CHAPTER - V

OPERATION OF TRADE UNIONS IN SELECTED UNITS OF ANDHRA PRADESH

Introduction and objectives of trade unions

The objectives, policies, functions and influence of trade unions depend on the one hand on the objective stage of the society system that is obtaining in a given period or place and the level of industrial development and the other from the particular complex of political, social and economic factors determining the character of the working class in a place. As a result of the operation of the said dependency, a rather striking similarity of successive stages of trade union structure and policy in the principal industrial areas or regions of Andhra Pradesh.

Trade unions in Andhra Pradesh developed first by more or less inchoate, sporadic and short-lived uprisings of labour in general than by the emergence of local "trade unions" composed of wage workers drawn, not so much from the factory system itself, as from the skilled craftsmen and artisans who depended on mutual benefit and control of the supply of workers to enforce their demands; and finally by the rise of the
industrial unions, which included the semi-skilled along
with the skilled workers, particularly in factory, mine,
transport and other organisations. Along with the development
on occupational and industrial lines local federations were
designed to protect and advance the general interests of all
organised groups which sought affiliation with the state and
national federations. Thus, workers in Andhra Pradesh have
learnt, by long experience through their chequered involvement
in various struggles launched by their trade unions, the best
way of safeguarding or advancing their interest as well as
improving their conditions.

The objectives of trade unions may be broadly classified
into two groups viz., industrial and political. The industrial
objective is the amelioration of the members or safeguarding
all their interests and causes. The political objective is
the syndicalist idea championing the claims of producers and
the collective idea with its emphasis on the right of consumers
or the guild socialism seeking the middle way.

Against the background of the above discussion the
importance of the following four features may be explained
with advantage.

a. Mutual insurance or welfare
b. Collective bargaining
c. Strikes and demonstrations
d. Promotion of legal enactment and legal aid.

A trade union, as provided in its constitution, collects funds, subscriptions, levys admission fees from those who are enlisted as its members and subscribe to its objectives. The fund thus created is spent by it to safeguard its members against certain risks, like sudden death or other calamities over which the members have no control, or liabilities incurred in the struggle to protect their standard of life.

The second objective of collective bargaining is realised by the unions by the power equalisation with the management through the consolidation of their membership and protection of the members' interests relating to adequate wages and better service and working conditions. To establish the strength of its collective bargaining vis-a-vis managements' economic pressures and power pressures, every union tries to prove itself a powerful collective bargaining agent.

A strike call to the workers is a powerful weapon that the unions can use to bring pressure on the management to get their demands fulfilled. This is considered by most of the unions as one of their rights to be exercised in the interest of the working class.
When the trade union movement entered the constitutional and parliamentary period, it began promoting benevolent labour legislation for the betterment of the members' service and working conditions. Rendering legal aid to the members and meeting legal expenses in the pursuance of their cases before labour courts or industrial tribunals were further responsibilities of the unions.

It is interesting to note, as follows, how the structure and other features of the management and unions of various types may be said to be comparable.

<table>
<thead>
<tr>
<th>Employer/Management</th>
<th>Trade Union</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. President</td>
<td>President/Executive Committee</td>
</tr>
<tr>
<td>2. Vice-President</td>
<td>Vice-President</td>
</tr>
<tr>
<td>3. Superintendent</td>
<td>Chief Steward</td>
</tr>
<tr>
<td>4. Foreman</td>
<td>Steward</td>
</tr>
<tr>
<td>5. Employee</td>
<td>Steward (as member of union)</td>
</tr>
</tbody>
</table>

The various unions perform various functions and activities for the benefit of their members. From this standpoint the following analysis of their efforts or activities would be meaningful.

a. **Intra-mural efforts**: They are those efforts of unions which are undertaken for the betterment of workers
in relation to their employment. Through these activities the unions ensure adequate wages, better working conditions, better treatment and a reasonable share and control in the profits and the management of an industry. In order to achieve these objectives collective bargaining, negotiation, strikes, demonstrations, Gheraos, boycotts and other agitational methods may have to be adopted.

b. Extra-mural activities: They refer to those activities on the part of the unions which are performed for providing help and assistance during the period of its members' short term unemployment, strikes or lockouts. They foster the spirit of cooperation and educate the members. They make them conscious of their rights and obligations. The unions may also organise industrial schools, libraries and reading rooms, indoor and outdoor games and other recreational facilities for the members.

c. On many occasions the trade unions and their representatives participate in political activities such as elections so that they are able to elect their own members to the state assemblies or parliament to make and influence labour legislation and policies of various types.

In the light of the above discussion we may bring
together the various points relating to the objectives and activities of pursued by the various unions.

