CHAPTER 5

DYNAMICS OF TRADE UNIONISM IN TATA STEEL

“People make their own history, but they do not make it just as they choose, they make it under circumstances encountered, given and transmitted from the past.” (Quoted in Hyman, 2001)

5.1 Introduction

Trade unionism first emerged as an off-shoot of industrial revolution in Europe with the credo of safeguarding workers’ interests through collective action/bargaining. By adopting different strategies to suit the emerging challenges, trade unions have been able to blunt the exploitative designs of employers and protect workers’ interests in industries. It has contributed in shaping the industrial relations and workplace regulations all over the world particularly after the Second World War. India also witnessed strengthening of trade unionism in the post-independence period. The contribution of trade union movement in India towards organizing and representing workers has been very significant.

Globalisation has brought drastic changes in production processes, work arrangements, and employment relations at the shop floor from the Fordist system based on homogeneous workforce. Structural and associational problem associated with this development seems to have reduced the scope and strength of trade unionism. This chapter discusses the responses of Indian trade unions to the changed circumstances in general and that of the trade unionism in Tata Steel Jamshedpur in particular. The chapter seeks to answer questions like: To what extent trade union succeeded to protect the workers’ interest? What have the workers’ perceptions about trade unionism? Do workers still consider trade unionism relevant to protect their interest, or have shifted toward other options like skilled and knowledge workers in order to be aloof from trade unionism? And what has been the role of trade unionism among contract workers?

This chapter also grapples with these questions and examines the behaviour of trade unionism through analysing the responses and actions of Tata Workers’ Union in Tata Steel Jamshedpur. Generally, two types of actions are involved in Trade unionism: Firstly, responses or actions at the point of production or in an industry, called
industrial action, which enables intercession with the employer directly by means of collective bargaining, strikes, slowdowns etc. Secondly, responses or actions at the point of reproduction or society in general, called political action. Political action targets the state by way of demonstrations, workers’ mobilisation against government policies, supporting general strike and Bandh etc.

This chapter delineates the ground realities about responses and behaviour of trade unionism in Tata Steel Jamshedpur. The study is confined to the actions and responses of a recognised union, Tata Worker’s Union after 1990. The chapter is organised as follows: The second part narrates briefly the history of trade unionism in India and Tata Steel prior to 1990; the third part provides conceptual understanding for the study of trade unionism; the fourth part sets out the analytical framework developed for this study; the fifth part sums the findings from the field; and the sixth and concluding part analyses these findings and draws conclusions.

5.2 A Brief History of Trade unionism
5.2.1 India
Trade unionism in India started in late 19th century in textile mills, and first trade union ―The Bombay Mill Hands Association (1890)‖ was founded by Mr. Lokhandey, a skill worker and reformer of the Satya Sodhak Samaj. Later years saw the expansion of this movement to all regions of the country and needed a central organization of trade unions. It eventually led to the formation of All India Trade Union Congress (AITUC) in 1920 as an apex body for guiding and directing trade unionism in India. Trade unionism was considered a criminal offense until 1926, when the Trade Union Act 1926 legalized the trade union activities. Thereafter, unionization increased exponentially and emerged as a force to reckon with, and even and actively participated in the country’s struggle for independence.

The involvement of national leaders in trade unions resulted in the movement splitting into groups on the basis of ideology. It was emerged as a sister organizations of political parties after independence. State driven industrialization controlled, guided and directed the labour movements, but not facilitated. The state adopted a paternalistic approach to workers and arbitration and adjudication became common practice for resolving labour dispute, not collective bargaining, which should be the main aim of trade unionism. Over time, it became the practice of trade unions appeal
to the labour department initially for resolving any labour dispute, unlike in the European countries, where it was the last resort.

The dominance of public sectors in the Indian industrial development enabled trade union leaders and trade unions to become partners in the country’s industrial development by influencing policy making through Labour parliamentarians and their parent political parties. The pro-labour approach of both government and the judiciary also helped workers’ unions to gain respectability in the industrial scene.

But, the dependency of unions on political parties produced rivalry and multi unionism at the workplace. It worsened economic inefficiency during control regime. Multi-unionism, inter and intra-union rivalries or factionalism in the same union also weakened the trade union movement. During the 1970s and 1980s, trade unionism was plagued by corruption, mafia-raj and muscle power. Trade Unions came to be controlled by muscle and money power, and workers were compelled to accept them as trade union leaders. They worked for themselves, not for workers.

Indian Trade Unions are regulated through the Indian Trade Union Act, 1926. It regulates the relations between workmen and employers through imposing restrictive conditions on the conduct of players in business or trade. The term ‘workmen’ have wider meaning and not confined to clerical or manual workers alone. The person must be employed in trade or industry and may be holding supervisory, non-supervisory, or clerical Position.

Apart from this act, other organizations working among workers are regulated through the Co-operative Societies Act 1912. NGOs fall in this category. Trade unions are member based organization and its leaders are elected by members. NGOs are Philanthropic Voluntary organization based on a specific personality. Such organizations have emerged in the globalized era, which are registered as co-operative and work among workers for their welfares and redressing their grievances. They do not believe in the strategies of trade unions such as strike, picketing and agitation. Such organizations are very active in emerging IT, ITES and BPO sectors.

As The Trade Union Act, 1926, a trade union is a formal structure and organization, and any seven or more people can apply for registration of their organization as a trade union. To prevent multi-unionism in the workplace, this was modified in 2001,
and now 10 percent workers of the total workforce are required to seek registration tag. Registration by labour department and recognition by employer are different things. A registered union can apply for recognition and it is the wish of an employer to recognize it or not.

Recognition is an important part of trade unionism to participate in negotiations with employers as workers’ agent. Labour is in concurrent list, and the laws related to recognition differ from state to state. For instance, in Andhra Pradesh, the secret ballot system is implemented for recognition. Workers have the freedom to choose which trade union represents their cause. In Jharkhand, the sole bargaining agent of the workers should be recognized by the employer, which makes it almost impossible for un-recognized unions to stand for workers’ representation. The criteria for getting recognized by the employer are very intricate wherein a union is required to achieve 76 per cent of workers’ vote in order to get recognized. The preferred union by management requires only 25 per cent workers’ vote. Given this, the trade union that represents the workers is generally imposed by the management or a pocket or Dalal union. At any rate, they are not the natural choice of workers.

Workers, which have been major beneficiaries of the pre-globalised arrangement which insulated private sector from competition and the public sector from crippling losses. The changed scenario in the globalized era, compelled trade unions to fight for protecting public sector firms and to retain the privileged employment security of industrial workers in the pre-globalized era. They have opposed every initiative of successive governments after 1990 to amend the provision of employment security. Industries then devised other ways to retrench workers as voluntary retirement. As Ramaswamy (1997), the blessing of employment security reduced the number of job in organized sectors, and industrialists did everything possible to avoid employing permanent workers. They relied on capital intensive technology, contract or casual workers and outsourcing non-core sectors.

Economic globalisation raised several constraints before trade unions. Survival became a major concern and forced them to be defensive, less militant and more pragmatic about the productivity and efficiency of industry. They started to think beyond fragmentation and understood the need of working class unity as well as expansions. Instead, they now raise general issues such as unemployment, poverty,
social security, minimum wages, and inflation during their general strike and agitation. Divergent patterns of responses of trade unionism are noticed at the national, regional and enterprise levels depending on productivity and profitability of the firm, history of trade union struggle, level of unity among the workers and response of the government etc. (Ghosh, 2008). The emergence of divergent faces of trade unionism at different levels and sectors throughout India increase the complexity and make it necessary to study the whole issue of trade unionism for better understanding. This paper fills this gap to some extent through the study of trade unionism in Tata Steel Jamshedpur.

