



## Industrial revolution and labour policies in India

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### Abstract

This paper represents the main aspects of labour rights. On closer examination of industrial laws and prevailing jurisprudence in the country, It is found that not only the law is rigid from the workers perspective, It even fails to vest the workmen with rights required for playing a meaningful role in the enterprise. An attempt has also been made to set out a path for the remedial action required based on the American experience.

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### Introduction

Labour rights or workers' rights are a group of legal rights and claimed human rights having to do with labour relations between workers and their employers, usually obtained under labour and employment law. In general, these rights' debates have to do with negotiating workers' pay, benefits, and safe working conditions. One of the most central of these rights is the right to unionize. Unions take advantage of collective bargaining and industrial action to increase their members' wages and otherwise change their working situation. Labour rights can also take in the form of worker's control and worker's self-management in which workers have a democratic voice in decision and policy making. The labour movement initially focused on this "right to unionize", but attention has shifted elsewhere.

Labour rights are a relatively new addition to the modern corpus of human rights. The modern concept of labour rights dates to the 19th century after the creation of labor unions following the industrialization processes. Karl Marx stands out as one of the earliest and most prominent advocates for Workers rights.

His philosophy and economic theory focused on labor issues and advocates his economic system of socialism, a society which would be ruled by the workers. Many of the social movements for the rights of the workers were associated with groups influenced by Marx such as the socialists and communists. More moderate democratic socialists and social democrats supported worker's interests as well. More recent Workers rights advocacy has focused on the particular role, exploitation, and needs of women workers, and of increasingly mobile global flows of casual, service, or guest workers.

The International Labour Organization was formed in 1919 as part of the League of Nations to protect worker's rights. The ILO later became incorporated into the United Nations. The UN itself backed Workers rights by incorporating several into two articles of the United Nations Declaration of Human Rights, which is the basis of the International Covenant on Economic, Social and Cultural Rights.

### Industrial Jurisprudence

During the twentieth century a new branch of jurisprudence known as Industrial Jurisprudence has developed in our country. Industrial Jurisprudence is a development of mainly post-independence period although its birth may be traced back to the industrial revolution. Before independence it existed in a rudimentary form in our country. The growth of industrial jurisprudence can significantly be noticed not only from increase in labour and industrial legislations but also from a large number of industrial law matters decided by the Supreme Court and High Courts. It affects directly a considerable population of our country consisting of industrialists, workmen and their families. Those who are affected indirectly constitute a still larger bulk of the country's population. This branch of law modified the traditional law relating to master and servant and had cut down the old theory of laissez faire based upon the 'freedom of contract' in the larger interest of the society because that theory was found wanting for the development of harmonious and amicable relations between the employers and employees. Individual contracts have been in many respects substituted by a standard form of statutory contract through legislation and judicial interpretation. The traditional right of an employer to hire and fire his workmen at his will has been subjected to many restraints.

Industrial Tribunals can be their award makes a contract which is binding on both the parties creating new right and imposing new obligations arising out of the award. There is no question of the employer agreeing to the new contract, it is binding even though it is unacceptable to him. The creation of new obligations is not by the parties themselves. Either or both of them may be opposed to it, nevertheless it binds them. Thus, the idea of some authority making a contract for the workmen and employer is a strange and novel idea and is foreign to the basic principle of the law of contract.

Similarly there is change in the concept of master and servant. One who invests capital is no more a master and one who puts in labour is no more a servant. They are employer and employees, the former may hire the latter but he can no more fire them at his will. The interest of the employees is in many respects protected by legislation. Both are now parties in an enterprise, without one yielding to the higher status of another but as co-sharer in the partnership. Even the right of labour participation in the management has been given legislative recognition to the utter despair of the capitalist. Most of the benefits claimed by a workman are not part of his bargain with the employer when the latter employed him or are not due to them on account of any contract but of "status". The industrial society all over the world has been moving during the present century from contract to status<sup>[1]</sup> and this status is a politico-socio-economic juristic status<sup>[2]</sup>.

