U.S.A. also industrial disputes have been an economic as well as a psychological problem. Workers are better off than

before but are less contented. This discontent is in the part owing to greater education and awakening among them. They now debate their true function and place in society. Conflicts arise also because of joint stock system which has broken up personal bond between the employer and the employed. Many strikes have occurred in these countries on the questions of wages, bonus and allowances. Some times desire for participation in the control of industry which raises their status has also caused industrial unrest. But British and American people have not generally been in favour of such revolutionary ideas, hence this factor is not very important in the context of industrial disputes. In U.K., many workers in the motor industry went on strike (1970), which affected exports and caused a loss of a million of pound worth of production in the country. This was due to two minor causes

(1) a worker at a car body plant refused to obey an instruction from a foreman on the ground that the foreman was not qualified.

(2) One of their colleagues was dismissed for dangerous driving of late. an important cause of increasing unrest in U.S.A. has been the expiry of old contracts and finalization of new contracts in many concerns.

American trade unions have accepted capitalism. They think that they can claim their share through collective bargaining, on the other hand the attitude of management is: " we will attend to making profit. You will get your share through bargaining ". Hence, there is no conflict over workers participation in management. The view accepted in USA is : " Two drivers at the wheel can never steer industry towards maximum production and employment."

INDUSTRIAL PEACE IN U.K. :

Though this weapon has of late been sparingly used, strikes have paved the way to collective bargaining in U.K. The London Dock strike of 1889 marks the end of a period. It was a strike by workers living in a condition of horrible distress. Before this strike trade unionism was the monopoly of craftsmen, but since then general unions i.e. the new unionism was born. Strike action following the birth of new unionism may be divided in the following main sub periods-

- (1) During 1890's the strike movement became widespread.
- (2) During 1905 and 1913 following the Trade Union Act of 1905 there was a new wave of strikes.
- (3) During the first World War, industrial peace existed.
- (4) During 1918 and 1926 industrial unrest was rampant. Demand for higher wages was the main cause.
- (5) A few serious strikes occurred between 1927 and 1939. Collective bargaining made much headway during the period.
- (6) During the Second World War and in the post war period too the number of strikes was less and the strikes were of a short duration.
- (7) During 1946 and 1951, average annual number of strikes was 1528 and average number of workers directly involved was 233 and average working days lost were 1235\*.
- (8) The lowest point in strikes was recorded in 1966 - 5.4 lakh workers only were engaged in strike activity out of a total number of 23.75 million workers.

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\* Cole G.D.H., An Introduction to Trade Unionism.

Many strikes in U.K. have occurred on questions of wages, bonus and dearness allowance, the length of the working day, overtime system and participation in the control of industry, but the British people have been against such revolutionary ideas as workers participation and hence not much of industrial unrest resulted owing to this cause.

One outstanding feature of industrial relation in U.K. is the development of collective bargaining which has been recognised for several years as the best method. Acts (in 1871, 1875, 1894, 1896, 1910) were passed to facilitate collective bargaining. Alongwith expansion of collective bargaining after the First World War, machinery for joint negotiations, conciliation and arbitration was also strengthened. The Trade Union Congress has been a potent factor to develop collective bargaining practices. Workers and employers are also today quite conscious of their responsibilities to set up full industrial democracy by giving due recognition to the principles and practices of collective bargaining.

In collective bargaining, the whole machinery ( collective bargaining, works committees, conciliation, arbitration) functions on a voluntary basis. State interference is as little as possible. Each party understands and appreciates opposite party's view point. The machinery for industrial relations works successfully in U.K. due to strong and stable trade unions and adequate workers' education.

Prevention or settlement of industrial disputes in capitalistic countries like U.K. -

The structure of industrial relations in U.K. is established mainly on a voluntary basis and rests on the organisation of employers and workers

into employers' associations and trade unions. Mutual discussions and negotiations affect the work people at their work. Voluntary joint machinery has also been established on a permanent basis. Matters not so settled may be referred for settlement to independent arbitration. Provision has also been made by the state for statutory regulation under various legal enactments.

#### Industrial Peace in U.S.A.

There was relative peace in twenties, early thirties and after 1941 (upto 1946) because of war crisis.

In recent years, the number of strikes has been high while the total mandays lost has decreased i.e. numerous strikes but of a shorter duration. Whole unionism as a percentage of non-agricultural employees has been much less in U.S.A. than in Canada, U.K., Sweden or Australia. " Union members in the U.S.A. have been more prone to strike than those of any of the other four countries" (Ross and Irwin). Young unions are more prone to strike than old or mature ones. As Sultan Paul has remarked, the strike weapon ( in U.S.A.) becomes a device for the union to secure recognition , to prove itself to management and once such recognition is granted and there is mutual respect for rights and responsibilities of each other, labour management relations settle down to a more peaceful coexistence.

Collective bargaining is the predominant form of labour management relationship in U.S.A. Its record is outstanding and since 1947 , the amount of working time lost because of strikes has averaged less than 1/3 (33 %) The total number of work stoppages tends to decline and the average length of strikes on the whole is decreasing.

Mediation or conciliation of labour disputes in U.S.A. is primarily a Government service and is helpful in solving some of the industrial disputes. Voluntary arbitration has also become a basic part of the system of collective bargaining in U.S.A. and it is today a commonly accepted device for settling grievances disputes arising under the terms of collective bargaining agreements. About 90 % of collective bargaining agreements contain clauses which provide for arbitration as a final step in the grievance procedure. It has yielded substantial benefits to both the parties.