5.2.2 Tata Steel Ltd, Jamshedpur
Trade unionism in Tata Steel has a history of over 90 years and has had a chequered history. From militancy and confrontation in the pre-independence era, it witnessed cooperation and cordial relations with management after 1950 albeit some minor disturbances in 1958 and 1981. Tata Steel, as the first modern steel plant in the country, contributed a lot to the industrialization of India. Initially it was established for 0.15 million ton steel production in 1907. It expanded its capacity to 0.5 tons in 1917 to satiate the huge demand for steel during the First World War. The expansion and other issues such as working condition, wages and cost of living erupted into the first labour unrest in 1920. In the period 1920-1928 Tata Steel saw three major strikes and intervention of national leaders to resolve the labour issues. Netaji Subhash Chandra Bose was the president of the labour union’s president during the unrest in 1928. Mahatma Gandhi visited Jamshedpur in 1925 to settle the labour dispute, and also facilitated recognition of trade union ‘Jamshedpur Labour Association’ (JLA) (renamed in 1938 as Tata Workers Union).

The management’s attitude during these years was quite hostile and adopted repressive measures to control the workers’ resistance both at the point of production where work was executed and the point of residence and rejuvenation i.e. the township which was administered by company. Indian Trade Unionism has always been criticised as caste and ethnic based and for not instilling class consciousness, but trade unionism in Tata Steel in pre-independence was exemplary for class consciousness; the caste and ethnic divisions among workers helped only to unite
workers against management, and not weakened their struggle as has happened in other trade union movements (Bahl, 1995; Simeon, 1995).

After independence, Trade unionism in Tata Steel stabilized and became a landmark for collective bargaining, which had been rare in India. The agreement for establishing joint consultancy forums at all levels in 1956 between Tata Workers’ Union (only recognized union in Tata Steel) affiliated with INTUC and the management was considered commendable for industrial relations. But trade unionism in this era had not been peaceful as claimed. The famous strike in 1958 by the rival union, Jamshedpur Mazdoor Union (JMU), resulted in production loss for more than a month and erupted into industrial violence. This strike showed the increasing presence of communist party in Jamshedpur (Mamkootam, 1982).

During 1960s and 1970s, Jamshedpur witnessed several labour movements in several other industries not Tata Steel, but it benefited Tata Steel workers indirectly and they got wages and other benefits timely. It provided an opportunity to Tata Steel to be a model employer through increasing social expenditure, initiating rural development programs and offering employment to workers’ offspring. These developments could not prevent the strike of contractor’s workers in 1981 and the agitation by tribal workers in the late 1980s.

Tribal workers succeeded in getting their employment regularized and 1640 contract workers, mostly tribals got job permanence in 1990. Regularization of contract workers was the outcome of the intensified Jharkhand movement. The existing recognized union (TWU) kept aloof from the agitation and confined only to signing wages and bonus agreement. It was the time when TWU was plagued by maladies like trade unions as intra-rivalry or factionalism, corruption and selfish interests. Constitutionally, election of TWU was to be held in every year, but this rarely happened in TWU in the 1960s-70s. Corrupt practices and physical violence became common during elections. Interested candidates were reported to have used money and physical violence in union elections. Elected committee members used to get undue advantages as promotions and quarters in prime location of the city. (Mamkootam, 1982)
The scenario changed in Tata Steel like in other industries in India, after 1990. Tata Steel went for major restructuring by which it increased production from 2.4 million tons to 10 million tons and reduced the workforce from 40 thousand to 17 thousand in the production unit in Jamshedpur. The restructuring expectedly had affected workers’ interests and the union had indeed responded and tried to protect workers’ rights. However, it is vital to know how effective was unionism in protecting workers’ interests in Tata Steel? This paper tries to map the ground realities of trade unionism through the responses and actions of Tata Workers’ Union in Tata Steel Jamshedpur.

5.3 Theoretical underpinning
5.3.1 Concepts
Trade unionism is the continuous effort of workers having common craft or skill to confront or cooperate with capital in maintaining or improving the condition of their employment in industries. The central concern of unionism is to regulate the wage labour relationship of workers, to balance the work they perform and the payment they receive. Several concepts and definitions on this are available in the public domain.

Unionism has been conceived in three different forms in industrial settings. Firstly, it is a collective movement against capital in the form of militant/ radical unionism. Secondly, it is a vehicle to increase social status of workers in industry as democratic unionism. And, thirdly, it confines in sectional self-interests as business or responsible unionism in worldwide throughout its development. Militant unionism works on a class concept and as an anti-capitalist movement inspired by of communism. In contrast, democratic unionism, based on Webbs’ (Sydney and Beatrice Webb) industrial democracy works as a vehicle for raising the workers’ status in society and advancing social justice through gradual democratization of industry. Its aim is not private profit, but social needs. Business or responsible unionism works purely on economic or occupational interests (Hyman, 2001).

No individual model of unionism exists in its pure form. Trade unions face class, market and society simultaneously as per requirement. Workers do their job in the economic system, so the market cannot be ignored. Being based on collective interests and identities, unionism cannot prevent emerging class angle. Workers are part of society and their collective movement should not cause social unrests. Considering
these points, function of trade unionism depends on the social, political and economic environment (Hyman, 2001).

After liberalisation in India, the market has been playing a dominant role in shaping the behaviour of trade unionism. Even the market is not isolated; it functions in consonance with the forces of supply and demand, the policy interventions of the governments and social norms. Trade unionism also encounters these factors during their responses.

Collective bargaining, strikes, slowdowns and sabotage are integral to industrial actions. Collective bargaining is considered best for industrial peace and harmony. It institutionalises negotiating the relationship between trade unions and employers through proposals and counter proposals, offers and counter offers, strategies and counter strategies. It facilitates adapting to changed economic circumstances through an agreed compromise. The resultant common rule of this compromise is accepted by both parties and proves more stable than terms imposed by any party. It is very useful in establishing industrial peace and defining the rights and duties of the conflicting parties. It helps to increase productivity through the solving the problems germane to working conditions in a spirit of mutual understanding between employers and workers’ representatives (Hyman, 2001; Pandey, 1989).

5.3.2 Theoretical framework
Trade unionism has very rich theoretical foundations and it is difficult to explain it totally in this chapter. This study is confined to Dunlop’s interpretation of trade unionism as economic institution; Ross’s interpretation of trade unionism as political institution; Freeman and Medoff’s concepts about the two faces of unionism, and Hirschman’s ‘Exit and voice’ concept for rank and file members participation in Trade Unionism, as already mentioned in introductory chapter.

Dunlop and Ross acknowledge the behaviour of trade unions during wage determination in industries. This chapter doesn’t provide details about their interpretations as it has already been discussed in the first chapter. Here, this chapter wants to confine to the use of economic and political model in context of Tata Workers’ Union. In the present discussion, the word ‘economic’ is utilised to denote the confined interests of a shrinking workforce and the word ‘political’ to denote the
entire workers, including contract workers employed in Tata Steel and TWU’s relationship with other trade unions and involvement in issues relating to the working class.

The Freeman & Medoff’s concept of two faces of unionism as “Monopoly or Collective voice” is utilised here to examine the attitude of Tata Workers’ Union, i.e. to see one face of trade unionism reflected as monopoly face confined to sectional interests and another face reflected the collective voice for entire workers, including contract workers in Tata Steel and working class in Jamshedpur.

Internal democracy and orderly relations between leaders and rank and file members are crucial for strengthening trade unionism. Hirschman (1970) concept of “exit and voice” is used here to understand the perception and attitudes of the rank and file members, especially skilled and knowledge workers, who have benefitted from the new human resource strategies of the globalised era.

In case of trade unionism, if rank and file members are dissatisfied with the performance, they may try to improve by quitting (it raises questions about the survival and relevancy of trade unionism; members can join another organization or be neutral) or by remaining and attempting to improve its performance by voicing their discontent or participation in voting, discussion and decision making etc. The paper seeks to reveal the options preferred by rank and file member of TWU in globalised era in this respect. Summing up, through the theoretical framework prescribed here, the chapter identifies the behaviour of trade unionism as follows:

1. Is Tata Workers’ Union is economic or political institution?

2. Which face of unionism is reflected in the behaviour of Tata Workers’ Union - Monopoly or Collective Voice institution?

