

CHAPTER - I
INTRODUCTION

1.1 INTRODUCTION

A look at the history of industrialisation in today's advanced and capitalistic countries shows that the working class organisations particularly trade unions played an important role in lessening the adversities and vulnerabilities of workers. Rapid industrialisation made the work environment very complex. Further it resulted in innumerable number of problems for the workers. As a consequence it has become a must for the working class to get united in the form of unions and fight for their rights and privileges. Thus it may be said that "Trade Unionism" is the result of the growth of modern industrial establishments involving the employment of a large number of workers.

In India also, trade unions played and have been playing an effective and a very significant role in fighting for the cause of workers in an organisation. Most of the unions are concerned with protests against exploitation and oppression by the employers. They fight for the realisation of demands relating to wages, working hours, holidays, job security, housing and other welfare activities. They give a call for strike for their just

causes like the betterment of the employment conditions of workers. For achieving their goals they adopt various methods such as collective bargaining, negotiations, strikes etc. Trade unions also play a crucial role in the economic development of a democratic country like India. It is now an established fact that an enlightened trade union is necessary both for safeguarding the interests of workers and also for realising the production targets. In this process, Indian trade unions have been making a tremendous impact by working for the safeguarding of the interests of working class and also for realising the plans, policies and strategies of the management.

1.2 TRADE UNION MOVEMENT IN INDIA:

In India, Trade Union Movement had its roots in the freedom struggle unlike in Western Europe, America and former USSR and East European countries. In these countries, trade unions had appeared as a tremendous force serving as an instrument for shaping a just socio-economic system. They had become permanent organisations to safeguard the interest of the workers in all walks of vocational life.¹ But in India trade union movement was

1. Malik, Depak: Indian Trade Unionism in Developmental Perspective, Commonwealth Publishers, 1989, P.83.

closely related to the history of the national liberation or Independence movement, for the freedom struggle needed the support of the mass of industrial workers as well as of other sections of the society. At the same time, a trade union movement isolated from the political mainstream could not have made such a headway under the conditions prevailing in India under the British domination. At every stage the two movements interacted.²

Trade union leadership consisted of many who were in the forefront of the freedom movement. This has led to the historical development that even though the industrial working class accounts for a small proportion of total employment, every political party has a trade union wing. The influence of industrial working class on political parties is out of proportion to its members in the work force. For a long time, and in many cases even today, trade union leadership has been external to the industrial unit, with a leader being responsible for more than one industrial unit.³

2. Crouch, Harold: Trade Unions and Politics in India, Manakatalas and Sons (P) Ltd., Bombay, 1966, P.60.

3. Rao, S.L. : Labour Adjustment as Part of Industrial Restructuring, Economic and Political Weekly, Vol.XXIX, No.6, February 5, 1994.

The development of trade unionism in India which has had a history and a stormy career may be studied under various phases. A short account of these different phases of the Indian labour movement is given below.

STAGES OF TRADE UNION DEVELOPMENT IN INDIA:

(I) THE PERIOD BETWEEN 1875-1918:

The first cotton mill was established in 1854 in Bombay in India and the first Jute mill was established in 1855 in Bengal. This was the beginning of the modern factory system in India. After this the number of factories began to increase both in Bombay and Bengal. The modern factory system brought in its wake employment of women and children, long and excessive hours of work, lack of education, poor housing, undermining of morality and other evils of capitalism. In 1875 a few social reformers and philanthropists, under the guidance and leadership of Mr.S.S.Bengalee started an agitation in Bombay to protest against the appalling conditions of workers in factories especially those of women and children and also appealed to the authorities to introduce legislation for the amelioration of their working

conditions. The first Factory Commission was appointed in Bombay in the year 1875 and the first Factories' Act was passed in 1881.

The 1881 Act proved inadequate and its provisions were highly disappointing. The founder of organised labour movement in India Mr.N.M.Lokhande who was a factory worker himself and who organised an agitation, called for a conference of workers in Bombay to make representation to another Factory Commission appointed in 1884. Mr. Lokhande conducted a mass meeting in Bombay on 24th April, 1890 and submitted a memorandum containing demands for limitation of hours of work, weekly rest days, mid-day recess and compensation for injuries. In response to these demands, a weekly holiday was actually granted by the mill owners of Bombay. Encouraged by this success, Mr.Lokhande organised the Bombay Mill-hands Association. This was the first labour association in India.