In contrast, the practice of arbitrating disputes over new contract terms e.g. a demand for a wage increase is relatively uncommon owing to the costs and delays involved, the nature and weaknesses of wage arbitration, the growing strength of unions and the increasing maturity of collective bargaining. Each party evaluates its own strength and takes the responsibility for its decisions.

Chart regarding Industrial Disputes in the U.S.A.

| Year | No.of work stoppages | No.of workers involved(000) | Reasons  |
|------|----------------------|-----------------------------|--|
| 1886 | 1572                 | 610                         | Chicago riot and other reasons                             |
| 1890 | 1897                 |                             | Drive for 8 hour day                                       |
| 1917 | 4450                 | 1230                        | War boom   |
| 1919 | 3360                 | 4160                        | Wage rise demand and union recognition                     |
| 1936 | 2172                 | 789                         | Union recognition and others                               |
| 1937 | 4740                 | 1860                        | "  |
| 1941 | 4288                 | 2360                        | Strike wave  |
| 1946 | 4985                 | 4600                        | readjustment period  |
| 1955 | 4320                 | 2650                        | Wages, hours, union matters                                |
| 1956 | 3800                 | 1900                        | Organisation, other working conditions, union matters etc. |

Source - Dr.T.N.Bhagoiwal -Economics of Labour & Industrial Relations.

### 5.5.2) Industrial Peace in Socialistic Economies :

The nature of industrial peace in Socialistic economies is different from that in Capitalistic Economies. We can study industrial relations in the U.S.S.R. as an illustration of industrial peace (relations) in Socialistic economies.

"Socialist co-operation of labour presupposes the stable and steady application of one man management at all stages of the machinery, of production and administration. One man management is a method of administering socialist state enterprises and institutions which is based on the subordination of mass of workers to the single will of the head of <sup>the</sup> labour process"\*. In the U.S.S.R., socialist emulation and socialist organisation of labour, combating stoppages, strengthening discipline, bringing more order into industry, improving the fixing of norms and payment for labour are primarily instrumentalities for raising productivity.

The commissariat of labour in U.S.S.R. has amongst others the following duties -

the registration and distribution of labour in U.S.S.R., fixing hours of work, regulation of wages, protection of the workers and inspection of factories, provision for social welfare (unemployment insurance), pensions. The National Council of the Trade Unions has the right and responsibility of drawing up labour-laws after consultation with the unions concerned.

There is little information on strikes which have occurred during the Bolshevik regime, on state action, the strikers and on the opinion of the

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\*Political Economy : The Institute of Economics by the Academy of Sciences of the U.S.S.R.



public and masses concerning strikes. The Bolshevik authorities seem to consider strikes as antirevolutionary. Under the new methods of management (1918) the workers were expected to see to discipline and the increase of productivity and end the economic disorganisation. Under these conditions, 'every stoppage of work & all-strikes would be an act of treason to the proletariat revolution'.

Still after this declaration in 1918, strikes have occurred in U.S.S.R. "In U.S.S.R., the workers have not the right to strike. Strikes are punishable by death. The Commissaries decide when and how one has to work. Change of locality is forbidden. Strikes are not permitted. They are illogical and must be avoided"\*. It must be recognised that a strike in a Communist state is illegal. Whereas in Britain a Strikebreaker is considered as a traitor to the workers' cause, in U.S.S.R. it is those desirous of striking who are regarded as traitors. Yet strikes have cropped up from time to time, the chief cause being the lack of elasticity in the wage tariffs. Small local strikes are impossible owing to the organisation of the trade unions.

Thus, in U.S.S.R., wage rates and other working conditions are settled through collective bargaining between trade unions and the management but such collective bargaining differs from its counterpart process in a capitalist country. \*\*

'Stay-in' or 'Stay-down' or 'Sit-down' or 'Lie-down' or 'Pen-down' or 'Tools-down' are the new forms of strike in U.S.S.R. 'Token-strike' is also a new form. 'Go slow policy', 'Gherao', 'Bandh' are some more recent types of protest.

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\*Daily Mail - 17-8-1919.

\*\*Webbs, Sydney and Beatrice, Soviet Communism, A New Civilisation.

Sometimes the parties concerned with industrial disputes take recourse to violence. Such acts may be either the 'acts of physical violence' or the 'acts of verbal violence'. Acts of physical violence consist of brick batting, marpit, murderous assaults, rioting involving damage to machines and property. Acts of verbal violence include-raising of slogans, abuses etc. against employers or management or co-workers. When industrial disputes take such forms the consequences are often very serious.

Workers' participation in management which is a cause of industrial unrest in some other countries is not a cause of industrial unrest in U.S.S.R. because in U.S.S.R. every industrial establishment is workers' own establishment. Trade unions have complete control over the man who manages the establishment. Hence, there is no question of participation. There is a nationwide discussion among wrkers, engineers, technicians etc. of the draft laws and decisions on economic life of the country.

### 5.5.3) Industrial Peace (Relations) in Mixed Economies :

As we know, in mixed economies there is a private sector and there is a public sector. Industrial peace, therefore, means peace in the Private sector and peace in the Public Sector. As an illustration of mixed economies, we may study this problem with reference to India. It has not always been possible to maintain industrial peace in India. The following table gives a history of industrial disputes in India after independence.

