**Causes of Industrial Disputes**

What are the reasons behind industrial disputes?

Even the smallest of the reasons can contribute to the raising of conflicts in an organizational setup if it impacts the respondent to a great extent.

Let us have an in-depth analysis of each of these causes by reaching out to the roots of industrial disputes:

**Causes of Industrial Disputes**

**Economic Causes**

The ultimate aim of the labour is to earn their livings and meet their economic ends. Whereas, for the business, it is generating profits. Therefore, on the non-fulfilment of these needs, industrial disputes can take place between the management and the labour.

It includes demanding a higher wage, increasing the profits, bonus and allowances, replacing machinery, improving working conditions, duration and other necessary facilities.

**Managerial Causes**

Lack of administrative support and attention towards labour leads to industrial disputes. Following are the various managerial causes of industrial disputes:

Retrenchment or layoff of the workers without any reason;

the inefficiency of the management to initiate leadership in the organization;

poorly built and dissatisfying recruitment policies and practices;the employer does not comply with the agreement and codes such as code of discipline and collective bargaining;

the management does not acknowledge the trade unions as a representative of the union members, i.e., the workmen.

**Government Machinery**

At times, the government lacks a suitable strategy to address industrial disputes. Some of the drawbacks of the government machinery which lead to industrial conflicts are as follows:

The need for growth and development is not considered seriously;

difficulties in dealing with industrial culture and climate challenges;

the employers meagrely apply this settlement machinery;

there is a low level of trust of the employers and the employees, over the government’s settlement machinery.

**Voluntary Arbitration**

The word arbitration refers to the settlement of any dispute mutually with the help of an arbitrator.

Thus, in voluntary arbitration, there is a third party involved in the settlement process. Its decision can be biased or unacceptable by either of the parties, which can result in further conflicts.

**Wage Boards**

The Indian government has set up wage boards for determining the suitable wages of the workmen or labourers.

When the workmen are dissatisfied with their remuneration, there arises a condition of an industrial dispute.

**Joint Management Councils (JMC)**

The government created Joint Management Councils, which consist of equal representatives of both the parties to deal with the worker’s problems, but the idea failed due to lack of efficiency and progress.

**Other Causes**

The various other causes of industrial disputes are stated below:

Weak and multiple trade unions result in more conflicts;

influence of the political party in power, supporting a particular trade union leads to conflicts;

the adverse effect of the relationship with the central and state governments, unstable political conditions and everyday responsibilities results in industrial disputes;

in some organizations, collective bargaining is not allowed since the workmen are not even permitted to make trade unions;

other reasons can be corruption, apparent consumption, role conflicts, etc.