3. What have been the responses of rank and file members- exiting or voicing?

4 Has internal democracy strengthened in the Tata Workers’ Union?

5.4 Analytical framework
The analytical framework of this chapter is designed to probe three crucial facets of unionism, strength or weakness, union management relations, and responses of the Tata Workers’ Union after 1990. Strength of trade unionism has been examined
through looking at union density, internal organisation and administration of Tata Workers’ Union, conduct of elections and emergence of leaders, rank and file member participation in elections, relations of Tata Workers Union with its parental party, Indian National Congress and other trade unions, and activities of informal groups involved in labour-related issues in Tata Steel in Jamshedpur.

The union management relation are examined based on the parameters of collective bargaining, joint consultancy, resolving cases of suspension, discharge etc. The behaviour of Tata Workers’ Union has been evaluated based on parameters like roles and responses to labour restructuring, political action through supporting bandh and general strike called by the national trade union federation, initiatives of informal groups (the alliance of workers’ offspring here) and issue of contract workers. The parameters used for our analysis is listed below:

5.3.1 **Strength or weakness**

1. Unionisation
2. Structure and governance
3. Elections and leadership
4. Social services
5. Rank and file member participation
6. Relationship with political parties
7. Relationship with other unions and informal groups

5.3.2 **Union management relation**

8. Collective bargaining
9. Joint consultancy
10. Other industrial actions
11. Suspension, discharge or other individual issues

5.3.3 **Role and responses**

12. Role of responses on major events
13. Political action
14. Movement of other trade unions
15. Movement in informal groups (Offspring agitations)
16. Concern of contract workers
5.5 Findings

5.4.1. Strength

The strength of trade unionism depends upon bargaining power. It comes through collective action; participation in large numbers of rank and file members and leadership. Bargaining power is not static. It depends on emerged circumstances. It is not based on established relationship, embedded in continuous changed relationship. Power resources can shift over time and resources are not fixed or constant. Considering these points, this chapter examines the strength of trade unionism based on the following parameters.

5.4.1.1 Unionisation

Unionisation or density of union indicates the number of workers involved in union activities. It is arrived at by taking the number of workers who are members of any trade union, as percentage of total number of workers employed in the industry. Union density in India was never more than 10 per cent of the total work force even in prior to 1990. Public sector and organised industries witnessed more unionisation than informal sector industries.

Tata Steel, as an integrated steel plant, is operated through 17 units with 38018 workers dispersed in several locations in India, and as of 2005, the percentage of unionisation was 100 percent. The number of unionised employees declined to 30130 of 87% in 2010. The workers are represented through 26 trade unions mainly affiliated to INTUC, excluding the unions affiliated to CITU in plants located in West Bengal. This study concentrates on the work-force of Jamshedpur unit of Tata Steel Ltd, where the recognized Trade Union is the Tata Workers’ Union comprising of 16,350 members out of a total workforce 17,000 employed in Jamshedpur and 31,000 workers spread over all the units as of 31 March 2014. The number of contract workers engaged in perennial and non-perennial Job in Tata Steel was 30,000 as of March 2014.

In regard to the degree of unionization, Jamshedpur works unit has 96% unionisation among the permanent workers. If we take into account contract workers in the total workforce employed in Jamshedpur works, who are generally not the members of any registered or recognised union, the degree of unionisation comes down to 35%. The skilled and knowledge workers, especially supervisors and associates, participate
actively in union activities. Two other unions, Jamshedpur Mazdoor Union affiliated with AITUC and Tisco Karmchari Union affiliated with CITU are also registered but are not recognized. The Jamshedpur Mazdoor Union and Tisco Karmchari Union have 2500 members and 4000 members respectively as of 31 March, 2014.

Some workers are members of more than one union, and the membership of unions other than TWU is not verified or elections held. This study is confined to the study of the Tata Workers Union as the sole bargaining agent of workers of Jamshedpur unit. The negotiations between TWU and management and conclusions reached are generally applicable to all permanent workers. Therefore a study of TWU provides a general perception of Trade Unionism in Tata Steel India. So, this study focuses only on the structure, governance, and administration of Tata Workers’ Union for evaluating the strength of trade unionism in the globalized era.

5.5.1.2. Structure and Governance
The Tata Workers’ Union has had a formal structure and organization since 1920 with a written constitution which was amended twice, i.e. in 1956 and 1971. It is legally registered and affiliated to the Indian National Trade Union Congress (INTUC). Hierarchically, it has three layers. At the bottom layer, the general body is constituted. All permanent workers on the Jamshedpur unit of Tata Steel are the members of the general body. Foreman falls in the supervisor category as an upper rung worker and Attendant as low rung worker. However, upper rung supervisor and lower rung attendant have equal rights and responsibilities in the affairs of the TWU.

Every member of the union is required to pay as monthly subscription of three percent of basic pay divided by 12, but not more than INR 80. The rate of monthly subscription is modified as per the discretion of the TWU administration, and decided during AGMs. Current rate is in force since 2008. The middle tier of TWU constitutes executive members who democratically elected from among rank and file members, and are locally known as committee members. The TWU constitution prescribes 214 committee members distributed among several sections and departments of the company. The top layer of the union hierarchy constitutes the office bearers of the union, who are elected by the committee members.
The union constitution specifies a group of eleven office bearers to govern and administer TWU, which include as one president; one deputy president; four vice presidents; one general secretary; three assistant secretaries, and a treasurer. Prior to 2012 TWU election, supervisors elected their committee members separately, and such members numbered 99. These committee members elected their own office bearers, but the president elected by workers’ committee members also represented them. After 2012 TWU election, worker unit and supervisory unit got merged as one. These office bearers and elected committee members together constitute the executive committee of the union. TWU is managed and administered by this executive committee, whose responsibilities include the regulation and control of all internal and external matters. The constitution has laid down special functions and powers for each of the office bearers; besides this, there are other sub-committees such as finance committee in the TWU.

**Fig. 5.1 Composition of Tata Workers’ union**

![Diagram of Tata Workers' union structure](source)

The TWU has a beautiful office in a prime location of Jamshedpur; it also has a good auditorium. The union constitution provides for meeting of the executive committee at least once in two months, with a quorum of one-fourth of its committee members for passing the account and discussing the stated agenda. A committee member can raise any issue with prior notice to the General Secretary in writing at least twenty
four hours before the time fixed for the meeting. President chairs all meetings and General Secretary looks after the internal matters. The top-three, President, Deputy President and General Secretary are authorized to meet and negotiate with the management. The union is required to hold the annual general meeting at the end of the official year, but most often followed in the breach. As per records available, AGM was conducted in 2008. Information on AGMs conducted prior to 2008 is not available in the records.

The major sources of income of the TWU are the subscriptions and contributions collected from the members, and the interests derived from the bank deposits and fixed deposits and earnings from auditorium bookings. Union funds may be used for the payments of salaries to the union staff (no. of staff 26 including PAs, librarian etc.), allowances and expenses to office bearers of the union, payment of expenses of union administration, etc. Funds are also utilised for prosecution or defence of any legal proceedings to which the union or any member thereof is a party, and/or to secure or protect the right of the union or of its members in cases arising from the relations of any member with his employer. Union compensates to members for losses arising out trade disputes, provides allowances to members or their dependents on account of death, old age, sickness, accident or unemployment. Union also grants funds for educational, social purposes for their members or their dependents and also conducting the TWU elections. The union had more than INR 26 crore in its account in Dec 2013.

Table 5.1. Monthly statement of Nov, 2013 and Dec, 2013 (INR)

<table>
<thead>
<tr>
<th></th>
<th>Statement of Nov 2013</th>
<th>Statement of Dec 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Incomes</td>
<td>Expenses</td>
</tr>
<tr>
<td>Subs.</td>
<td>783,583</td>
<td>wages 405,031</td>
</tr>
<tr>
<td>Auditor.</td>
<td>206,775</td>
<td>Stat. 58,303</td>
</tr>
<tr>
<td>Interests</td>
<td>75,848</td>
<td>social 89329</td>
</tr>
<tr>
<td>PF &amp; Misc</td>
<td>59,543</td>
<td>others 128480</td>
</tr>
<tr>
<td>Total</td>
<td>1,125,749</td>
<td>Total 681143</td>
</tr>
</tbody>
</table>

Source: TWU
Office bearers and committee members are responsible for conducting union activities smoothly. The office bearers are exempted from the duty by the management for tasks related to management and administration of the union. The committee members are also time-off for two hours every working day to look after union related matters in a normal circumstances, and whole day as per union engagements.