After 1890, a large number of labour associations were started in the country. The Amalgamated Society of Railway Servants of India was started in 1897. The Printers Union Calcutta in 1905, The Bombay Postal

Union in 1907, The Kamgar Hitvardhak Sabha and Social Service League in 1910.

"The most notable feature of this period was the absence of strikes as a means of getting grievances redressed. There was no solid, stable and well-organised union to make use of the right to strike effectively. The labour movement in India during this period, was wholly unorganised and social in character. Therefore, the trade union movement in the beginning flourished on idealistic philosophy and the movement was for the workers rather than by the workers.⁴ The labour organisations formed during this period lacked definite aim and constitution and the leaders worked mostly in an advisory capacity. Mr.Lokhande whose efforts during this period were commendable was "more a philanthropic promoter of labour legislation and of workers' welfare than a pioneer of labour organisation or labour struggle".⁵ This period has been characterised as the social welfare period of our early trade union movement.

4. Oskar, A.Oranti : Jobs and Workers in India, Ithaca, New York, 1955, P.98.

5. Dutt, Palme : India Today, Manisha Grandhalaya Pvt.,Ltd., Calcutta, 1979, P.375.

II. THE PERIOD BETWEEN 1918-1924:

The close of World War-I saw the beginning of the labour movement in the truly modern sense of the term. During this time the first attempts at trade union organisation were made systematically all over India. Though there was a trace of the workers in the Ahmedabad Cotton mills forming a union in 1917 under the leadership of Smt. Anasuyaben, the credit of forming the first industrial union on a systematic basis goes to Mr. B. P. Wadia, an associate of the theosophist Mrs. Annine Besant who founded the Madras Labour Union in 1918. P. S. Lokanathan observes that "Not one textile worker in the city of Madras remained out of the union and the union became more and more powerful in a short period". * Between 1919 and 1923 number of unions came into existence in the country. At Ahmadabad, under the inspiration of Mahatma Gandhi, occupational unions like Spinners and Weavers' Unions were established known as the Textile Labour Association, Ahmedabad.

Various factors influenced the growth of trade union movement in India during this period.

6. Lokanathan, P.S : Industrial Welfare in India, University of Madras Press, Madras, 1959, P.16.

- 1) The main reason for the success of trade unionism during this period were economic conditions. During the war, the entire economic situation in the country was changed. Prices of essential commodities had shot up and there had been no corresponding increase in wages through the employees had amassed fantastic profits.
- 2) The political agitators knew that organised workers would be an asset to their cause. The home-rule movement and the martial law in Punjab had set the whole country thinking. Labourers who had many grievances needed proper guidance and leadership. The non-cooperation movement of Gandhiji launched in 1919-1921.
- 3) The Russian revolution also had its own favourable effect on labour movement in India. It held out a prospect of a new social order to the common man in the country.
- 4) The setting up of ILO in 1919 also helped the organisation of trade unions in this country. Besides developing labour-consciousness, it created a general awakening in the country which led to a movement towards organisation of labour.

5) The formation of All India Trade Union Congress in 1920 though primarily to send representatives to International Labour Conferences and sessions, gave status to the labour movement.

The spread of trade unionism in the country during this period was accompanied by a large number of strikes. In 1919 a number of strikes and work stoppages took place in Madras and a few other states. In 1920, about 200 strikes were declared all over the country. In 1921, the Government of India started collecting information about strikes. In 1921, in all 400 disputes involving 5,23,151 workers were recorded. In 1922, 278 strikes involving 4,35,434 workers were declared. The number of strikes began to decline after 1922. During this period, the channelisation of the trade union movement in a consolidated direction, the growing consciousness amongst workers towards their interests and increase in the number and membership of trade unions are significantly notable".⁷

7. Kumar, C.B.: Development of Industrial Relations in India, Orient Longman and Co., Bombay, 1971, PP.71-72.

This period in the history of our labour movement is known as the "Early Indian Trade Union Period."