Table : Workers involved and man-days lost in strikes and lockouts in India

| Year | Number of Disputes |     | No. of Workers Involved<br>( in 000 's ) |              | No. of man-days lost<br>( in lakhs ) |               | Average No. of days<br>a worker was invol-<br>ved in |               |                 |    |    |
|------|--------------------|-----|--|--------------|--------------------------------------|---------------|--|---------------|-----------------|----|----|
|      | 1                  | 2   | 3  | 4            | 5                                    | 6             | 7  | 8             | 9               | 10 | 11 |
| 1951 | 1010               | 61  | 1071                                     | n.a.         | n.a.                                 | n.a.          | 28<br>(74)   | 10<br>(26)    | 38<br>(100)     |    |    |
| 1961 | 1240               | 117 | 1357                                     | 432<br>(85)  | 80<br>(15)                           | 512<br>(100)  | 30<br>(60)   | 19<br>(40)    | 49<br>(100)     | 12 | 11 |
| 1971 | 2478               | 274 | 2752                                     | 1476<br>(91) | 139<br>(9)                           | 1615<br>(100) | 118<br>(71)  | 47<br>(29)    | 165<br>(100)    | 8  | 34 |
| 1976 | 1241               | 218 | 1459                                     | 550<br>(75)  | 186<br>(25)                          | 736<br>(100)  | 28<br>(22)   | 99<br>(78)    | 127<br>(100)    | 5  | 53 |
| 1977 | 2691               | 426 | 3117                                     | 1912<br>(87) | 281<br>(13)                          | 2193<br>(100) | 134<br>(53)  | 119<br>(47)   | 253<br>(100)    | 7  | 42 |
| 1981 | 2245               | 344 | 2589                                     | 1261<br>(79) | 327<br>(21)                          | 1588<br>(100) | 212<br>(58)  | 154<br>(42)   | 366<br>(100)    | 17 | 47 |
| 1982 | 2029               | 454 | 2483                                     | 1191<br>(81) | 278<br>(19)                          | 1469<br>(100) | 52113<br>(68)  | 22502<br>(32) | 74615<br>(100)  | 44 | 81 |
| 1983 | 1993               | 495 | 2488                                     | 1167<br>(80) | 294<br>(20)                          | 1461<br>(100) | 24921<br>(53)  | 21937<br>(47) | 46858*<br>(100) | 21 | 75 |
| 1984 | 1656               | 405 | 2061                                     | 1704<br>(88) | 223<br>(12)                          | 1927<br>(100) | 39390<br>(70)  | 16070<br>(30) | 54030<br>(100)  | 23 | 72 |
| 1985 | 1156               | 366 | 1522                                     | 812<br>(80)  | 199<br>(20)                          | 1011<br>(100) | 10320<br>(35)  | 18870<br>(65) | 29190<br>(100)  | 13 | 95 |

\* These include 414 and 134 lakh man-days lost due to Bombay Textile strike during 1982 and 1983 respectively.

Note : Figures for the latest 5 years are provisional.

Source : Compiled from data given in CMIE, Basic Statistics Relating to the Indian Economy, Vol.I, All India, August 1986.

A close persual of the above table reveals the following facts :-

We find a growing trend in terms of workers involved and mandays lost in industrial disputes. As against a total loss of 38 lakhs mandays in 1951, the loss was of the order of about 165 lakhs mandays in 1971. Then with the declaration of emergency in 1975, the fear of MISA (Maintenance of Internal Security Act) and DIR (Defence of India Rules) were responsible for the reduction in the number of mandays lost to 127 lakhs in 1976. However, with the lifting of the emergency, labour unrest again manifested itself and the total number of mandays lost increased in 1977 to 253 lakhs. In 1981, strikes accounted for 58% of the total mandays lost and lockouts accounted for 42%. The number of mandays lost during 1982 (including those due to Bombay Textile Workers' strike) was 746 lakhs. The mandays lost due to the Bombay strike are estimated as 548 lakhs (414 lakhs during 1982 and 134 lakhs during 1983). The share of lock-outs for the year 1982 and 1985 was 32 % and 65 % respectively of the total mandays lost. This is really serious. The table reveals that in recent years, the share of lockouts in total mandays lost has been on the increase. In 1951, only 26 % of the mandays were lost through lockouts. By 1961 this increased to 40% and by 1971 it rose to 47 %. The culmination of this trend was witnessed during the emergency. During 1976, 78 % of the mandays lost were through lockouts. The authoritarian forces were able to ruthlessly muzzle the voice of the working class. The loss of mandays due to lockouts was of the order of 65 % in 1985. Since lockout is form of punishment that the capitalists inflict on the workers, it would be of interest to study the average number of days a worker was involved in a strike or lockout.



From the figures given in column 10 and 11, it is obvious that during 1961 the average number of days a worker was involved in strikes and lockouts was 12 days and 11 days respectively. However, during 1976, the average number of days a worker was involved in strike was 5 days, but the involvement of workers in lockouts on the average was for a period of 53 days. A trend analysis from 1961 to 1981 reveals that whereas average life of the strike has remained between 8 to 13 days, the average life of the lockouts has shown a continuously growing trend. This clearly points out to the fact that State gave unbridled power to the business and industrial magnates to punish the workers, whenever they tried to raise their head against exploitation, oppression and misery. The relatively high share of lock-outs in mandays lost suggests that whereas the state has been emphasizing measures for settlement of industrial disputes holding labour responsible for strikes, there is a strong need to make an analysis of the phenomenon of lockouts so as to control their repeated use against the working class. The qualitative change in the character of industrial disputes calls for change in industrial relations policy. The problem of Industrial Peace or Industrial Relations in India may now be studied with reference to the private sector and with reference to the public sector.