5.5.1.3. Elections and leadership

Election and leadership are crucial issues for member based organisation as it strengthens the organisation and ensures the participation of rank and file members. Indian trade unions have been criticised for not having internal democracy, and for irregular elections, rivalry, factionalism and corruption. During the 1970s and 80s, Indian Trade Unions were under the sway of unsocial elements like mafia-gangs and persons with criminal background. Unlike the national trend, unsocial elements could not capture leadership positions in TWU. Tata Workers’ Union has had the privilege of having the leadership of veteran trade unionists Michael John and V. G. Gopal several years in the decades of 60s to 80s. But the Tata workers union had also earned a bad name for not conducting regular election and internal democracy during this period.


The practice of having life-time presidents was replaced by election after 1993. S K Benjamin occupied the President’s post from 1993 to 2002. During the 2002 election R. B. B. Singh, an insider, was elected President. Prior to R. B. B. Singh, all presidents were outsiders. After that, no outsider occupied this post. Raghunath Pandey replaced R. B. B. Singh in the 2006 election, and he was replaced by P N Singh in the 2012 election.
As revealed Mamkoottam (1982) in his study, corrupt practices and physical violence were common during elections in 1970s. Interested candidates were reported to have used the money as well as muscle power to win votes. Though physical violence and gangsterism have ceased to mar elections after 2000s, other means like night party, offering wine, bribing or invoking caste factor, etc. still dominate the election scene. Introduction of secret ballot system in later years has reduced the strong-arm methods of influential leaders, as had been the case when ‘raising hand’ was the voting method.

As per the constitution of TWU, election should be held every 2 years. Timely election was a rare happening in the history of TWU. The election due in 1990 was held in 1997, while the election was held 8 years earlier in 1989. After 1997, elections were held in 2002, 2006, 2009 and 2012. In terms of internal democracy, TWU looks more democratised after 1991. The secret ballot came to be used, and rank and file members looked more active and enthusiastic during election in 2000s unlike the apathy in the 1970s. The workers became enthusiastic to get elected as committee members. Corrupt practices and physical violence during elections have declined or shifted from explicit to implicit. Several cases of use of money were reported in local newspapers and workers also vouched it as true in their informal talk, but it has definitely shown a declining trend, if reports are to be believed.

| Table: 5.2. Elections in TWU |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|
| **Election held**           | 1970s           | 1980s           | 1990s           | 2000s           |
| Year                        | Two times       | Three times     | once            | Three times     |
| Leader                      | Outsider and stable | Outsider and stable | Outsider and stable | Insider and changed |
| Method                      | Showing hand    | Showing hand    | Secret ballet   | Secret ballot   |
| Members                     | Motivated by Aspiring candidates | Motivated by Aspiring candidates | Self-motivated | Self-motivated |

Source: different complied by the author

This seems to be a positive development in trade unionism. Interventions by High Court, labour department and district administration became common in conducting elections in the 2000s. No elections were held without the help of district
administration since 1997. Holding elections under the supervision of district administration has ensured free and fair election to a great extent, but it involved huge expenses to the TWU which otherwise could have been utilised for the welfare of workers. Mamkoottam (1982) highlighted the apathetic attitude of members towards elections in 1970s. This attitude seems to have changed after 1997; over 90 percent members are reported to have cast their votes in the election held in 2006, 2009 and 2012. Factionalism has been major concern for Indian trade unionism. The menace of inter-union or multi unionism in Tata Steel came to an end in 1990 after JMU influence had eroded in Jamshedpur. The JMU had lost its effectiveness after the death of its communist leader Kedar Das in 1981. But intra-union rivalry i.e. between the two factions in TWU has always existed. In the 1970s, the TWU split into two, one owing allegiance to the President and the other owing allegiance to the General Secretary. Both the groups had the support of some core members and what followed the split was nothing short of a war of attrition. (Mamkoottam, 1982).

Factionalism that plagued TWU in 1970s continued unabated even in the 1990s. In 1990s, the company wanted to introduce separation scheme. While the then president V G Gopal strongly opposed it, several committee members were in favour of separation for the personal benefits it entailed. This factionalism was evident in the elections held in 1997, 2002, 2006, 2009, and 2012. In the 2012 election, three groups were seen fighting each other. This factionalism helped the management to deal with labour issues smoothly and to their advantage.

Leadership is an important requisite for the success of any organisation. The question of the outsider- versus insider as leader has been a major annoyance for Indian trade unionism.

As per TWU constitution, 50 percent of office bearers could be outsiders. Tata Management had withheld recognition to Tata Workers Union in the 1920, citing the leadership of outsiders. The then President C. F. Andrews argued that such a ban was illegal, and should be lifted. Any worker could become an outsider through separation from the company, the president argued, and the management lifted the ban on the leadership of non-employees. The practice of electing outsiders as TWU president and General Secretary continued till 2002. However, these outsiders were not active politicians after independence unlike in other trade unionists. Some of them like
Michael John and V G Gopal, had contested elections but did not emerge as political leaders.

After 2002, the post of president came to be occupied by an insider, a company employee. As regards the effectiveness of leadership, it is clear that outsider presidents were more dexterous than insiders in the matters of bargaining. For example, Tata Steel could not to introduce the separation scheme in the lifetime of veteran trade union leader V G Gopal. However, the company succeeded in launching the separation scheme during the presidency of S K Benjamin. The company also wanted to outsource town division and medical division during S.K. Benjamin’s tenure, but company succeeded to form JUSCO only during the tenure of Mr Benjamin’s successor, R B B Singh, an insider leader. Separation from NJCS and introduction of the new recruitment policy were possible during Raghunath Pandey, another insider leader. This indicates that the bargaining power of the TWU had weakened during the regime of insider leaders.

5.5.1.4 Social services

Social services rendered by any organisation raise its social status and recognition. Tata Workers’ Union has shown great concern for company workers as well as residents of Jamshedpur. For company workers, it extends sickness benefit on humanitarian considerations. Under a scheme instituted in the name of V. G. Gopal, the Union provides scholarship (financial reward) to a student each in engineering and medical streams who pass the exams meritoriously. It also offers free coaching for apprentice entrance exam. The Michael John research and human resource development centre run by the union imparts skill and personality development training to the workers.

Tata Workers’ Union runs a school for residents of Jamshedpur. It has a library for medical and engineering students and also for researchers. TWU conducts the Michael John Memorial lecture on 2nd march every year, and since 1985, renowned scholars in various disciplines are invited to deliver these lectures. It allows its auditorium to be used social organisations for conducting programmes. It also publishes “Ispat Mazdoor” a Hindi monthly magazine for the benefit of workers and common people.
5.4.1.5 Rank and File member participation

The participation of rank and file members in the decision making process is important for internal democracy and strengthening trade unionism. The objective of this study is to find answers to the following questions: Do the elected committee members nominated for various councils and committees through TWU represent the interests of the workers during negotiation with management? Do the rank and file workers think that their views, demands and grievances are given due and adequate attention in the various committees and council set up for this purpose? Do the workers feel that they have a direct or indirect say in the governance of the union?

The findings of a study of Mamkoottam (1982) based data from the 1970s, are interesting. According to the study, rank and file members are apathetic towards union. Also, workers felt that TWU benefitted only its leaders and a few of their supporters and not the workers in general. TWU is perceived as a rubber stamp which had no independent strength of its own, and that it acted more like a company/ Dalal union or another department of the company. Further, workers considered the management as more helpful than TWU in 1970s. A pertinent question here is whether these perceptions had changed by the 1990s?