III. THE PERIOD BETWEEN 1924-1935:

The Third phase of the Indian labour movement which may be called "The period of Left Wing Trade Unionism," started in 1924 and lasted up to the year 1935. Since 1924, signs of militant tendencies and revolutionary trade unionism in the labour movement of the country became apparent. During this period, the communists captured the labour movement, split the Trade Union Congress twice and conducted some violent strikes in India. The main cause for the growth of these extremist feelings was the economic hardship of the workers. Depression, prospects of cut in wages and un-employment were the main factors. The attitude of the employers also gave a fillip to such growth of feelings.

In 1927, at the annual session of the Trade Union Congress held at Kanpur, it became apparent that the labour in the country was going in two directions, one communistic and the other moderate. In 1928, at the

Jharia session, the conflict developed between the two groups still further, and at the Nagpur session in 1929 a split took place in the AITUC which was setup in 1920.

The moderate section under the leadership of Messers.N.M.Joshi, V.V.Giri, B.Shiva Rao, R.R.Bakhale and Diwan Chaman Lal came out from Congress and set up a separate organisation under the name of the National Trade Union Federation for co-ordinating the activities of non-communist trade unions.

The years 1928 and 1929 were also the periods of large scale strikes in Bombay, Kanpur, Sholapur, Jamshedpur and the East and South Indian Railways. The influence of the communists started declining after 1930 after the failure of the general strike sponsored by the communists during 1929-30. In 1931 session of the Trade Union Congress held at Calcutta another split took place in Congress and the extreme left wing under the leadership of Messers.S.V.Deshpande and B.T.Ranadive broke away and formed the All India Red Trade Union Congress. At the end of 1931, there were three central labour organisations functioning viz., AITUC, NTUF and RTUC. *

8. Shiva Rao, B: Industrial Workers in India, Allen and Unwin, London, 1939, P.151.

In January 1934, a conference of All India Textile workers was held to protest against wage-cuts, retirements etc., and a resolution was passed to resort to a country wide general strike of all textile workers. But in 1934, the Government of India declared the Communist Party an unlawful association.

During this period one significant development was the passing of the Indian Trade Union Act of 1926 which provided for voluntary registration and confirmed certain rights and privileges upon registered unions in return for certain obligations.

IV. THE PERIOD BETWEEN 1935-1939:

In 1935, the New Constitution of India was adopted under which labour representatives could get themselves elected through trade union constituencies. Consequently, efforts for trade union unity were intensified.

In 1935, the Red Trade Union Congress merged with the AITUC. Finally in 1938 NTUF also took the affiliation from the AITUC. One healthy development during this period was the attainment of unity amongst different trade union groups.

Mainly three reasons accounted for such revival of trade unionism in the country during this period.

- (1) The advent of popular ministries in the provinces pledged to implement the election manifesto of the party conferring greater rights upon workers.
- (2) The provision for labour seats in the legislatures through registered trade union constituencies.
- (3) The changed attitude of employers who had realized the inevitability of trade unions.

V. THE PERIOD BETWEEN 1939-1946:

Trade Unionism in India at the commencement of World War II had already become a strong labour force in the country. The war gave further stimuli to its growth and development of labour movement in the country. Employers attitude had also undergone a complete change. Trade unions made progress not only in respect of numbers and membership but also in respect of trade union funds.

In 1940, the affiliated body NTUF of AITUC cancelled their affiliation and merged with the parent body. This unity was short-lived. In the same secession

of the AITUC, Dr.Aftab Ali, President of Seamens' Association, Calcutta dis-affiliated his union from the Congress. Another section known as 'Royists' under the leadership of Mr.M.N.Roy also withdrew from the Congress and formed a new body known as the Indian Federation of Labour in 1941. This IFL had the support of congress leaders because of the 1942 Quit India Movement.

In 1946, there was a tussle between AITUC and the IFL with regard to the representation character of the organisation. Each claimed to be the most representative organisation of the working class. An enquiry conducted by the Chief Labour Commissioner of the Central Government in 1946 established the representative character of the AITUC.