What were the factors that lead to this departure from the old theories of the law of contract, and the law of Master and Servant? Industrialization in India, as in order countries, brought with it some new socio-economic problems. Those who control the industry have a natural tendency of multiplying their wealth and if this tendency is not checked the rich grown on richer and the poor becomes poorer day by day. The gap between the rich and the poor ultimately grows on to this extent that it develops into two distinct classes in any industrial society, a few of whom are 'Haves' and others are 'Have-nots'. This economic disparity leads to a struggle between 'Haves' and 'Have-nots', the latter exploited. Although this situation continues for some time and it had continued to be so in our country too, but gradually the workmen realized that they could put a better fight if they get united. This realization was closely followed by a period of industrial unrest leading to strikes and lock-outs. In conditions of disturbed the world has witnessed the horrors of the two world wars resulting in spiral rise in the cost of living. With the rise in the cost of living there has been consistent demand for labour for increase in wages. Democratic ideas have also grown simultaneously with the growth of industrialization in our country. These democratic ideas have pleaded for and have also helped in mass awakening and consciousness for greater power amongst the working class. Out of the struggle between workers, demanding for better share in the production and profit of the industry and the employers' hesitation to part with it beyond a certain limit. have grown the recognition of certain principles which are considered to be fundamental in almost all developed countries of the world. The basic principles are:

1. The right of workmen to combine and form associations or unions.
2. The right of workmen to bargain collectively for the betterment of their conditions of service.
3. The realization that economic struggle is inevitable because it is but natural that labour world agitate for better conditions.
4. A shift from the doctrine of "laissez faire" to a "welfare state".
5. Tripartite consultations i.e., solution of the industrial or labour disputes through the participation of workers, employers and the Government.
6. The State can no more be a neutral onlooker but must interfere as the protector of the social good.
7. Minimum standards must be guaranteed through State legislation.

The concept of industrial jurisprudence in our country developed only after independence. Until independence the change in attitude of the government and the benevolent labour legislation only aimed at amelioration of the conditions of labour and it could hardly be said to be a deal in social justice to the working class<sup>[3]</sup>. The birth of industrial jurisprudence in our country may be ascribed to the Constitution of India<sup>[4]</sup> which made more articulate and clear the industrial relations philosophy of the Republic of India. This philosophy has afforded the broad and clear guidelines for the development of our industrial jurisprudence and has thus taken India one step forward in her quest for industrial harmony<sup>[5]</sup>. The Parliament and the Supreme Court have helped in shaping industrial jurisprudence, the former through legislation and the latter as interpreter of the labour laws.

### **Rights of Workers**

The laws cover the right to work of one's choice,

1. Right against discrimination,
2. Prohibition of child labour,
3. Fair and humane conditions of work,
4. Social security,
5. Protection of wages,
6. Redress of grievances,
7. Right to organize and form trade unions,
8. Collective bargaining and participation in management.

India has numerous labour laws such as those prohibiting discrimination and Child labour, those that aim to guarantee fair and humane conditions of work, those that provide social security, minimum wage, right to organize, form trade unions and enforce collective bargaining. India also has numerous rigid regulations such as maximum number of employees per company in certain sectors of economy, and limitations on employers on retrenchment and layoffs, requirement of paperwork, bureaucratic process and government approval for change in labour in companies even if these are because of economic conditions.

### **Labour Policy in India**

After independence it was largely felt that the labour policy must emphasize upon self-reliance on the part of the workers. Since independence till 1954, the period when V.V. Giri was the Labour Minister, all official pronouncements emphasized that labour should become self-reliant. An equally forceful view had been to prefer reliance upon the Government. This cross-current of approach to the labour policy gave place to a new approach known as "Tripartism". Thus 'Tripartism' became the central theme in the so-called "Nanda-period" that began in 1957. During this period the Government paid reliance on three party approach, namely the trade union representing the workers, the employers, and the Government. In this kind of approach the representatives do not decide anything but their role is mainly advisory. They meet together, discuss the points in dispute and strive to reach a consensus and if they agree they make recommendations. Out of the three, the role of the Government is more important. Annual Labour Conferences and the permanent standing Labour Committees served as the chief instrument of Tripartism. These conferences advocated, amongst many things; workers' participation in management, workers' education, works committees, and minimum wage legislation. At the sixteenth conference held in 1958 a momentous advancement was made by adopting a Code of Discipline in industry. The Code pledged the parties to avoid strikes and lock-outs without notice, and to eschew unilateral actions, and to rely on settlement of disputes by discussion by voluntary arbitration or by adopting to such measures as the law may provide. It also pledged them to avoid coercion and victimization, to avoid partial strikes and lock-outs, and to follow grievance procedure.