The scenario did not look much changed in 1990s. The practice of deriving personal benefits by leaders and their nearer supporters has remained unchanged. Reportedly, one president demanded bribes for placement of surplus workers and allotment of bigger houses in prime location.

Another president was reported to have gained personal benefits such as employment for his favourites and tenders for their relatives in the company. The company also acquiesced with such corrupt practices, taking it as the short cut to reduce wage cost. The company also helped in distributing favours by manipulating job promotion prospects, and other material benefits to the committee members. Reportedly, several committee members had cornered promotions for themselves and their cronies, bypassing seniority and changing the rules.

The question arises here is, why did the entire workforce in the company remain subservient to the decisions and policies of TWU which enjoyed the status of the sole bargaining agent in spite its crass insensitivity for the workers’ concerns? What
prevented them, especially skilled or knowledge workers from leaving this union and organising another entity or depending on HRM policies? Why was there no rival union, given this situation conducive to union rivalry? The findings can be presented as below.

- Individualism has been growing among Tata Steel workers, especially skilled and knowledge workers much like in other part of the industrial setting; they do not want much involvement in union politics as it might affect future promotion prospects. They want to maintain status quo, and restrict their role to participation in elections and raising voice through social media or informally.

- The structural problem and faulty recognition process prevented the emergence of rival union or other collective organisations. New entrants, who were highly dissatisfied with step motherly treatment attempted to make parallel organisation, but that enthusiasm did not last more than 6 months. They pressurised recognised TWU to take up their grievances with the management. They seemed opting “voice” option rather than “exit”. However, compulsions of the present circumstances prevent them from opting out of TWU membership.

- The issue of outsourcing town division wrecked workers’ solidarity. When JUSCO was being formed to replace the town division, it was vehemently opposed by Town division workers, but no workers from inside came forward to support their movement.

- The responsible or simple and pure unionism seems responsible for TWU’s insensitiveness to workers’ concern. The TWU deemed to pay the price (dilute their demands) for union recognition by the management, and leaders preferred it. This led to undemocratic unionism and workers felt that they had no direct or indirect say in the union’s decision making process. The workers appeared to be venting their resentment by defeating existing leaders during elections.

### 5.5.1.6 Relationship with political parties

Trade unions have a close relationship with political parties in developed and developing countries. They mobilise workers for political parties for election outcome. While in other countries, political parties seldom intervene, guide or control trade unionism, in Indian trade unionism, political intervention has been a common feature. Several scholars argue that political intervention has weakened trade unionism and caused fragmentation and proliferation of unions at all levels.
Political unionism is also criticised for not evolving collective bargaining as a method of resolving labour dispute. In case of TWU, it had a close relationship with political parties, i.e. Congress party in the pre-independence era when C. F. Andrews and Subhash Chandra Bose were presidents of TWU. Abdul Bari, Vice chairperson of the Bihar Legislative Council was sent to Jamshedpur to lead labour movement, when a rival union gained prominence in 1930s. Several trade union leaders participated in “Quit India movement” and were imprisoned.

After independence, TWU developed as an independent trade union, with minimal intervention by its parent political party, the Indian National Congress. The benevolent policy of Tata Steel also obviated the need of political support for trade unionism. Some TWU leaders did contest parliamentary or assembly elections but were never active in mainstream politics prior to 1990. After 1990, Congress party influence eroded in Jamshedpur and TWU further evolved as non-political organisation. Previously, TWU used to collect party funds, it ceased doing so latter. Though TWU leaders would participate in the INTUC conferences, they would not take active part in any front of Congress party. Further, TWU never seemed to be mobilising workers in favour of Congress party in elections. Reportedly, and several committee members and officials supported different political parties during elections like common citizens.

5.5.1.7. Relationship with other unions and informal groups

Multi-unionism or existence of several non-formal groups is common for any industrial setting in India, and Tata Steel has not been an exception to this. Tata Steel has indeed been a playground for trade unionism. In 1920s-30s, apart from TWU, one local union had been very active. After independence, socialist and communist influence increased in Tata Steel. A rival union, Jamshedpur Mazdoor Union (JMU) called for a strike in 1958 and hampered production for more than one month. TWU had a rivalry with JMU, and had never supported or participated in any labour movement in prior to 1990 either in Tata Steel or other industries of Jamshedpur. In 1969, while Jamshedpur witnessed severe labour aggression through engineering strike, which lasted 40 days, other INTUC unions participated, but TWU kept aloof from this strike. After 1990s, activities of the other trade unions declined in Tata Steel; their activities remained confined to the distribution of leaflets, gate-meetings,
etc. Also, TWU never initiated any joint movement or supported such movements, but remained happy with its privileged position as the sole bargaining agent of Tata Steel workers. This led to the total eclipse of all other unions and domination of TWU. Disappearance of other unions in Tata Steel after 1990 led to the emergence of several informal groups that championed the workers’ cause. These groups comprised mainly of workers’ dependents that lost employment opportunity due to globalisation. Unlike other trade unions, TWU never supported their cause, instead, TWU tried to divide and misguide the movement in order to and help management in defeating the campaign.

5.5.2 Union Management Relations
Any upheaval in power relations at the workplace impact both union and management. Generally, both the players acted independently of each other, but their actions often impact one another. The relations have a longitudinal connotation and take place overtime. The embedded social contracts in relations may be stable, deteriorating or expanding. It is however not restricted to employment relationship but to all behavioural aspects, outcomes, practices and mechanisms. The parties do not behave as isolated entities, and are guided by the inherent power derived from organisational strength and changing circumstances.

Industrial peace is essential for the smooth conduct of daily work, the realization of which depends upon the dynamics of the new power relations. Globalisation has now changed the existing power relations at the workplaces and management looks more dominant. While the dominant position of management has attracted mistrusts in some, Tata Steel was by and large immune to this trend. This paper tries to find out how Tata Steel could neutralise mistrust and maintain industrial peace during both pre-1990 and post 1990. What were the mechanisms developed in Tata Steel for mitigating mistrust, and what were the methods available for union members to approach management for grievance mitigation?

5.4.2.1 Collective bargaining
Collective bargaining has been the crucial method for negotiation with Management. Any settlement involves three agreements: an agreement within the workers; another one within the management; and yet another between union and management. Workers in any organisation do not constitute a homogeneous group; their interests
are defined in collective or individual terms as job security, higher wages, training, equal opportunities and career progression. Management is concerned with profitability and discipline.

The collective bargaining is a two-way, continuous and complementary process; it helps trade unions to develop as an independent collective organisation for workers. It is a very popular method of settlement of industrial disputes in industrially advanced countries like the United States of America and United Kingdom. India has adopted compulsory adjudication system and not collective bargaining after independence. Although, India has also accepted in principle the system of collective bargaining, it is hardly initiated legally or otherwise enforced in practice.

In contrast, collective bargaining in Tata Steel has been a rule, not an exception. Tata Steel signed a landmark agreement with TWU in 1956 (Appendix 1.A). Management agreed to consider TWU as the sole bargaining agent for workers and also provided facilities as release from duty for conducting union activities. Management also agreed not to retrench any worker but to provide training to accommodate them in the new plant. In lieu of this, TWU agreed to the whole and sole power of management regarding the requirement of manpower in existing and new plant; take disciplinary action according to the provisions of the standing orders; and to eliminate, change or consolidate jobs, sections, departments or divisions.

This agreement attracted two contrary views. One considered it as a landmark for collective bargaining in India and earned lavish praise from several corners of the world. Another looked it as surrendering rights by Tata Workers’ Union for getting recognition. During those years, the rival union Jamshedpur Mazdoor Union affiliated with AITUC was very active in Jamshedpur and it attempted to dislodge TWU through a strike in 1958. However, TWU has been sole bargaining agent for Tata Steel’s workers after that and has continued to guide and shape further negotiations till today.

Collective bargaining in Tata Steel is conducted for the following categories of the firm or plant level issues (Pandey, 1989).