(A) Industrial Peace (Relations) in the Private Sector in India :

For a long time in India there was no industrial unrest. Although modern industry began to grow in India in about the middle of the last century, for nearly half a century no dispute of importance took place. The first World War had made the workers conscious of their rights and they were prepared to fight for them if necessary. During the second World War, Defence of India Rules were enforced in order to check strikes and disputes. The Govt. of India

prohibited strikes and lockouts on the ground that industrial production should not suffer. It was only after the second world war that industrial disputes increased considerably.

#### Causes of Industrial Disputes in the Private Sector in India :

In a developing economy like India, the harmonious industrial relations occupy a significant place in the process of economic development with the rapid expansion of industries, the relations between employers and employees are bound to get disturbed on various counts.

Many of the healthy factors are strikingly lacking. Competition and class struggle are very common here. Industrial gains are more valued than the collective gains or social good.

"Competition, class struggle and compromise are the central values of our country's industrial relations system". The key parties finding themselves in opposition endeavour to maximise their gains often at the cost of the other by making the best possible of their relative strength and power". Employers or Managers look upon trade unions or their leaders as unavoidable nuisance or unavoidable hurdle. Trade unions consider them as 'exploiters' or 'obscurantists'. Political leaders' orders are obeyed by them.

Though today the situation has somewhat changed, Indian scene is still different from the practices in the West. The trade unions and their politically motivated leaders find an advantage in the whole process and pour oil in the fire with a view to finishing in the muddy water. It is doubtful whether the workers and managements pay proper attention to even Government

policies of industrial relations\*.

Recent trends in industrial relations reveal that the two variables industrial disputes and cordiality of industrial relations are inversely related in the Indian context. Hence an analysis of the causes of industrial disputes would be necessary.

The causes of industrial disputes or industrial unrest in India have been much varied. Broadly they may be described as partly political, partly psychological but predominantly economic.

In India wages, D.A. and Bonus were the most important causes of strikes in the war and post war periods. While the share of leave and hours of work was quite substantial in the immediate post-war years, it declined from 1950 and thus, in recent years, the personnel and miscellaneous causes like discharges, maltreatment and victimization of workers, recognition of unions etc. have assumed greater importance. Briefly stated the factors responsible for industrial unrest and bad industrial relations are -

- (i) Mental inertia on the part of management and labour.
- (ii) Management's general attitude of hatred towards their workers.
- (iii) Unreasonable wages or wage structure.
- (iv) Bad working conditions.
- (v) Indiscipline

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\*George S. Maisaac, in 'What's coming in Industrial Relations..'

- (vi) Lack of competence on the part of supervisors and other managers in establishing cordial human relations.
- (vii) The desire of workers to get more bonus or D.A. and management's desire to pay comparatively lesser amount.
- (viii) Efforts to introduce modernisation without proper or appropriate environment.
- (ix) Excessive work load.
- (x) Inadequate Welfare facilities.
- (xi) Differences regarding sharing the gains of increased productivity.
- (xii) Unfair labour practices such as victimisation or termination of services without assigning any reason.
- (xiii) Defective policy about lay-off.
- (xiv) Interunion rivalries, and
- (xv) Such economic and political environment that exercises adverse effects on workers' attitudes.

Table showing the percentage distribution of Industrial Disputes in India by causes :-

| Year | Wages and Allowances | Bonus | Personnel and Retrenchment | Leave and hours of work | Others |
|------|----------------------|-------|----------------------------|-------------------------|--------|
| 1961 | 30.4                 | 6.9   | 29.3                       | 3.0                     | 30.4   |
| 1966 | 35.8                 | 13.2  | 25.3                       | 2.4                     | 23.3   |
| 1971 | 34.3                 | 13.1  | 23.0                       | 1.4                     | 28.2   |
| 1976 | 23.4                 | 13.8  | 29.8                       | 2.9                     | 30.1   |
| 1977 | 31.2                 | 15.2  | 23.0                       | 2.2                     | 28.4   |
| 1978 | 28.7                 | 9.9   | 24.2                       | 2.0                     | 35.2   |
| 1979 | 31.9                 | 8.8   | 21.7                       | 2.4                     | 35.2   |
| 1980 | 28.4                 | 7.3   | 24.3                       | 2.2                     | 37.8   |
| 1981 | 28.7                 | 7.8   | 21.4                       | 2.2                     | 39.9   |
| 1984 | 27.9                 | 4.4   | 18.2                       | 2.0                     | 47.5   |

Source - (1) Indian Labour Statistics, 1979.  
(2) Pocket Book of Labour Statistics, 1985.



This table reveals that wages and bonus (i.e. economic demands of workers) have accounted for 46 % to 50 % of the industrial disputes during 1966-1971. This declined to 37 % during the peak year of emergency era i.e. 1976.

During 1978-1981 wages and bonus accounted for 36 to 40 % of industrial disputes. Retrenchment, leave and hours of work accounted for about 32 % of total disputes in 1961. By 1971, this figure went down to about 24% but again rose to about 33 % during 1976. During 1978 and 1981, these causes accounted for about 25 % of total disputes. Other causes contributed between 22% and 40% of industrial disputes. There have been fluctuations during the period 1961-1972, but more recently, during 1978 and 1981, those factors (other causes) accounted for 28 % to 40 % of industrial disputes.