VI. THE POST WAR AND THE POST INDEPENDENCE PERIOD (1946 ONWARDS)

After the end of World War - II, there was a drastic change in the economic conditions of the workers arising out of the rapid increase in the cost of living. For improving this condition and securing relief, workers had taken the help of organised unions. At this time Hindustan Mazdoor Sevak Sangh was set up by Gandhi Seva Sangh.

The labour leaders of the Congress Party recognised the need to set up trade union. Thus, the INTUC was formed in May 1947. After setting up of INTUC, the Communist-dominated AITUC suffered considerably both in prestige and membership.

The INTUC has now the largest federation of trade unions and also occupies the 5th rank in the world's trade unions. The objective of this organisation was to solve labour problems by peaceful means.⁹ In the post independence period, with the formation of a new political party - The Socialist party. Another labour organisation Hind Mazdoor Sabha was started in 1948. The Indian Federation of Labour formed by the Royists group in 1941 merged into this body. In 1949 HMS splitting groups and AITUC set up a separate organisation viz. The United Trade Union Congress (UTUC).

With the emergence of Jana Sangh, the Bharatiya Mazdoor Sangh (BMS) was formed in 1955. The CPI(M) formed the Centre of Indian Trade Unions. The split in Indian National Congress resulted in split in INTUC in 1971.

9. Raman, N.P: Political Involvement in Industrial Trade Unions, Asia Publishing House, Bombay, 1967, P.16.

Efforts to forge unity in the labour movement have been made since 1952. In 1958, the General Secretary of ICFTU made an effort to forge unity in HMS and INTUC. Another effort towards unity was witnessed in the shape of the formation of National Council of Central Trade Unions' (NCCTU).

There are some others federations functioning as All India Federations like All-India Bank Employees' Association, National Federation of Indian Railway Men, National Federation of Post and Telegraph Workers, All India Mine workers' Federation etc. In addition there are many unions which are not affiliated to any central body.

1.3 RISE AND GROWTH OF TRADE UNIONS:

The rise of trade unions was not easy and smooth in the beginning and the early organisers had to face considerable difficulties but they have now become one of the most important institutions of the modern economic society. An important factor for promoting the development of trade unionism is the state of industrialisation in the country. There is the presence of an elite in the industrializing society within the

variation of form and manner which "takes upon itself the leadership of society in its transition from the under developed agricultural to the developed industrial one. Along with education and industrial discipline, an industrializing society faces the imperative of capital accumulation..... Trade unionism tends to be suppressed or controlled, especially in societies lacking large amount of foreign aid or investment. The advancement of industrialisation and the associated growth of wealth and real income reduce the harshness of industrialisation imperatives".

There are some non-economic factors also that influence the growth of trade unionism in any country. As stated by A.C.Pigou "The conditions necessary for the growth of organised action among the workers are the differentiation of a separate wage-earning class, some stability of status within that class and some power of inter-communication among its members". The formal ground for trade unionism may be said to be prepared during the latter part of the 1920s (taking the Trade Union Act 1926 as a landmark) but its health started to improve with improvement in the turnover of industrial production.

Walter Galenson opines: "The growth structure and ideology of the labour movement of any country are conditioned by the nature of industrialisation process; that is by the character of the society in which industry first took root and by the tempo and direction of industrial development".¹⁰

The out-break of World War in 1939 led to intensification of economic activity which had a positive effect on trade unionism too. The number of registered trade unions increased from 29 in 1927-28 to 666 in 1939-40 and to 2,766 in 1947-48. Commenting on such development, the ILO, remarked in 1946: "The War time influences that gave a considerable impetus to industrial production in India were not without an effect on the labour movement. The workers organisations have gained in strength."