1. Wages and salaries  
2. Annual Bonus  
3. Incentive Bonus  
4. Miscellaneous issues
The wage revision in Tata Steel occurred every four, five or ten years as per National Joint Council for Steel Industry (NJCS) till 2008. The first wage revision was in 1970s as per NJCS. In the revision, minimum wage and their yearly increments are decided. Generally, basic pay is merged with Dearness Allowances (DA) with a certain minimum guaranteed benefit. The agreement for other perks and allowances like night-shift allowance, conveyance allowances are also done in tandem with the main agreement. The wage revisions occurred after the 1970s are listed below.

Table 5.3 NJCS wage revisions in Tata Steel

<table>
<thead>
<tr>
<th>Sign date</th>
<th>Period</th>
<th>Start</th>
<th>End</th>
<th>Min wage</th>
<th>President</th>
</tr>
</thead>
<tbody>
<tr>
<td>30th July 1975</td>
<td>4 yrs</td>
<td>1st Sep 1974</td>
<td>31st Aug 1978</td>
<td>300-6-348</td>
<td>Michael John</td>
</tr>
<tr>
<td>7th Sep 2010</td>
<td>5 yrs</td>
<td>1st Jan 2007</td>
<td>31st Dec 2011</td>
<td>8675-3%-14770</td>
<td>Raghunath Pandey</td>
</tr>
</tbody>
</table>

Source: Documents received from TWU

The other major area of collective bargaining has been annual bonus. It depends upon the annual profit of the company and varied between 8.33 per cent to 20 per cent of the basic and dearness allowance of workers. It is distributed at the time of Durgapuja. Union starts negotiating for annual bonus commencing August and the final agreement is done in late September every year. Often, it drags on till October, depending upon emerging situations. Incentive bonus is linked to production and it varies plant to plant, and increases per point in line with rise in workers grade. This is done at the individual plant level. In 2013, union agreed for an increase of 25 per cent in each grade after 23 years. Other issues are also resolved through different committees.
5.5.2.2 Joint consultancy

A closer association of workers with management at all level is crucial for increasing production. This kind of association minimise industrial conflicts and develops an attachment to the production process. Workers seem to be having a say in decision making at shop floor management. Policy makers in India, on realizing the importance of floor level consultations included it in the Industrial Disputes Act, 1947 as ‘Works Committee’ and in 1958 as ‘joint management councils’. Both initiatives could not succeed for various reasons.

Tata Steel also introduced the scheme for joint consultancy through a supplementary agreement to the 1956 agreement on collective bargaining on August 4, 1956 for fostering closer association of workers with management, with the following specific objectives (Appendix 1. B).

1. Promoting increased productivity for the general benefit of the enterprise, employees and country;
2. Giving employees a better understanding of their role and importance in the working of the industry and in the process of production;

This 23 point supplemental agreement constitutes a preamble, names and details of the joint committees and a proposal to introduce the three tier system of JDC, JWC and JCCM (Fig. 5.2). The three tier set up of joint councils has the Joint Department Councils (JDCs) at the bottom level in each department. The Joint Works Council (JWC) supervises the entire works. At the apex level Joint Consultative Council of Management (JCCM) formulates policies. The main features of joint consultancy are as follows:

- Equal Membership from Management and Union side as per their constitution
- Management representatives are nominated by the Management and Employee Representatives are nominated by the Union.
- Chairmanship and Vice Chairmanship rotates every year between Management and Union Representatives
- All matters pertaining to collective bargaining issues, individual issues and matters pending for adjudication are out of the purview of this system.
In the span of past 60 years, TWU has travelled a long way on the path of joint consultancy. During these years, JDC has degraded as non-functioning body and its sessions as just rituals. The nominated members were quite often imposters and not genuine representatives of rank and file members and advocates of their concerns. The system of annual and half yearly JDC, which was regularly conducted prior to 1990 was discontinued or became irregular after 1990. TWU and Management seemed uninterested in continuing JDC. This development thwarted the purposes and objectives of JDC, i.e. close coordination between management and labour union, which had earned lavish praise in the 1960s.

5.5.2.3 Other industrial Actions

Trade unions utilise several industrial actions as strike, go slow, hunger strike, wildcat strike and work to rule at the point of production for better bargaining with management. Strikes have been common features in the Indian Industrial settings. Strikes are several types such as Stay-in-Strike, Sit-Down strike, Pen-Down Strike, and Tool-Down strike. The rival union was responsible for disturbances in Tata Steel.
in 1958 and 1981. TWU never involved in any type of work stoppage in post-independence era and also in 1990s. At the departmental level cases of boycotting JDC meeting by committee members were reported. At the top level, no confrontations have been reported since 1990s.

5.5.2.4 Discharge or suspension and individual cases
The charge sheeting and suspension of workers are common issues for the industry. Occasionally, the management utilises this method for harassing the workers, but most of the time it is for genuine in disciplinary matters. The TWU seemed actively involved in these cases and trying to reinstate the discharge workers. Several cases reported in the media vouch for the positive role of TWU. In a hugely highlighted case in which several nurses were suspended initially and later discharged from the company for the indiscipline and gate jamming. The intervention of TWU president in this case had resulted in the reinstatement of the nurses with some penalties. TWU has also succeeded in providing employment to the dependents of several deceased employees on humanitarian ground.

5.5.3 Roles and responses
5.5.3.1 Downsizing
One of the major events that affected the workers, in Tata Steel after 1990 has been downsizing. It started in 1994 as Voluntary Retired Scheme (VRS) and in 1995 as Early Separation scheme (ESS). In 1994, the company also discontinued the practice of recruiting employees’ dependents. Initially, ESS was offered to surplus workers of closed plants and later, it was made applicable to all. TWU did not intervene; it neither supported nor opposed except in deserving cases. The President S. K. Benjamin justified the downsizing for the sake of survival of the company and workers’ interests in the long run. He cited the example of a cow. Survival of cow is essential for obtaining cow’s milk (Kumar et. al, 2006).

This justification is hardly is line with the ethics of trade unionism. When this researcher confronted a Union officer bearer about this in the context of a proposal for retrenching of 30 workers from the Tubes division in 2013 (No. of workers - 900) he justified it terming it as rational or pragmatic. To quote the words of the officer bearer, “if we will not control the cost, the company will outsource it. We know our capacity; we cannot sustain our opposition for a long time. It would be better to find
the way to survive the plant at minimum loss”. More than 20 thousand workers had been retrenched through separation scheme ESS till 2003.

5.5.3.2 JUSCO formation
The second major event has been the formation of JUSCO to replace the erstwhile town division of Tata steel, which has been maintaining civic amenities of Jamshedpur since its inception. The division worked as a municipal corporation, like other cities. Workers of town division got same status and wages as workers employed in core functions (Blast Furnaces and Steelmaking Shop). The company separated this non-core division in 2004 through forming a 100 percent subsidiary company called the Jamshedpur Utility Services Company (JUSCO). Schools were also outsourced to educational institutions in 2003.

The company insisted on concentrating only on the core sector for survival in a competitive era. The workers of this division vehemently opposed the separation from Tata Steel, and took out a procession to register their protest. This was a unique and rare development, but they could not garner the active support of other workers from both the core section and TWU leadership. No workers from inside work came forward to participate in the procession. TWU leaders assured workers initially that they would try their best to prevent separation. But company’s determination to form JUSCO, combined with factionalism and intra-rivalries in TWU, eased the formation of JUSCO in 2004.

The 2002 TWU elections brought a new leadership into power. In earlier election, the presidents were generally co-opted from outside. In this election, one company employee was elected as president. TWU leaders did not bother to register their opposition, and toed the management line. The president could ensure the existing steel wage structure and continuation of benefits for erstwhile workers only and not to new entrants in the future. Since, it was a bi-partite not tri-partite agreement, the company argued that it was not legally binding on them, and reduced some facilities in the subsequent years. During informal talks with a union office bearer about their consent to JUSCO formation, he simply stated that the union could not stop the formation of JUSCO. To quote his words “We had seen the effectiveness of our opposition when the company sold out the cement unit to Lafarge in 1999. The major consequence of our opposition has not been getting recognition of our union in this
plant. That we did not want in JUSCO. Recognition issue is under the purview of Management. Through supporting the formation, our union got recognition in JUSCO.”