1. To secure for workers fair wages.
2. To safeguard security of tenure and improved conditions of service.
3. To enlarge opportunities for promotion and training.
4. To provide for educational, cultural and recreational facilities.
5. To promote identity of interests of workers with their industry.
6. To cooperate in and facilitate technological advance by broadening the understanding of workers on its underlying issues.
7. To offer responsible cooperation in improving levels of production and productivity, discipline and high standards of quality.
8. Generally to promote individual and collective welfare.
9. A union has to promote social integration among its members which some of the managements ignore.
10. It has to make the management realise that group integration is a powerful force which may make or mar the events of trends of the progress and the prosperity of an undertaking.
11. Inculcation of conscience is one of its functions to make its members realise their rights and responsibilities.

12. It has to strive to replace individual agreements by collective agreements.

13. It has to dismantle the individual approach and encourage collective approach resulting in collective agreements.

14. It has to shape the labour policy of the government by sending its representatives to various forums like I.L.O. parliament, assemblies and other government and non-government agencies.

15. It has to make its members realise that collective bargaining is concomitant of the promotion of better industrial relations.

16. It has to make its members and particularly its office bearers realise that a semi-legalistic and socio-economic approach is better than a legalistic approach to promote industrial harmony.

17. It has to take responsibility for the promotion of industrial jurisprudence.

18. It has to foster realisation in all concerned that it has come to stay in industry.

The Trade Union Act of 1926 lays down certain do’s and don’ts for the trade unions. The success of unions largely
depends on the faithful acceptance and application of these norms and conditions. The unions should faithfully follow their own constitution and bye-laws, conduct periodical meetings, elections etc., should have a good system of communication, maintenance of records and collection and utilisation of funds. All this is not enough, for in addition the cooperation of workers in the activities of the unions is essential. The workers should feel and demonstrate a sense of belonging and involvement which means not only acquiring membership, regular payment of subscription, attendance of meetings, participation in elections and a keen interest in the activities of the union but also a searching appraisal of the activities of their office bearers.

**Functions and role of trade unions in Andhra Pradesh**

With a view to observing how certain trade unions function in the city of Hyderabad, a sample scrutiny of the annual returns was undertaken to ascertain the following facts:

1. Percentage of membership fee collected by the trade unions; the shortfall, if any.

2. Its utilisation for different purposes (percentage-wise). In particular the amounts spent on welfare activities of the members on disputes, travelling allowance and salaries of office bearers etc. to be listed. It is also to be checked if any amount was spent on any
item not provided for under the Trade Unions Act.

3. Whether the trade unions have been strictly adhering to their bye-laws in regard to holding of elections etc.

4. A comparative study of increase or decrease in membership in the 3 years.

The annual returns of 3 years i.e. 1969, 1970 and 1971 of three unions, each belonging to the Indian National Trade Union Congress and All India Trade Union Congress and two unions of Hind Mazdoor Sabha functioning in different industries in Hyderabad were undertaken. There were certain obstacles in the path of this scrutiny. The annual returns selected in the study suffered from a number of infirmities. The returns in many a case were not been filled in carefully in spite of instructions and the availability of the proforma. Different union organisations filled in the proforma differently. Certain important items were left unfilled or kept vague. The deductions arrived at naturally suffer from certain infirmities. In addition, it was a mere sample survey covering the annual returns for 3 years. The unions chosen were those having a membership of more than 100.

It is common knowledge that trade unions give exaggerated figures about their following in industries.
This has been demonstrated several times during the verification of union membership under the code of discipline. The truth however can be discovered by correlating union membership with the subscriptions received. This again is subject to the furnishing of correct figures in regard to the receipt of subscriptions. During the scrutiny of the annual returns in question it was discovered that this item too was not correctly reported. Huge arrears have been shown and the amounts collected do not tally with the claimed membership. The following chart indicates the membership claimed and the total strength of a particular industry.
Table 23: Membership in relation to total strength of the unit.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the unit and the union functioning therein</th>
<th>Total strength of the unit approx.</th>
<th>Membership claimed average for 3 years</th>
<th>Percentage approx.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Unit-I-Union affiliated to INTUC</td>
<td>2,239</td>
<td>1,215</td>
<td>54%</td>
</tr>
<tr>
<td>2.</td>
<td>Unit-II-Union affiliated to INTUC</td>
<td>809</td>
<td>804</td>
<td>100%</td>
</tr>
<tr>
<td>3.</td>
<td>Unit-III-Union affiliated to INTUC</td>
<td>3,791</td>
<td>3,319</td>
<td>88%</td>
</tr>
<tr>
<td>4.</td>
<td>Unit-IV-Union affiliated to AITUC</td>
<td>526</td>
<td>441</td>
<td>83%</td>
</tr>
<tr>
<td>5.</td>
<td>Unit-V-Union affiliated to AITUC</td>
<td>1,503</td>
<td>1,283</td>
<td>85%</td>
</tr>
<tr>
<td>6.</td>
<td>Unit-VI-Union affiliated to AITUC</td>
<td>8,727</td>
<td>4,590</td>
<td>53%</td>
</tr>
<tr>
<td>7.</td>
<td>Unit-VII-Union affiliated to HMS</td>
<td>2,500</td>
<td>1,815</td>
<td>73%</td>
</tr>
<tr>
<td>8.</td>
<td>Unit-VIII-Union affiliated to HMS</td>
<td>1,000</td>
<td>430</td>
<td>43%</td>
</tr>
</tbody>
</table>

Source: The Records of the Unions in Question.
It may be seen that a substantial number of workers is unionised, the lowest being 43% in Unit-VIII to 100% in Unit-II. Even in unions which have shown 43% or 50% of the total strength as their members, it is quite likely that the remaining workers might have acquired membership in other trade unions functioning in the same unit. It can be safely deduced that union awareness and consciousness in the Hyderabad city is quite high.