10. Galenson, W. : Comparative Labour Movement, University of California Press, California, 1962.

TABLE 1.1 COMPOSITION OF TRADE UNIONS : TRENDS

YEAR	NUMBER OF REGISTERED UNIONS	NUMBER OF UNIONS SUBMITTING RETURNS	PERCENTAGE OF UNIONS SUBMITTING RETURNS	MEMBERSHIP ('000)
1947-48	2,766	1,620	58.6	1,662
1948-49	3,159	1,848	58.5	1,964
1949-50	3,522	1,919	54.5	1,821
1950-51	3,766	2,002	53.2	1,560
1951-52	4,623	2,556	55.3	1,996
1956-57	8,554	4,399	51.4	2,376
1961-62	11,614	7,087	61.0	3,978
1966	14,686	7,244	49.3	4,392
1971	22,484	9,029	40.2	5,470
1976	29,350	9,778	33.3	6,512
1980	36,507	4,432	12.1	3,734
1981	37,539	6,682	17.8	5,397
1982	38,313	5,044	13.2	2,999
1983	38,935	6,844	17.6	5,417
1984	42,609	6,451	15.1	5,150
1985	45,067	7,851	17.3	6,433

SOURCES: 1. Indian Labour Statistics, 1985.
 2. Indian Labour Year Book, 1985.
 3. Pocket Book of Labour Statistics, 1989.

LABOUR BUREAU: 1. Trade Unions 1956-57.
 2. Labour Master Reference Book, 1989.
 3. Indian Labour Year Book 1983, 1986 and 1987.

- 1) There has been a continuous growth as Table 1.1 shows in the number of registered trade unions which increased from 2,766 in 1947-48 to 3,766 in 1950-51, 11,614 in 1961-62, 22,484 in 1971, 37,539 in 1981 and 45,067 in 1985. Thus a continuous growth has been registered in the number of registered trade unions, though the rate of growth has not been identical over various years.
- 2) Growth of unions submitting returns has an oscillating trend e.g., the number of such unions, as Table 1.1 shows was 2002 in 1950-51, 7087 in 1961-62, 9,029 in 1971 but it stood at 6,682 in 1981 and again rose to 7,851 in 1985. Another notable thing is the existence of a meaningful gap between the number of unions registered and those submitting returns. Roughly, 33 to 60 per cent of registered trade unions have failed to submit returns during two decades (1950's and 1960's). And this trend is accentuating. Between 1971 and 1985, the number of such unions not submitting returns has ranged between 54 per cent and 80 per cent. The percentage of unions submitting returns to total registered unions was at the lowest level of 12.1 per cent in 1980 and it was not much above it even in 1985 (being 17.3 per cent only).

Thus, besides such unions which do not register themselves (i.e., statistically invisible unions) there has been a large growth in the number of such unions which do not respond to the reporting requirement.

- 3) An important growth-trend based on the membership size of the unions for various years compares well with the findings of B.Sharma's study of Korean trade union growth depicting negative impact of union density on membership growth.¹¹ In absolute terms, the number of registered trade unions has increased from 2,766 in 1947-48 to 45,067 in 1985 and that of the unions submitting returns from 1,620 to 7,851 during the same period, but membership of unions has slowly increased from 16.6 lakhs in 1947-48 to 64.0 lakhs in 1985. This type of growth rate in the membership of unions suggests a trend of fragmentation of unions besides their inability to absorb new workers. Growing trends of factionalism have also contributed to the weakening of the health of trade unionism reflected through an obvious tendency of declining membership.

11. Sharma, B.: Korean Trade Union Growth during the period 1962-84, Economics Letter, Vol.31.

1.4.THE NEED FOR TRADE UNIONS:

Modern trade unions are essentially a product of the spread of the Industrial Revolution and the growth of the factory system in the nineteenth century. The factory, which replaced the home cottage industries as the main means of production resulted in a sharp division between the employers of labour and their work force, with whom they had little or no contact. The single worker was powerless against the understandable wish of the factory to make as much profit as possible by keeping wages low. The nineteenth century was a period of appalling conditions and extremely low wages for the working population. Men, women and children suffered equal degradation. The safety of worker came second to the need to make profit. The position of working man was further worsened, by an inability to save out of an inadequate wage and by the complete absence of any state assistance for people unable to work through old age, ill-health or the unavailability of employment.