#### Industrial Disputes by Results -

The following table throws light on the results of industrial disputes in India:-

| Results              | Percentage Distribution |      |
|----------------------|-------------------------|------|
|                      | 1961                    | 1986 |
| Successful           | 28.8                    | 34.9 |
| Partially successful | 19.5                    | 32.8 |
| Unsuccessful         | 29.5                    | 30.3 |
| Indefinite           | 22.2                    | 2.0  |

Source - (1) Indian Labour Statistics, 1979  
(2) Pocket Book of Labour Statistics, 1987.

The above table reveals that the condition regarding the results of industrial disputes is not very satisfactory. Majority of the strikes have been unsuccessful or partially unsuccessful.

#### Prevention of Industrial Disputes -

The frequency with which the strikes occur and the grave industrial and social dislocation which they cause has underlined the importance of preserving industrial peace. The methods for the prevention of industrial disputes, of course, include broadly all the methods which directly or indirectly contribute towards improvement of industrial relations. The preventive methods, therefore, cover the entire field of relations between industry and labour and include enactment and enforcement of progressive legislation, works committees and councils, wage co-partnership, tripartite labour machinery, education, housing, welfare work and all such measures which can bridge the gulf between the employers and employees. These measures have great significance in preventing unrest in industry.

#### Settlement of Disputes -

When the measures likely to prevent the emergency of industrial disputes prove either inadequate or ineffective and a strike or a lockout is apprehended or is actually declared, then the other set of methods i.e. those for the settlement of disputes, come into play. The methods generally adopted for settlement of industrial disputes include - Investigation (voluntary and compulsory), Mediation, Conciliation (voluntary and compulsory), Arbitration etc.

In India all the preventive and curative methods are adopted. A detailed discussion of all the methods is not the subject matter of this study. It can only be said that in spite of all these methods, industrial peace does not exist in India at the desired level. This is inevitable, because without a proper spirit of industrial relations and a sense of responsibility on the part of all the parties concerned, no industrial peace can be aspired for. It is necessary to adopt a correct approach to cordial industrial relations.

Correct Approach to Cordial Industrial Relations :

Cordial industrial relations in a country can thus be maintained only through collective bargaining, mutual understanding and goodwill on the part of capital and labour. "Peace, harmony and efficiency cannot be registered on by decree or command. Hence the tremendous responsibility for peaceful labour relations, full production and stable economy lies on the shoulders of people who are responsible for the conduct of industry."\* Recognition by both labour and capital of its responsibility to get along together without Government intervention is of over-riding importance.

As remarked by Pigou, it is true that "in industrial negotiations perfection of machinery counts for far less than good faith and goodwill."

The correct scientific approach towards the problem of industrial relations seems to be the realization of the dignity of labour as a human being and the fact that labour is not a commodity and a worker remains a human being first and last.

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\* Mathur, A.S. and Mathur J.S. : Trade Union Movement in India.

" The problem of industrial relations arises with and from the divorce of the workers from the ownership of the instruments and materials of production. The worker becomes a wage earner, his employer becomes the owner of the instruments and materials of production and of the product. The obvious elements of a conflict of interests exist between the employer who wishes to buy labour cheaply and the worker who wishes to sell it dearly. The whole problem of industrial relations can be very shortly stated as the devising of means to reconcile that conflict of interest. The sense of deprivation which has resulted from loss of independence can be compensated only by a realization of partnership in a greater enterprise and a greater adventure than man ever underlook in isolation.

Until the spirit of partnership becomes the spirit of industrial relations, conflict as to the division of the existing product of industry obscures the need for co-operation towards greater productivity out of which alone<sup>can</sup> come a real advance in material prosperity."\*

#### Industrial Peace (Relations) in the Public Sector in India :

India being a mixed economy, with public sector everwidening , a spotlight on the industrial relations in the public sector will be highly elevating. Government's policies have aimed at ensuring maximum satisfaction to the employees of the public sector. The wages, welfare amenities, conditions of work are to be such as to be a model for private employers; but profit motive was not to be the objective of public sector. In the Fifth Plan it was stated that the public sector was expected to be a progressive model employer who was expected to maintain cordial industrial relations.

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\* Kirkaldy H.S. : The Spirit of Industrial Relations

Actually, however, it is not evident that the relations in Government industries and Government departments are different from those in the private sector. The relations in Government industries are regulated by the Industrial Disputes Act and in Government departments, they are regulated by the civil service conduct rules. The security mentality in all the public sector enterprises paves the way for indiscipline to a large extent which facilitates to convert the simple industrial protests into violations of the law and order, provoking Government to make use of their might to deal with them. Thus there is a possibility for the public sector employees to indulge themselves in frequent strikes because of the security, overconfidence, collective strength and limited obligations to the managements but the actual experience is the industrial disputes are less in number in the public sector than in the private sector. Out of the total workers employed in Government sector 84 % are employed in the Government departments and other establishments and only 14 % are serving in industrial enterprises.

#### History of Industrial Relations in the Public Sector :

The table on the next page will reveal the trends in industrial relations in public sector as compared to industrial relations in the private sector.