### **Industrial Revolution of India**

Industrialization in India as in any other country implies the growth of a factory system with employers and wage earners in varying circumstances and with varying characteristics, yet having some common features and it is the common features that are of interest <sup>[6]</sup>. As a consequence of the introduction of factory system production became concentrated in a few selected places, resulting in the increase of labour population at all such places. The village workers migrated to the industrial town because of the difficulty of finding adequate livelihood in their native place. This resulted in disappearance of the popular village handicraft system because they could not compete with machine made goods. The goods produced on a mass scale with the help of machines in the industries were cheaper than the goods produced by handicraft method. But the development of industry in India brought with it a great evil inasmuch as it changed the status of a craftsman into wage-earner. Therefore, the craftsmen had to migrate from village to industrial cities in search of employment in factories.

### **Evils of Industrialization**

The factory system had some inherent evils to which the factory workers were exposed in the beginning. These may be divided into two heads namely, economic and social.

#### **Economic Evils**

1. The artisan who in the handicraft system had the psychological satisfaction of producing the goods himself became in the factory system only a tender of the machine. He had to produce the goods with the help of tools and raw materials supplied by his employer and in the workshop of the employer. In the factory system of production only a part of goods were produced by a certain category of workers. Different categories of workers produced different parts of the same goods. Thus, the goods came in the final shape by the composite labour of many categories of workers. The workman in this system did not get full psychological satisfaction of manufacturing a product by himself and this indirectly arrested his mental development and creative talents <sup>[7]</sup>.
2. The wages paid to factory workers were quite inadequate to meet their barest needs in the new environment which was different from their rural life.
3. The employment of factory workers was not secure in the beginning; they had to suffer occasionally from periodic unemployment and under-employment as a consequence of over-production or trade cycles. A worker could be discharged by his employer at any time without assigning any reasons therefore.

#### **Social Evils**

1. The factories were sick not only of economic evils but also of social evils. Overcrowded cities with insanitary slums, and acute housing shortage because of large scale migration of village population to industrial towns had its natural effect on health, morality and social life of workers.
2. Work in factories was very hazardous and strenuous with long hours duty, no rest, and no facility for recreation. Machines were taken care of by the factory owner who had little regard for the safety and welfare of the workers.
3. Workers were exposed to serious accidents because machines were not properly screened. Accidents were considered as normal risk incidental to employment in a factory and the worker who was unfortunate victim of an accident lost his employment and had no right to compensation.
4. The wages paid to the workers were very low. Wages were the only source of their income. The workers found it extremely difficult to live with the wages so earned by them. Therefore, they had to find out ways and means to supplement their earnings. Consequently the wives and children of workmen started seeking

employment. The factory owners exploited this situation and employed them in large numbers at extremely low wages without any regard to their physical conditions.

5. The workers found it difficult to adjust with these conditions. These evils of industrialization and the lack of adjustment and harmonious relationship between the employer and the labours created problem in the industry, which we call labour problems.

### **References**

1. According to Sir Henry Maine 'the human society has hitherto moved from status to contract'.
2. Mahesh Chandra, Industrial Jurisprudence, 1976, 40
3. Mahesh Chandra, Industrial Jurisprudence, 1976, 31.
4. In this connection the Preamble to the Constitution and Part III and Part IV of the Constitution dealing with Fundamental Rights and the Directive Principles of State Policy respectively need special mention.
5. Report of the National Commission on Labour, 1969, 56.
6. Indian Law Institute: Labour Law and Labour Relations
7. Giri VV, Labour Problems in Indian Industry