The worker joins a trade union for a variety of reasons, but he may be no more conscious of the motive or motives that prompt him to join a union. Many recent

studies have sought to know the reasons of union members for their participation. The trade unions are the organisations formed by working men and women both to improve the conditions of labour and to further the workers' desire for a better life. (i) The individual worker all alone feels specially weak in a world of mass production and mass movement. An organisation may give him an opportunity to join others for the achievement of those objectives that he considers as socially desirable. (ii) The primary purpose of trade union is to safeguard the economic interests of its members. To improve and maintain the wages at a reasonable standard is one of the important reasons for which a worker joins a trade union. (iii) A worker does not only require the bare necessities of existence but he also wants to obtain the amenities of civilised life e.g., a better home, more leisure, better conditions of work etc. The workers also join the trade unions, to a very large extent, because they have interests such as these to promote or defend. (iv) The need for trade unions arises also because of the fact that the workers require help in time of sickness or death, protection from suffering and want when they are out of a job and an income of some kind when they are too old to

work any more. (v) There is another reason for the existence of trade unions viz., need for adequate machinery for settling the relations between the employers and the employees. (vi) Trade unionism developed on proper lines reduces lessens violent class conflicts and is beneficial to employers, the employees, the State and the public. It is clear that no agency formed or promoted to look after the interests of the workers can be a real substitute for trade unions. The organisation of workers is not only necessary but also inevitable.

1.5 MEANING OF TRADE UNION:

"A trade union is a continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives".¹²

"A trade union means an association of workers in one or more professions - an association carried on mainly for the purpose of protecting and

12. Webb, Sydney & Webb, Beatrice: The History of Trade Unionism, Longmans Green and Company Ltd, London, 1920, P.1.

advancing the members' economic interests in connection with their daily work".¹³

"A union is a continuing, long-term association of employees, formed and maintained for the specific purpose of advancing and protecting the interests of members in their working relationships."¹⁴

"Trade unions are essentially associations of manual and or non-manual work people, including professional grades, formed to safeguard and improve the working conditions of their members and more generally to raise their status and promote their vocational interests."¹⁵

A trade union is any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen or between

13. Cole, G.D.H: An Introduction to Trade Unionism, George Allen and Unwin Ltd, London, 1953, P.13.

14. Yoder, Dale: Personnel Management and Industrial Relations, Shreeram Centre for Industrial Relations, New Delhi, 1972, PP.159-160.

15. Richardson, J.H.: An Introduction to the Study of Industrial Relations, George Allen & Unwin, London, 1961, P.137.

employers and employees or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions".¹⁶

1.6 CHARACTERISTICS OF TRADE UNIONS:

According to the definitions quoted above:

1. The trade union may be an association either of the employers or employees or of independent workers. Accordingly, in India such unions may consist of (i) Merchants' or Employers' Associations (like Employer's Federation of India, All India Manufacturers' Organisation Indian Jute Mills Association and Bombay Mill Owners' Association) (ii) General labour unions; (iii) Friendly societies; and (iv) Combination of intellectual labour (like All India Bank Employees' Association; All India Ports and Dock Workers' Federation etc.).
2. Labour unions are relatively permanent combinations of workers and are not temporary or casual. They persist throughout the years and conceive of their purpose as one which is not merely immediate but continuous. They do not expect to attain their objectives in a day

16. Government of India (1926): The Indian Trade Union Act [Section.2(B)], New Delhi.

because they anticipate and contemplate a continuing stream of additional objectives to be adopted from time to time.

3. Trade union is an association of workers who are engaged in securing economic benefits for their members. In other words, it is essentially "a cooperative labour marketing association". Its purpose is to secure control of the supply of labour in one or more markets and to maintain that control as a means of fixing the price of labour as well as the conditions under which it works. Trade union functions, according to J. Cunison, are now associated with three relative terms: The 'worker', 'his labour' and 'market for his labour'.

4. The character of trade unions has been constantly changing. Every change in technology and system of production creates fresh problems. Trade unions change these methods and their working to adjust themselves to changing circumstances. "From criminal and illegal associations they have now become legalised and recognised institutions; from institutions which were only very small bodies they have now become gigantic

associations; from institutions that were primarily interested in the advancement of the cause of their own membership they have now become institutions which are interested in the social, cultural and political development of the country".¹⁷

5. The origin and growth of the trade unions has been influenced by a number of ideologies. Social, economic and even political movements have influenced trade unions in one or other way.