Data given in the table reveals that although the total number of workers employed in the public sector (1981 : 155 lakhs) has been nearly double the number employed in the private sector ( 1981 : 74 lakhs), the mandays lost in industrial disputes in the public sector was barely 16.5% during 1973. The highest figure of the share of mandays lost in the public sector was in the year 1974 when the Railway strike took place and next in order was the year 1981, but in both these years, some major public sector undertaking

Number of Industrial Disputes resulting in Work-stoppages in Public & Private sectors in India

| Year | No. of Disputes |              |               | Max.no. of workers involved (000') |              |               | No. of mandays lost (000') |                 |                | Average no. of workers involved per dispute |         | Average no. of mandays lost per worker |         |
|------|-----------------|--------------|---------------|------------------------------------|--------------|---------------|----------------------------|-----------------|----------------|---|---------|--|---------|
|      | Public          | Private      | Total         | Public                             | Private      | Total         | Public                     | Private         | Total          | Public                                      | Private | Public                                 | Private |
| 1973 | 714<br>(21)     | 2656<br>(79) | 3370<br>(100) | 789<br>(31)                        | 1757<br>(69) | 2546<br>(100) | 3392<br>(16.5)             | 17234<br>(83.5) | 20626<br>(100) | 1105  | 661     | 4.2                                    | 9.8     |
| 1974 | 597<br>(20)     | 2341<br>(80) | 2938<br>(100) | 1370<br>(48)                       | 1485<br>(52) | 2855<br>(100) | 13088<br>(32.5)            | 27174<br>(67.5) | 40262<br>(100) | 2294  | 634     | 9.5                                    | 18.3    |
| 1977 | 663<br>(21)     | 2454<br>(79) | 3117<br>(100) | 950<br>(43)                        | 1243<br>(57) | 2193<br>(100) | 4471<br>(17.6)             | 20849<br>(82.4) | 25320<br>(100) | 1432  | 507     | 4.7                                    | 16.8    |
| 1980 | 968<br>(34)     | 1888<br>(66) | 2856<br>(100) | 799<br>(42)                        | 1101<br>(58) | 1900<br>(100) | 1134<br>(18.8)             | 17791<br>(81.2) | 18925<br>(100) | 825   | 593     | 5.2                                    | 16.2    |
| 1981 | 707<br>(27)     | 1882<br>(73) | 2589<br>(100) | 703<br>(44)                        | 885<br>(56)  | 1588<br>(100) | 10066<br>(27.5)            | 26517<br>(72.5) | 36583<br>(100) | 994   | 470     | 14.3                                   | 30.0    |
| 1982 | 769<br>(36)     | 1393<br>(64) | 2162<br>(100) | 693<br>(54)                        | 590<br>(46)  | 1283<br>(100) | 6206<br>(14.3)             | 37170<br>(85.7) | 43376<br>(100) | 901   | 423     | 8.9                                    | 63.0    |

Note: Figures in brackets are percentage of total.

Source : Compiled from the data given in Indian Labour Year Book 1982

was involved in industrial dispute. Despite this, the share of the public sector in total mandays lost never exceeded 35.5%, it was as low as 6.8% in 1976 the year following the emergency. However, it has been around 14% to 18% in most of the years. From this point of view also, the public sector has an edge over the private sector in the maintenance of better industrial relations.

Though the number of mandays lost in the public sector is less than that in the private sector, the average number of workers involved per dispute is more in the public sector than in the private sector. This is due to the nature of activities carried on in the public sector. Life Insurance, Railway, Post and telegraph, Bank employees, Iron and steel etc. are all parts of much bigger organisations. Consequently, whenever strikes are organised in the public sector, though after long intervals, they affect larger number of workers.

Average number of mandays lost per worker reveals that in the public sector, it has taken much longer. For instance during the 10 year period, but for 1981 the average number of mandays lost per worker has remained between 4 to 10 in the public sector, but during the same period, in the private sector the average loss of mandays per worker has been between 10 to 63. Even the figure of 63 for the year 1982 is an under-estimate since it does not include the loss of mandays due to Bombay Textile strike, the Government treating it as a one-time phenomenon. The probable explanations for the situation are ; firstly, the Government agrees to the demands of workers since the continuance of a strike affects large segments of the economy as the public sector cover infrastructure industries. Even the private sector prods the Government to settle the issue. Secondly the Government, being a pacesetter in the payment of wages allowances and perks, agrees to the

demands for higher wages, bonus, allowances, medical benefits and other perks keeping in view world social trends and social implications of not agreeing to the demands of workers which may result in alienation of large segments of the population. Thirdly in the public sector, the workers claim that the part of the surplus emerging in the enterprises rightly belongs to them and the state should give them a legitimate share of the surplus.

Thus, industrial relations in public sector are generally better than in the private sector. In fact the management in the public sector is not like the owners in the private sector and there should be no scope for divergence and new era of industrial relations should have been ushered in. Actual history, however, is different. Though there is comparatively greater industrial peace in the public sector a new era of industrial relations has not ushered in.

Employment in the public sector has increased from 94 lakhs in 1966 to about 170 lakhs in 1983. While the employees in the departmental undertakings of Government such as, posts and telegraph and defence industrial units are Government employees, those of the public corporations and companies are not technically so. The employment in the public sector has been 140% of the employment in the private sector in 1961, 138% in 1966, 184% in 1974 and 190% in 1975. Mandays lost in public sector has been only 1% of the liable loss at the rate of the mandays lost in the private sector. Thus the effect of mandays lost in public sector has been negligible. This does not mean that industrial disputes have been negligible in the public sector and the industrial relations have been cordial. Productivity has been lesser in many of the public sector units compared to private sector enterprises. Many public sector units are incurring losses. Industrial disputes take a particular shape



in the public sector. Rather than resorting to direct strike, trade unions in the public sector adopt certain other strategies, like go slow, tool down, pen down, work to rule etc. which do not affect the formal attendance but actual productivity suffers. (In private sector there is stricter supervision, threat to security of service, hence such things are not so common.)