5.4.3.3 Decentralised wage Bargaining

The third major event has been separation from the National Joint Council for Steel industry. NJCS is the central wage revision board, which had been determining the wages of workers in SAIL and Tata Steel since 1969. Tata Steel was a founder member of this board. Tata Steel sent proposals to TWU for separation from this central wage board. Tata Steel argued with TWU that it was not justifiable to be a member of wage revision body under the control regime when other private steel makers were not part of this board. Initially TWU and workers could not be convinced. But latter, TWU accepted the proposal of separation on the basis of wage revision at par with NJCS at that time. Workers got the benefits at par with NJCS in the 2010 wage revision, which was implemented since 1st January 2007. When the author interviewed an office bearer about accepting separation from NJCS, he attributed this acceptance to the then emerging compulsions. He stated “participation in NJCS is not binding on the company, and TWU could not prolong the wage revision; frustration had grown among workers due to the delay in wage revision”\(^2\).

One vocal committee member contradicted this and said “TWU could not resist effectively and argue their point. The company could not be separated from NJCS; it is privileged to have captive mines like SAIL. Top leadership, especially President is responsible for separation. He did not discuss the matter democratically in the house and signed the agreement for personal benefits”\(^3\). In general, Workers conceived it as betrayal in the long run. Given this background, it is most unlikely that the next wage revision in the company will be on par with SAIL wages.

5.4.3.4 New recruitment policy

The fourth major event has been the new recruitment policy of 2010. This recruitment policy is known as New Series (NS) scale in the company. This scale is based on the concept of cost- to- company (CTC). The company adds all perks and benefits in workers’ salary. In the existing steel wage structures, perks and benefits are excluded from the salary. Tata Steel management proposed the new wage policy to new leadership which was elected in 2009. The company justified this move on the pleas
that a competitive market cannot not permit high wage to workers, when skilled manpower is available on low wages. After opposing initially, new leadership finally agreed to the new wage structure. Now, one and the same type of job or post in Tata Steel is paid under different scales, a higher one for old timers and a lower one for new entrants. This has resulted in further fragmentation in the workforce. New entrants are not satisfied with the lower pay they get for doing the same work as old timers with identical or even or more responsibility.

A former president of the Union, in a published interview in a local newspaper justified this move on the ground that it would generate employment in the company, which was halted for some years. Under the agreement, the company gets several options like utilising the contract workers in core function, and thereby increase employment, he continued. The company is also not obliged to recruit workers on the steel wage Structure. TWU has no option rather than go for this agreement, he argued. However, this argument was not justified by other officer bearers and committee members.

One committee member contradicted the President and raised the questions, “what happens if president does not agree with the new recruitment policy. The company has a compulsion to recruit entrants for its 10 million expansion plan. This agreement could be justifiable, if company provides 10 thousand employments instead of 4 thousand, which happened after that. The president acted on personal gain and harmed the trade unionism and never discussed this issue in house.”

In general, workers consider it as a wrong move by TWU, which will cause for further fragmentation, and would prove very harmful to trade unionism. Several committee members and one office bearer in informal talks also accepted that this was not good for workers and would hamper workers’ bargaining power.

5.5.4 Political action

The political action of trade unionism is linked with workers’ political leaning and their ability to influence electoral or mainstream politics. Apart from collective bargaining, trade unions also channelize their energies to elect trade union or labour leaders as Member of Parliament and Legislative assembly. Political unionism is criticised for causing rivalry or factionalism in trade unionism, but its role in ushering
in pro-labour labour politics in India is seldom recognized. As for TWU, it had participated in mainstream politics prior to independence through its involvement in nationalist movements under leaders like *Mahatma Gandhi* and *Subhash Chandra Bose* and through active participation in the ‘quit India movement’ of 1942.

In the post-independence era, the TWU has by and large tried to keep aloof from mainstream politics. However, a few of its leaders did contest elections, like *Michael John* contested parliament election in 1952 and became runner, and *V. G. Gopal* who contested both in 1977 and 1980 elections and became runner. Earlier in 1957, *V. G. Gopal* was elected MLA. Despite any active participation of TWU, workers of Tata Steel and Jamshedpur had remained a labour dominated constituency till 1984. Labour leaders from other trade unions had also become either winners or runners-up in parliament or assembly elections. Over time, particularly after 1990s, the secular fabric of Jamshedpur got vitiated by identity politics, particularly Hindutva Movement.

After Indian independence, trade unionism gained strength by way of supporting bandhs and strikes called by central trade union federation or opposition political parties. Since, Congress Party has been ruling the state most of time after independence, TWU also opposed the strike or bandh called by opposite unions during these years. Even in the 1990s, when the entire working class in India faced threat, and INTUC (TWU’s central affiliate) jointly with other unions organised strikes/bandhs against reforms, TWU did not support all such bandhs. Strangely, prior to 2013, even May Day was not being celebrated in TWU office while it is celebrated by unions all hews. In the pretext of practising responsible unionism, TWU desisted from engaging in any political action in the globalised era.

**5.5.5 Movement of other Trade unions and informal groups**

Jamshedpur has been a laboratory of trade unionism since early 1920s. Apart from congress leaders, socialists and communists were involved in trade unionism after 1950s. Communist influence waned in Jamshedpur by the 1980s. A strike in Jamshedpur in 1958 had hampered Tata Steel production also. After that, strikes in other industries did not directly affect Tata Steel, but facilitated timely wage revision and other benefits for workers. JRD Tata acknowledged the impact of the 1969 engineering strike of Jamshedpur in his 1969-70 annual statement. A contract
workers’ strike by the communist union was the last strike in Tata Steel. Tata Steel neutralised it through the help of tribal workers. The Jharkhand movement escalated in Jamshedpur in the 1980s and led to fresh recruitment of 1640 persons, mostly tribals. It indeed impacted Tata Steel Union but its impact was minimal on other trade unions. This movement was based on identity politics, and for carving out a separate Jharkhand state.

In the 1990s, the activities of other trade union were replaced by informal group activities against the union and the company. In 1995, Tata Steel discontinued the practice of inducting workers’ offspring/dependents temporary workers, and instead commenced registration such job aspirants as ‘registered relations’ for future employment. The workers’ offspring formed into several informal groups under different leaders and indulged in disruptive tactics like picketing, sit in Dharana, ghero, gate jamming etc, against both the management and TWU. Their campaign got momentum after 1995 and still continues under different leaders and different informal groups. Their campaigns have been getting wide coverage in the local media. Their efforts met with marginal success in 2004 when some of the employee’s offspring got a job in the company in the lower wage grade of T1 and T2 on seniority basis through negotiation in between TWU and management. Since such beneficiaries were few, the agitation by workers’ offspring continues unabated.

Their movement compelled TWU to negotiate further with the management, which led to the recruitment of 400 security personnel in 2009 and 600 utility hands in 2011 on merit basis in the new wage structure named as NS. The Left- over employee offspring still continue their struggle. It gains often gains momentum and often become weak or even unseen. These movements have contributed hugely in shaping trade unionism in Tata Steel. As a recognised trade union TWU was obliged to take up cudgels offspring, even those were not its members. Such lapses were the main reason for the defeat of the sitting president in the union election of 2012.

5.5.6 Concerns of contract workers
Increasingly informalisation of workforce seems to be the reality in the globalised era. The emerging problem is that contract workers’ concerns are neither effectively raised by trade unions nor resolved by an employer or government. This has been creating disturbances in industries, and Indian industry did witness such labour unrests and
industrial violence in 2011 and 2012. Tata steel has not been spared from this; it faced big and small incidents like clashes between regular and contract workers like in other industries during this period.