1.7 OBJECTIVES OF TRADE UNIONS;

The fundamental and permanent mission of trade union movement has been the economic and social advancement of workers. The objectives of trade unions have been influenced variedly by different ideologies. The trade unions today are concerned not only with the solution of economic problems of their members relating to conditions of employment, hours of work and wage etc., but also with their social and cultural development to that

17. Mathur, A.S. and J.S. Mathur: Trade Union Movement in India, Chaitanya Publishing House, Allahabad, 1957, P.3.

they may come up as good citizens, enjoying a dignified position in society.¹⁸

Marx and Engels influenced trade unions in various ways. For them trade unions are the instrument to overthrow capitalism.

Webbs considered trade unionism to be the extension of the principle of democracy in the sphere of industry. According to G.D.H.Cole, the ultimate objective of trade unions should be the control of workers over industry, though the immediate objective may be the realisation of higher wages and better conditions of the employment for the workers.

However, the basic objective of a trade union every where and at every time continues to be the safeguarding and furthering of economic interests of its members. Besides this, the objectives of trade unions are stated below.

1. Defending or improving conditions of employment of labour.

18. Agarwal Dharma Vera, :Industrial Relations and Collective Bargaining, Deep Publications, Delhi, 1986, P.70.

2. Raising the status of the worker as a citizen of industry and society.

3. Extending the area of social control of the nation's economic life and participating in that control.¹⁹

1.8 FUNCTIONS OF TRADE UNIONS:

The primary function of trade union from workers' point of view is to protect and fight against arbitrary action of employers and to check violation of their legal rights in the light of current norms of fairness, equality and social justice. Unions are also expected to strive for a better deal for employees in respect of monetary rewards, working conditions and control over the work situation. The involvement of unions in the affairs of the larger community and in social and economic policies at various levels is no doubt important but ought to be secondary to this primary responsibility concerning protecting and promoting rights and interests of their members, i.e., workers.

Trade unions in modern industrial countries perform 2 sets of functions: 1) The Militant functions 2) Fraternal functions.

19. Clegg, H.A. and Flandra Allen: The System of Industrial Relations in Great Britain, Hutchinson, London, 1963, P.192.

(1) **MILITANT FUNCTIONS:** The trade union is a militant organisation designed to fight for the cause of the workers. One of the main aims of the organisation of workers into trade union is to secure better conditions of work and employment. The trade unions try to fulfill this aim by the method of collective bargaining and negotiations and if they do not succeed in securing their purpose in this manner, they put up a fight with the employers for achieving their goal in the form of strikes and boycotts. More recently, the trade unions have started making efforts to secure some share in the profits and also control of the industry.

(2) **FRATERNAL FUNCTIONS:** The trade union is also a fraternal association, a benefit organisation, providing sickness and accident benefits to the members and supporting them during strikes and lockouts and during the period when they are temporarily out of work. Such financial help to the members is given by the trade unions out of their own funds created through subscriptions by members. Such functions are known as fraternal functions.

The functions of trade unions may also broadly be classified in the following heads:(a) Intra-mural activities: These activities consist of those functions of the unions which lead to the betterment of the employment conditions of the workers such as ensuring adequate wages etc., for which the methods adopted may be collective bargaining, negotiations, strikes etc., (b) Extra-mural activities which consist of those activities which help the workers to maintain and improve their efficiency such as measures intended to foster a spirit of co-operation, promote friendly relations and diffuse education and culture among the members as well as various other types of welfare measures. (c) Political activities related with the formation of a labour party with a view to capture the Government of the Country.

Besides their main functions, many trade unions perform so many ancillary functions. These ancillary functions can be categorised into four groups:(1) Communication (2) Welfare activities (3) Educational activities (4) Research.

1. COMMUNICATION: Many large unions publish a news letter or a magazine. Their main aim is to clarify the union's policy or stand on certain principle issues and also to pass information about the union and its activities. These publications could also be sold to generate additional revenue to augment union finances.

2. WELFARE ACTIVITIES: Many unions provide a number of welfare activities to improve the quality of the workers' lives, including the provision of housing, cooperative societies and also setting up the self employed women's Association. Some unions also offer training in craft activity and sewing etc., especially for women, who can then supplement their husbands' income.