It was found that about 50% of the units under the survey of the public sector conducted by Ministry of Labour had multiple unions, in some, intraunion rivalries were also reported. In almost all units managements had recognised a union. Where unions had been organised on craft basis, more than one has to be recognised as in the case of Air India and Indian Airlines. The method of recognition in most cases is verification of membership as laid down under the Code of Discipline. The INTUC unions had a major share in recognised unions, then followed independent unions. In a few cases, AITUC and HMS unions had also been recognised.

The development of Trade Unions Organisation among industrial employees of Government has proceeded more or less on the same lines as in the case of industrial workers in general.

Railway employees were the first to organise themselves. The permanent Negotiations Machinery for the railways has given unions a better status and fostered their growth. Postal employees and the Defence employees too have their federations. They have their own unions at the plant level.

Unions of Government industrial employees (not run by Government departments) are also facing the same issues as the trade unions in general are facing multiplicity, categoriwise or craftwise unions, outsiders in the unions

and influence of political parties. The need for the desirability of encouraging consolidation of the trade union movement has also been fairly stressed.

Industrial relations : Policy and Position of Industrial relations  
in the Public Sector

These vary according to different categories of enterprises viz.

(1) Those administered by Government departments - (Civil aviation, Public works, Defence industries, Railways, post and telegraphs, Telephones etc.,) whose workers are classified as civil servants - Relations with such workers are governed by the civil service conduct rules instead of the Industrial Disputes Act which applied to the second category viz.

(2) Factory type of industries like the steel plants, the Heavy Electricals Factory at Bhopal etc. which are run on industrial lines. Here the workers can raise issues about revision of wages, bonus etc. But as these are public owned industries, the bureaucratic power emphasis persists. There is an acute security consciousness in all the public sector enterprises (Owing to incompetence for exercising proper authority). The 'security' mentality is the same mentality which goes to the next step further of dealing with and converting simple industrial protests as 'violations of the law and order'. The Government has to deal with them with entire might. The next step is to declare all forms of protest in industrial matters as "Treason against the Nation".

Management in the public sector is neither more lawabiding nor more sympathetic or humane. There is nothing different from what obtains in the private sector. There are various causes of poor industrial relations in the public sector. As our subject of study relates to industrial relations in the MTM which is a part of private sector, the only intention was to throw some light on the industrial relations in a mixed economy like India, where the public sector has gone on widening after independence.

## 5.6) INDUSTRIAL PEACE (INDUSTRIAL RELATIONS) IN MTM, MIRAJ

Marathe Textile Mills (MTM) is well known for a good record of industrial relations. There is not a single incident for which the workers in MTM had approached the labour court. Eventhough there had been a strike on the bonus issue according to workers, theoretically it cannot be called a strike as it was not previously intimated to the management by a formal notice. There has always been a controversy over the bonus issue and there was sometimes a possibility of "Bandh", but this problem was solved by mutual discussions and did not take the form of strike.

### 5.6.1) Role of MTM management in settlement of disputes :

Management's attitude towards the genuine disputes has always been sympathetic. Though, in principle, management wishes to comply with the genuine demands of workers, it cannot always fulfil them, but the workers being convinced of the good attitude of the management, do not usually go on strikes and hence industrial peace has been maintained. Thus the role of the management in settling the disputes is sympathetic and the role of union is cooperative and considerate.

### 5.6.2) Position of industrial peace in MTM :

According to the information collected from superiors and workers, however, Bandh, Morchas are the main forms of industrial disputes in MTM.

There was no industrial unrest <sup>in MTM</sup> till 1983 from the establishment of the Mill. Only in 1952 the Mill was closed for one month but it was due to lack of raw material. In 1983 there was a Bandh for 3 days over the bonus

issue. Again in 1984, a token strike for two days over the bonus issue and again in 1985 a token strike for 2 days over the same issue was resorted to. These conflicts were solved through discussions with the union and by accepting the decisions of the Arbitrators.

The following table shows the position of industrial peace in MTM

| Year                  | Actual Working days in a year | Average nos. of workers actually Employed | Scheduled Mandays | Actual Mandays | Mandays Lost. |
|-----------------------|-------------------------------|---|-------------------|----------------|---------------|
| 1980                  | 357                           | 761                                       | 271677            | 237432         | 34245         |
| 1981                  | 356                           | 833                                       | 296548            | 259896         | 36652         |
| 1982                  | 351                           | 829                                       | 290979            | 258648         | 32331         |
| 1983                  | 355                           | 806                                       | 286130            | 251472         | 34658         |
| 1984                  | 352                           | 758                                       | 266816            | 236496         | 30320         |
| 1985                  | 354                           | 802                                       | 283908            | 250224         | 33684         |
| 1986                  | 355                           | 759                                       | 269445            | 236808         | 32637         |
| 1987<br>(Up to Sept.) | 266                           | 719                                       | 191254            | 168246         | 23008         |

The number of mandays lost shown in the above table do not mean industrial unrest in the MTM, because these days were lost as a result of casual leave, sick leave, leave with pay, leave without pay, absenteeism, badli workers sent back etc., Technically, these days lost are shown in mandays lost but they were not lost as a result of a strike or a lockout only. So, in general, it can be said that there has been a good maintenance of industrial peace in MTM. This was very well proved in 1948 when after the assassination of

Mahatma Gandhi the attempts to demolish the mill by angry mobs were resisted by the workers themselves and by muslim gentlemen who knew that the mill was doing something good for the workers. The Mill remained safe with no damage when some other mills in Miraj Taluka were damaged by the angry mobs. (e.g. The Madhavnagar Cotton Mills, Madhavnagar, The Gajanan Textile Mills, Sangli etc.)

