

Distinguish Between Closure and Lockout

Closure	Lockouts
Section 2 (cc) defines 'Closure':	Section 2(i) defines "Lock-out" of Industrial Disputes Act, 1947
Closure means the permanent closing down of a place of employment or part thereof	Lock-out means the temporary closing of a place of employment.
A closure is not a weapon in the hands of the employer. It equally affects on both the employer and employees	It is a weapon in the hands of the employer against his employees. He uses it as a threat.
A bona fide closure can never be illegal.	A bona fide lock-out can be illegal if it is violated the provisions of Sec. 24.
Closure signifies the final and irrevocable termination of the business itself.	Lock-out signifies the closure of the place of business and not the closure of the business.
In the Closure, the relationship between them comes to an end.	In the lock-out, the relationship between employer and employees does not come to an end.
The causes for the Closure of industry are permanent or lasting and cannot be cured.	The causes for the lockout in an industry are temporary and can be cured.
. Generally, the cause of closure is economical, poor quality of maintenance, poor management, nonavailability of raw material, Government policies, etc.	Generally, the causes of lock-out arise from political, disturbances with trade union leaders, rigid policies of the State, and particularly the economic factors too, etc.
Closure cannot be turned into a lockout.	A lock-out may turn into the closure of an industry.
Closure of an industry is the last resort. It may be due to economic reasons	Generally, the lock-out is declared as an answer to a Strike.

BASIS FOR COMPARISON	STRIKE	LOCK-OUT
Meaning	Strike refers to the suspension of work by the workers or employees, so as to compel the employer, to agree to their demands.	Lock-out is when the employer compels the workers to accept his terms and conditions, by shutting down the factory.
What is it?	Organized and collective withdrawal of labor supply.	Withholding the demand for labor.
Tool of	Workers	Management
Tactic	Union power tactic	Employer power tactic
Objective	To gain redressal of the grievance, or to cause change through it.	To gain an advantage by inflicting proprietary rights over the workers.
Used to	Initiate or resist change in their working conditions.	Force employees to return to work.

BASIS FOR COMPARISON	LAYOFF	RETRENCHMENT
Meaning	Lay-off refers to the provisional termination of the employee, at the instance of the employer.	Retrenchment means involuntary separation of an employee due to the replacement of labor by machines or the close of the department.
What is it?	Action step	Business strategy
Defined in	Section 2 (kkk) of Industrial Dispute Act, 1947	Section 2 (oo) of Industrial Dispute Act, 1947
Nature	Temporary	Permanent
Operation of company	Stops after the declaration.	Continues even after the declaration.
Re-appointment	As soon as the lay-off period ends.	Employee's connection with the organization are severed immediately.

Distinguish Between Lay-Off and Lockout

Lay-Off	Lockouts
Lay-off is defined in Section 2 (kkk) of Industrial Disputes Act, 1947	Section 2(i) defines "Lock-out" of Industrial Disputes Act, 1947
Lay-off means the failure, refusal or inability of an employer on account of shortage of raw materials, shortage of power, no market demand for finished products etc.	Lock-out means the temporary closing of a place of employment.
Lay-off occurs while the establishment is continuing operation.	In Lock-out, the establishment is completely closed.
In lay-off, the employer is unable to provide employment to one or more workmen due to several reasons generally genuine and owe to economic factors.	Generally, the causes of lock-out lie political, disturbances with trade union leaders, rigid policies of management, etc., besides economic problems.
Compensation shall be paid to the workers laid-off.	Payment of compensation to workers depends upon various factors viz. legal or illegal lock-outs, justified or unjustified.
Generally, the employer declares lay-off under certain genuine circumstances.	Generally, the lock-out is declared by the employer in answer to strike.
Lay-off may be applicable to a group of workers or to entire workers.	Lock-out is applicable to the entire industry