3. EDUCATION: It helps create awareness on the part of the workers in the environment around them. Many workers cannot afford formal education because they are not in a position to utilise it to their advantage. The government has worker education schemes, these schemes tailored by government with the cooperation of trade unions. Such educational schemes are meant to enhance the workers knowledge of his work environment and to inform him fully about the issues particularly his rights and responsibilities, procedures and systems that exist in the

work place for redressal of grievances, worker participation schemes and so on.

4. RESEARCH: This is an activity, which is gaining significance only in recent years. It is important for many reasons. Some of the research activities are: (a) Collection and analysis of wage data including infringement and pension benefits through surveys of comparative practices. This could also include data on working conditions and welfare activities.

(b) Preparation of background notes and position papers for union officials.

(c) Preparation of background notes etc., for court cases.

(d) Collection and analysis of macro data relating to the economy, industry, sector etc.

(e) Maintaining contacts with other unions, research bodies and universities.

(f) To examine the current organisation structure, procedures etc., with a view to understanding its relevance to the current situation.

This function could be carried out at the headquarters of the union or the central office but involvement of local officials to gather data on local practices etc., would be useful.

1.9 ROLE OF TRADE UNIONS IN THE DEVELOPMENT OF AN ECONOMY

The trade unions have a definite role to play in assisting the development of an economy. The First Five Year plan while spelling out the role of the trade unions desired that they should:

a) Present plans to workers so as to create enthusiasm among them for the plans (b) Exercise utmost restraint in regard to work stoppage. (c) Formulate wage demands which are attuned to the requirements of economic development in keeping with the considerations of social justice, and (d) Assume greater responsibility for the success of productive efforts.²⁰

Kennedy has laid down some specific norms for the trade unions such as improving levels of workers efforts, increasing industrial efficiency by allowing freedom to management to introduce technological changes, minimising unrest and exercising restraint on demands in respect of wages and fringe benefits.²¹

20. Government of India: The First Five Year Plan, New Delhi, 1952, PP.581-582.

21. Van, Dusen Kennedy: Unions, Employers and Government Manaktalas and Sons (P) Ltd., Bombay, 1966, PP.208-213.

The trade unions may be required to

- a) Maintain a reasonable degree of peace in industry.
- b) Support technological change and
- c) Accept a growth oriented wage payment system.

The first condition helps in keeping the productive machine moving uninterruptedly, the second in improving productivity and the third in utilising fully the under utilised labour. By extending co-operation in these areas trade unions are able to promote industrial growth in particular and economic growth in general.

One cannot expect the trade union to give an outright support to the growth promoting policies. For, it is to be noted, the primary function of the trade union is to promote and safeguard the interest of their members, that is, the workers, and the interest of their members will not always coincide with the requirements of growth of the economy at least in the short run. As a matter of fact, the organisation of growth and even the survival of the union is said to be dependent on the extent of which the interests of its members are promoted and safeguarded.²² Therefore it is futile to expect from

22. Ross, A.M: Trade Union Wage Policy, University of California Press, Berkeley, 1956.

the trade union an unreserved support and co-operation to policies of development unless there is some measures of convergence of interests of unions and of the economy.

The usual growth promoting measures are:

- a) Need to maintain a reasonable degree of peaceful industrial relations.
- b) Acceptance of the growth promoting innovations which improve industrial efficiency and
- c) Support to a growth oriented wage payment system.

1.10 PRINCIPAL DRAWBACKS OF TRADE UNIONISM IN INDIA.

There is a vicious circle which highlights the drawbacks of trade unionism in the country.

Outside or improper leadership of the movement leads to political unionism (each union owing allegiance to a different political party), which in turn leads to multiplicity of unions (more than one union in each unit of an industry) leading to inter-union and intra-union rivalry which causes low membership of individual unions leading to their unsound finances and in turn, lack of welfare and other constructive activities which may infuse strength into unions and so to conduct collective bargaining effectively, the unions depend upon outside leadership, a necessary evil and so on.

The principal drawbacks of the Indian trade union movement and the vicious circle of the trade unionism can thus be illustrated through the following diagram:


