

TRADE UNION

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Section 2(h) of the Trade Unions Act, 1926 has defined a trade union as

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

Then this definition talks about three relationships. They are relationship between the:

- ⦿ Workmen and workmen
- ⦿ Workmen and employers
- ⦿ Employers and employers.

FEATURES OF TRADE UNIONS

- ◉ It is an organisation formed by employees or workers.
- ◉ It is formed on a continuous basis. It is a permanent body and not a casual or temporary one.
- ◉ It is formed to protect and promote all kinds of interests – economic, political and social-of its members. The dominant interest with which a union is concerned is, however, economic.
- ◉ It includes federations of trade unions also.
- ◉ It achieves its objectives through collective action and group effort

OBJECTIVES OF TRADE UNION

- ◉ To improve the economic lot of employees by securing for them better wages.
- ◉ To secure better working conditions for the workers.
- ◉ To secure bonus for the employees from the profit of the concern,
- ◉ To resist schemes of the management which reduce employment, e.g., rationalisation and automation.
- ◉ To secure welfare of employees through group schemes which give benefit to every employee.
- ◉ To protect the interests of employees by taking active participation in the management.
- ◉ To secure social welfare of the employees.
- ◉ To secure organisational stability, growth, and leadership.

FUNCTIONS OF TRADE UNIONS

Broadly speaking, trade unions perform two types of functions, viz.,

- ◉ **Militant Functions.** One set of activities performed by trade unions leads to the betterment of the position of their members in relation to their employment. The aim of such activities is to ensure adequate wages, secure better conditions of work and employment, get better treatment from employers, etc. When the unions fail to accomplish these aims by the method of collective bargaining and negotiations, they adopt an approach and put up a fight with the management in the form of so-slow, strike, boycott, gherao, etc. Hence, these functions of the trade unions are known as militant or fighting functions.

- ◉ **Fraternal Functions.** Another set of activities performed by trade unions aims at rendering help to its members in times of need, and improving their efficiency. Trade unions try to foster a spirit of cooperation and promote friendly relations and diffuse education and culture among their members. They also arrange for legal assistance to its members, if necessary. Besides, these, they undertake many welfare measures for their members, e.g., school for the education of children, library, reading-rooms, in-door and out-door games, and other recreational facilities. Some trade unions even undertake publication of some magazine or journal. These activities, which may be called fraternal functions, depend on the availability of funds, which the unions raise by subscription from members and donations from outsiders, and also on their competent and enlightened leadership.

FUNCTIONS OF TRADE UNIONS

Another broad classification of the functions of unions may be as follows

- ◉ **Intra-mural activities.** These consist of those functions of the unions that lead to the **betterment of employment conditions** such as ensuring adequate wages and salaries, etc. for which the methods adopted may be collective bargaining, negotiations, strikes, etc.
- ◉ **Extra-mural activities.** These activities help the employees to **maintain and improve their efficiency or productivity**, e.g., measures intended to foster a spirit of cooperation, promote friendly relations, and diffuse education among members and various other types of welfare measures.

- ◉ **Political activities.** Modern trade unions also take up **political activities** to achieve their objectives. Such activities may be related to the formation of a political party or those reflecting an attempt to seek influence on public policy relating to matters connected with the interests of working class.

CRITICISM OF TRADE UNIONS

- ◉ Lack of education makes the workers narrow-minded, and prevents them from taking long-term views. Thus, anything, which does not result in an immediate reward, becomes unattractive to them. This attitude is responsible for many strikes and lock-outs in industrial concerns.
- ◉ Trade unions may not welcome rationalization and improved methods of production for the fear that some of the workers will be put out of work. Therefore, they resort to go slow policy that retards industrial progress.

- ◉ When labor unions strike because of illogical grounds, incalculable losses occur to producers, community and the nation. These are harmful to the workers also. They suffer because of the loss of wages.
- ◉ They create artificial scarcity of labor by demanding that only union personnel should be employed.
- ◉ By undue insistence on the payment of standard rates of wages, they have only leveled down the earnings of the efficient workers.

MOTIVATION TO JOIN UNIONS

- ◉ **Greater Bargaining Power.** The individual employee possesses very little bargaining power as compared to that of his employer. If he is not satisfied with the wage and other conditions of employment, he can leave the job.
- ◉ **Make their Voices Heard.** The desire for self-expression is a fundamental human drive for most people. Don't you agree with that? All of us wish to share our feelings, ideas and opinions with others. Similarly the workers also want the management to listen to them.

- ◉ **Minimise Discrimination.** The decisions regarding pay, work, transfer, promotion, etc. are highly subjective in nature. I may rate you very differently as compared to your marketing teacher! Similarly the personal relationships existing between the supervisor and each of his subordinates may influence the management. Thus, there are chances of favoritisms and discriminations.
- ◉ **Sense of Security.** The employees may join the unions because of their belief that it is an effective way to secure adequate protection from various types of hazards and income insecurity such as accident, injury, illness, unemployment, etc. The trade union secure retirement benefits of the workers and compel the management to invest in welfare services for the benefit of the workers.