In the years that followed, industrial peace was disturbed due to various causes in various parts of the country and also in the mills in the vicinity of the MTM, but MTM maintained industrial peace and created love about the Mill in the minds of workers and also of the union leaders.

#### 5.6.3) Views of Govindraoji Marathe :

The rootcause of this good record is certainly the ways of thinking and actual behaviour of Shri.Govindraoji Marathe, the founder of MTM, who headed the Mill till 1978 and the new generation that followed, continued the healthy traditions established by him. A reference to Govindraoji Marathe's views on the subject will prove to be illuminating. He says -

"I do not regard that capitalists and workers are the enemies to each other. I firmly believe that complete cooperation between the two is possible.

It is the right of workers to demand good treatment, fair remuneration and better amenities, but it is also expected that they should work honestly and properly to justify what they get.

Capitalists invest their money into the business and workers invest their labour power. Hence, workers must regard the industrial concern as their

own and feel proud of it.

Workers are equal in status with the owners. Only when the owners realise this, industrial peace can be maintained.

If workers' unions are based on truth and non-violence they will be able to attract all the capital like a magnetic force. Then the capitalists will remain simply the trustees. When this day will rise, there will be no distinction between capital and labour. They will be partners or friends.

Any useful work done by a worker must be rewarded adequately. Till this time comes, each worker must at least get sufficient food and clothing. The Government which cannot guarantee this, is not Government at all. It is anarchy.

The workers should never resort to violence. Mill belongs as much to them as to the employers. In a fit of anger, they should not damage the machinery or the product. The mill and the machinery do not belong to the 'exploiter', but the workers are also jointly responsible for their safety.

#### 5.6.4) Actual behaviour :

All capitalists who exploit workers express similar views about workers. But the chief merit of Govindraoji Marathe lies in bringing into actual practice what he would always emphasize.

He himself worked as a worker for acquiring all the technique in the business like any other manual labourer. He never spared himself, physically or otherwise. He himself curtailed his own expenditure to the minimum but was very liberal in paying to the poor, the workers and the petty contractors. He set a model example of how an ideal employer should be, by creating in

the workers a real love for him and for the mill. In fact, that is the "Marathe way of life".

Conflict and Marathe is a contradiction in itself. Paying heed to others' views and respecting others' feelings is their motto.

Untouchability has no place in the mill. Workers belong to various castes, work together, dine together and even go on pilgrimages like Kashi, Rameshwar, because the employers themselves regard only one caste - the caste of humanity.

There are outstanding examples to prove the labour loving attitude of Shri.Govindraoji Marathe (later followed by the new generation). Once some differences of opinion arose regarding bonus. There was no legal binding of paying bonus at that time. Still Govindraoji promised 15 days' bonus to the workers. Workers wanted more and they resorted to litigation. The court decision went against the workers. Still Govindraoji called a meeting of the workers and said, "though the court decision exempts me from payment of bonus even for a single day, I will pay you bonus of 15 days as I had promised before". This is the "Marathe way of life".

Another instance -

A worker having worked for several years in the Mill started committing some mischiefs and this created some trouble in the normal routine. The usual enquiry was conducted and it was decided to discharge him, when Govindraoji knew this he called him personally and privately and brought about a 'change of heart' in him and he was not discharged; since then the worker worked in the Mill in a disciplined manner.

Govindraoji would see that the record of a worker is not spoilt. Instead of 'dismissing' any worker (if at all it was inevitable) he would 'discharge' him.

It must be remembered that what is important is the attitude behind what you do... Even sweet and obliging manner of speech can do wonders. "Though you cannot always oblige, you can speak obligingly".

There are innumerable instances when Govindraoji took a fatherly attitude towards workers and brought about a compromise and this led to avoidance of a strike. Occasions were there when other mills on this side were closed due to strikes, but not the MTM. As a result of some kind of victimization of MTM workers by others, MTM had also to be closed for some days, but the workers themselves told the employers that it was not due to their dissatisfaction or conflict with their employers but they had to be with other fellow-workers. After the assassination of Mahatma Gandhi they proved this by sparing no efforts in saving their 'own' mill from the violence outside.

The Calibre, integrity and character of the employer is an important factor in industrial peace. The workers then become proud of the employer and of the Mill where they are working and this acts as a check on creating trouble every now and then. About Govindraoji and the new generation that followed, it must be said that they have always held out a helping hand in fulfilling the needs of the society in general and of the poor and the workers in particular. This explains why the workers insisted that the Mill should not be sold to an outsider. They said to the management "If you are in difficulty, we are prepared to work only for 15 days in a month and ready to accept 15 days' pay only; but for God's sake, don't sell the Mill, which is as much ours as yours."



The Marathes have always given more credit to the community's interest and common good than to the personal or individual interest, without neglecting the commercial aspect (in the absence of which, of course, the Marathe Group of Mills would never have come into existence and flourished). Very liberal assistance has been given by MTM to various individuals in need and various educational and cultural institutions. Miraj Industrial Estate, Government Medical College, Miraj, The Powerlooms Association, The Deccan Co-operative Spinning Mills and so many other institutions have been the result of the sustained efforts and pioneering work by Govindraoji Marathe. The indirect benefits conferred by the spread of The Marathe Group of Mills have been innumerable. The new generation and entrepreneurs that followed emulated his example and being technically trained and having a human outlook and a good image in the outside world maintained a satisfactory record of industrial relations. Industrial peace is not affected by economic factors only. MTM is reputed for industrial peace as a result of both economic and human or social factors.