The first major incident occurred on 28th Jun, 2010, when a dispute between regular security personnel and contract workers at one entry gate led to violence, and the group of contract workers damaged the company property worth more than INR 30 lacs. The second major incident occurred on 24th Dec, 2012, in which company security personnel fired on agitating contract workers for preventing cycle riding in company premises in which one photographer and some workers were injured. Both incidents were interpreted as simple law and order problem, and not as labour problem. But the company started to change their attitude and advised regular workers and officers to behave with contract workers with dignity and treat them as business partners. Tata Steel stopped collecting charges for safety training and safety appliances from contract workers, by making contractors to pay such costs. The company has also permitted cycle riding inside the company premises.

TWU as a collective organisation for workers has never raised contract workers’ concern during negotiation with management. Instead, it used to put blame on contract workers for clashes that often occurred in the plant and pressurised the management to reduce the number of contract workers and increase regular employment. When this researcher asked one of the office bearers, why TWU does not include contract workers in their fold and raise their issues, he agreed that it would indeed increase their strength, but it could not be done as contract workers are not enrolled as members of TWU as per its bye-laws; therefore, it was only logical that their issues are not raised in negotiations with the management. The problem with TWU is that while it negotiated for employee offspring, who were yet to be employed in Tata Steel, it refused to do so for contract workers who were already involved in the production process. The insensitiveness of the TWU can be explained only in terms of the difference in the background of workers. Workers’ offspring have always received preferential treatment from the union for obvious reasons

Contract workers are mostly tribal men and women, who have neither sound economic background nor access to government machinery and trade unions. In contrast, workers’ offspring belongs to higher castes, are economically sound and
have access to administration and can run the agitation for more days. They could pressurise TWU through the threat of ouster the sitting president while contractor workers do not possess that capacity.

TWU looked comfortable with its shrinking workforce and pretence of responsible unionism for keeping the recognition tag. This attitude is harming the trade unionism in Tata Steel, and workers are losing their bargaining power. Company discourages any trade union activity among contract workers; instead, it has now made contractor cells and takes enough steps for pacifying contract workers’ grievance. No other formal or informal groups seem to be engaged in improving their condition except organizing rallies on the May Day or issuing statements in local media.

Jharkhand Asangathit Mazdoor Union affiliated with AITUC is now taking up the concerns of contract workers, like raising provident fund related cases through correspondence with labour department, and not with Tata Steel. Its activities are restricted to collecting information and lobbying for increasing minimum wages. Contract workers are a major chunk of the workforce and currently 30 thousand contract workers are involved in several perennial and non-perennial type of work in Tata Steel. They are unable to take up any organised movement, and their frustration often explodes in sporadic violence.

The role and responses of TWU can be summarised in table 5.4.

<table>
<thead>
<tr>
<th>Management action</th>
<th>Reasons</th>
<th>TU responses</th>
<th>Negotiation procedure</th>
<th>Outcome</th>
<th>Gainer or looser to TU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downsizing 1990s</td>
<td>Survival</td>
<td>Neutral</td>
<td>Individual</td>
<td>Small workforce</td>
<td>Looser</td>
</tr>
<tr>
<td>Outsource Town Division (2004)</td>
<td>Reducing wage costs</td>
<td>Opposed &amp; agreed on some benefit</td>
<td>Bipartite</td>
<td>Separation</td>
<td>Looser</td>
</tr>
<tr>
<td>Outsource Maintenance (2008)</td>
<td>Concentrate on core</td>
<td>Opposed</td>
<td>Bipartite</td>
<td>No separation</td>
<td>Gainer</td>
</tr>
<tr>
<td>Stop offspring employment (1995)</td>
<td>Reducing costs</td>
<td>Neutral or support management</td>
<td>Agitation, picketing</td>
<td>Few got employment</td>
<td>Gainer</td>
</tr>
<tr>
<td>Decentralised bargaining (2010)</td>
<td>Reduce cost</td>
<td>Oppose &amp; agreed at par</td>
<td>Tripartite</td>
<td>Localise wage negotiation</td>
<td>Looser</td>
</tr>
</tbody>
</table>
5.6 Conclusions
These findings provide the scenario in a specific trade union, Tata Workers’ Union in the globalized era. Viewed in totality, both the ideology and activity of TWU are that of an economic institution as defined by Dunlop. The threat of layoff and need for survival have compelled TWU to confine to its shrinking membership; in that respect it differs from other Indian trade unions, which are always eager to increase their base by raising issues common to the entire working class. TWU seems to be focussing on protecting the economic interests of its worker–members through timely wage revisions and attractive separation packages. TWU does not seem to be interested in the concerns of contract workers or working jointly with other trade unions and informal groups for the general welfare of the working class. Its responses to restructuring such as securing optimum benefits to its members could be considered pragmatic, while market forces are responsible for determining wages. The trade unionism can hardly influence the supply of labour or raise the wages above competitive level except delaying some time.

On the positive side, TWU was successful in ensuring respectable wages and working conditions for its outsourcing town division, to prevent the separation of maintenance division and employment for new entrants in lower wages. Ross considers re-election of sitting leadership as an important criterion of the success of any institution. In case of TWU, the then president agreed to the separation from the central wage board and new recruitment policy for new employment. That could be justified, if the company desists from making contract employment.

The active participation of rank and file member in decision making and internal democracy determine the exit or voice option. Despite not having direct or indirect say in TWU’s decision making, rank and file members seemed utilizing voice option. The higher 90 percent voting in union elections and change in leadership frequently as seen now, was very rare prior to 1990. Several divergent voices could be also reported, which seemed enriching internal democracy despite alleged corruption and cornering of personal benefits.

TWU also seemed representing monopoly unionism. It can be castigated for revolving around only economic interests and allowing inequality to increase within the organization and the entire working class. On one hand it agreed on a new recruitment
policy which was beneficial to workers and the other, it encouraged fragmentation among workers, which would harm the prospect of trade unionism in future. Common good is served only when industrial production and profit are treated as public goods and distributed equitably for the well-being of the working class. In this respect, the track record of TWU is quite negative; its emphasis was on securing more and more benefits to its members and not promoting healthy trade unionism through futuristic policies.

Findings of this study substantiate the view that trade unionism is weakening in India in the globalised era. Inherent compulsions of a globalized economy and industry, like reducing work-force, induction of capital intensive technology, requirement of skilled workers, casualization of the workforce and lack of support of government and judiciary, etc can be blamed for the declining strength of trade unions. Trade unions are also responsible for this decline. They earned a bad name in the control-licence regime for economic inefficiency, and the media magnified their bad image knowingly or unknowingly. Their decisions though politically expedient were seldom pragmatic or ethical. Such actions have often triggered factionalism and rivalry created nuisance in the workplace in the 1970s. But, after 1990s, seemingly stung by ground realities, trade unions in India have been opposing liberalisation policies and joining all India Strikes and Bandhs. This did not witnessed in TWU.

Survival of the company has been an important concern for TWU; it has often made them ignore the feeling of mass workers. Decisions like not opposing downsizing and outsourcing non-core sections looked pragmatic at that juncture. But the question is what the logical conclusion of these decisions would be. The continuous increase in the number of contract workers and insensitiveness of TWU to their plight do not auger well for good for trade unionism. This study concludes at that point where it had begun. “People make their history”, in case of Tata Steel, workers have changed their perception about trade unionism and now consider trade union as the only saviour in a crisis period. To quote the adage: “But they do not make it just as they choose, they make it under circumstances encountered, given and transmitted from the past.” It is true that TWU could not ingest their feelings and take pragmatic decisions under circumstances created by the liberalisation process. Instead, it
followed the traditional path of collective bargaining and concentrated only on shrinking workforce.

The study of TWU adds one more variation to the saga of trade unionism in India after 1990. It is no exaggeration to say that trade unionism particularly the behaviour of TWU has reshaped the contours of labour politics in Jamshedpur. The following chapter concentrates on labour politics in the globalised era through revisiting the current scenario of labour movements in Jamshedpur.

Notes
1. Interviewed with Vice president of TWU on 3rd Aug 2013
2. Interviewed with ex-honorary secretary on 15th July 2013
3. Interviewed with committee member on 20th July 2013
4. Interviewed with committee member on 10th August 2013