- ◉ **Sense of Participation.** The employees can participate in management of matters affecting their interests only if they join trade unions. They can influence the decisions that are taken as a result of collective bargaining between the union and the management.
- ◉ **Sense of Belongingness.** Many employees join a union because their co-workers are the members of the union. At times, an employee joins a union under group pressure; if he does not, he often has a very difficult time at work. On the other hand, those who are members of a union feel that they gain respect in the eyes of their fellow workers. They can also discuss their problem with the trade union leaders.

STRUCTURE OF TRADE UNIONS

- ◉ **Plant level Unions:** The first level in the structure from below is the plant level union. This comprises the unions in one organisation or factory. Please note that only seven members are required to form a union. This has led to multiple unions in one factory. (We will discuss the details of this aspect in the problems faced by unions in India).
- ◉ **Local Level federations.** This is the second level in the structure from below. The local trade union federation holds together the plant level unions at the local level in a particular craft and industry. These local level federations might be affiliated to either some regional level or national level federation or these may be independent.

- ◉ **Regional level federations.** These are the organisations of all the constituent unions in a particular state or region.

- ◉ **National federations.** These are national level bodies to which plant level unions, local unions or regional level unions may get affiliated. These are the apex bodies at the top of the structure. They act as coordinating bodies. These national federations may have their own regional or state level coordinating bodies to which the plant level unions may get affiliated.

PROBLEMS & WEAKNESSES OF TRADE UNIONS

- ◉ **Uneven Growth.** The trade unionism in India is characterised by uneven growth, both industry-wise and area-wise. Trade unions are popular in big industries and the degree of unionisation varies widely from industry to industry. Besides, trade union activities are concentrated in a few states and in bigger industrial centers mainly due to concentration of industries in those places.
- ◉ **Limited Membership.** The number of trade unions in India has increased considerably. But this has been followed by the declining membership per union.

- ◉ **Multiplicity of Unions.** There exist several trade unions in the same establishment. The multiplicity of unions is the result of outside leadership and labour laws. The law permits and gives sanctity to small unions. Any seven persons can form a union under the Trade Unions Act, 1926. This Act confers rights on such a union. It is allowed under the Act to raise disputes, file suits, go to conciliation and even bargain with employers. Therefore, small sections of workers are encouraged to form separate Unions. There is no restriction on the number of unions to be registered in one establishment.
- ◉ **Outside Leadership.** Trade unions in India are led largely by people who themselves are not workers. These outsiders are politicians, intellectuals and professionals having no experience of work in industry. Outsiders continue to dominate the trade unions to advance their personal interests.

PROBLEMS & WEAKNESSES OF TRADE UNIONS

- ◉ **Financial Problems.** The financial position of the trade unions is weak because their average yearly income is very low and inadequate. The subscription rates are very low. Under conditions of multiplicity of unions, a union interested in increasing its membership figures keeps the subscription rate unduly low. As a result, the funds with the unions are inadequate and they cannot undertake welfare programmes for their members. Another reason for the weak financial position of union is that large amounts of subscription dues remain unpaid by the workers. Besides this, unions do not have proper staff and organisation to collect subscriptions.

- ◉ **Indifferent Attitude of Workers.** In India, a large number of workers have not joined any union. Moreover, all the members of the trade unions do not show interest in their affairs. The attendance at the general meetings of the unions is very low. Under such circumstance, trade unionism cannot be expected to make much progress.

SUGGESTIONS FOR THE DEVELOPMENT UNIONS

- ◉ **One Union in One Industry:** Multiplicity of unions in the same plant leads to inter-union rivalry that ultimately cuts at the root of the trade union movement. It weakens the power for collective bargaining and reduces the effectiveness of workers in securing their legitimate rights. Therefore, there should be only one union in one industry.

- ◉ **Paid Union Officials:** Generally, the trade unions avail the services of the honorary workers due to lack of funds. The practice should be stopped because honorary office bearers cannot do full justice to the task entrusted to them because of lack of time at their disposal. Suppose that you are asked to do something in the office, which requires a lot of responsibility. You are not offered any thing in return. Of course the motivational levels will come down unless and until you are a very passionate or a committed person. The same applies to the officials of the unions. Therefore, paid union officials should be employed who are persons of proven integrity and who are able to evaluate the demands of workers so that they may negotiate with employers on equal footing.

- ◉ **Development of Leadership from Within:** It is of crucial importance that trade unions are managed by the workers, and not by outsiders. Leadership should be developed from within the rank and file of the workers.
- ◉ **Recognition of Trade Unions.** Till recently, the employers refused recognition to the trade unions either on the basis that unions consisted of only a minority of employees or two or more unions existed.

Presented by:
Rajesh Kumar



Thanks

