

Awards and Settlement:

The Industrial Dispute Act, 1947 which extends to the whole of India came into operation on the first day of April 1947. As per Preamble of the said Act, it is enacted to make a provision for the investigation and settlement of the dispute and certain other purposes such as recovery of money from the employer in terms of Settlement or Award by making an application to the appropriate government. The purpose and aim of the Industrial Disputes Act 1947 is to minimize the conflict between labour and management and to ensure, as far as possible, Economic and Social Justice. The act has made comprehensive provisions both for this settlement of disputes and prevention of disputes in certain Industries.

Method of settlement of Industrial Dispute-

In the interests of the industry in particular and the national economy in general, cordial relations between the employer and employees should be maintained. To ensure cordial labour management relations and to achieve industrial harmony, the following methods of settlement of industrial disputes are provided under the Act -

Collective Bargaining - Collective Bargaining or Negotiation is one of the methods for settlement of an industrial dispute. It plays significant role in promoting labour management relations and in ensuring industrial harmony

Collective Bargaining is a process/Method by which problems of wages and conditions of employment are settled amicably, peacefully and voluntarily between labour and management. In collective bargaining, the parties to the dispute I.e., the employer and the employees/workmen settle their disputes by mutual discussions and agreements without the intervention of a third party. Such settlements are called "bipartite settlement". Therefore, settlement of labour disputes by direct Negotiation or settlement through collective bargaining is always preferable as it is the best way for the betterment of labour disputes. Collective Bargaining is recognized as a right of social importance and greater emphasis is placed on it by India's five year plans. The term 'Collective Bargaining' was coined for the first time by Sidney and Webb in their famous book 'Industrial Democracy' published in 1897. It means

Negotiation between an employer and group of workers to reach agreement on working conditions. N. W. Chamberlain (in his 'Source Book on Labour: 1958 p. 327) described collective bargaining as "the process whereby management and Union agree on the terms under

which workers shall perform their duties". In simple word, collective bargaining means "Bargaining between an employer or group of employers and a bonafide Labour Union".

2) Conciliation -Conciliation is a process, by which a third party persuades the parties to the industrial dispute to come to an amicable settlement. Such third party is called 'Conciliation Officer' of Board of Conciliation. Sections 4 and 5 of the act provide for the appointment of Conciliation Officer and the constitution of the Board of Conciliation respectively.

3) Voluntarily Arbitration - The expression 'Arbitration' simply means "the settlement or determination of a dispute outside the court". Parties to the dispute, without going to the Court of law, may refer the dispute/Matter to a person in whom they have faith, to suggest an amicable solution. Such person, who acts as a mediator between the disputants to settle the dispute is called "Arbitrator". The decision given by the parties, which is binding on the parties, is called "Award". Therefore Arbitration is a judicial process under which one or more outsiders render a binding decision based on the merits of the dispute. Section 10-A of the industrial dispute act, 1947 confers on parties, power to enter into Arbitration agreement. The agreement must be in prescribed form and must specify the name/names of the arbitrator or arbitrators.

4) Adjudication -When an industrial dispute could not be settle either through bipartite negotiations or through the Conciliation machinery or through the voluntary Arbitration, the final stage resorted to, for settlement of an industrial dispute is Adjudication or compulsory Adjudication, which envisages Governmental reference to statutory bodies such as Labour Court or Industrial Tribunal or National Tribunal. Section 7, 7-A and 7-B of the Industrial disputes Act, 1947 provide for the constitution of Labour Court, Industrial Tribunal and Labour Tribunal respectively.

What is award?

The judgment of an arbitrator is called his Award. Award (Judgement) of Arbitrators under section 10A is an Award.

Definition of Award

Section 2(b) of the Industrial Dispute Act, 1947 defines Award as follows - According to Section 2(b) of the Industrial Disputes Act, 1947 "Award" means an interim or a final determination of any Industrial Dispute or of any question relating thereto by any Labour Court, Industrial Tribunal or National Industrial Tribunal and includes an arbitration award made under section 10A.

Ingredients of Award - To constitute Award under Section 2(b) of the Industrial Dispute Act, 1947 the following ingredients are to be satisfied-

- (a) An Award is an interim or final determination of an industrial dispute.
- (b) It is an Interim or final determination of any question relating to such dispute.
- (c) Such interim or final determination is made by any Labour Court, Industrial Tribunal or National Industrial Tribunal.
- (d) Award (Judgement) of Arbitrators under section 10A is an award.