Another aspect of union membership is the increase or decline in the strength which reflects whether the unions have been popular with the workers, have served their interests effectively and lived up to their expectations. The following table will indicate these.
Table 24: Percentage increase or decline in the membership during the period 1969 to 1971.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Union</th>
<th>1969</th>
<th>1970</th>
<th>1971</th>
<th>Average for three years approximately</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Unit-I-affiliated to INTUC</td>
<td>No change</td>
<td>+2%</td>
<td>+18%</td>
<td>+7%</td>
</tr>
<tr>
<td>2.</td>
<td>Unit-II-affiliated to INTUC</td>
<td>-6%</td>
<td>+12%</td>
<td>+8%</td>
<td>-9%</td>
</tr>
<tr>
<td>3.</td>
<td>Unit-III-affiliated to INTUC</td>
<td>+37%</td>
<td>-10%</td>
<td>No change</td>
<td>+9%</td>
</tr>
<tr>
<td>4.</td>
<td>Unit-IV-affiliated to AITUC</td>
<td>+7%</td>
<td>+14%</td>
<td>+10%</td>
<td>+10%</td>
</tr>
<tr>
<td>5.</td>
<td>Unit-V-affiliated to AITUC</td>
<td>-4%</td>
<td>+5%</td>
<td>+25%</td>
<td>+9%</td>
</tr>
<tr>
<td>6.</td>
<td>Unit-VI-affiliated to AITUC</td>
<td>+14.43%</td>
<td>No change</td>
<td>No change</td>
<td>+6%</td>
</tr>
<tr>
<td>7.</td>
<td>Unit-VII-affiliated to HMS</td>
<td>+44%</td>
<td>+13%</td>
<td>+13%</td>
<td>+13%</td>
</tr>
<tr>
<td>8.</td>
<td>Unit-VIII-affiliated to HMS</td>
<td>+5%</td>
<td>-13%</td>
<td>+1%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

Source: The Records of the Unions in Question.
It will be seen that the unions generally fared well during the period. The percentage increase on an average has been approximately 10% barring Unit-VI which has shown an enormous increase on account of the fact that in just one year the membership rose from 249 to the enormous figure of 4,590. Only Unit-VIII showed a decline in membership of 2%.

The annual returns in respect of this item are rather misleading not because wrong figures have been given but perhaps because the prescribed proforma has not been properly filled in. More often than not the subscription shown as having been collected is much more than what ought to have been received according to the strength of the union. The excess amount received has not been explained in terms of donation or any other source. The proforma contains separate columns about donations and income but they have not been filled giving the inevitable impression that the amounts shown constitute subscription only. The entry cannot bear any close scrutiny. To illustrate the point, it may be stated that a particular union having a membership of 725, as claimed by it, has shown the figure of Rs.13,309/-00 as an amount of subscription received during the course of the year, whereas at the rate of Rs.1/- per member per month (if all the members pay regularly throughout the year) the amount of subscription should not exceed Rs.8,700/-. The following table indicates the position in regard to the collection of membership fee.
Table 25: Membership fee collection.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Union</th>
<th>Percentage collection for membership fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1969</td>
</tr>
<tr>
<td>1</td>
<td>Unit-I-affiliated to INTUC</td>
<td>82%</td>
</tr>
<tr>
<td>2</td>
<td>Unit-II-affiliated to INTUC</td>
<td>153%</td>
</tr>
<tr>
<td>3</td>
<td>Unit-III-affiliated to INTUC</td>
<td>136%</td>
</tr>
<tr>
<td>4</td>
<td>Unit-IV-affiliated to AITUC</td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>Unit-V-affiliated to AITUC</td>
<td>100%</td>
</tr>
<tr>
<td>6</td>
<td>Unit-VI-affiliated to AITUC</td>
<td>100%</td>
</tr>
<tr>
<td>7</td>
<td>Unit-VII-affiliated to HMS</td>
<td>52%</td>
</tr>
<tr>
<td>8</td>
<td>Unit-VIII-affiliated to HMS</td>
<td>64%</td>
</tr>
</tbody>
</table>

Source: The Records of the Unions in Question.

The collection position indicated in the table is quite satisfactory. So far as collections of more than 100% are concerned they may be either due to collection of advance subscription or inclusion of certain other items such as income and donations in the subscription amount or due to erroneous filling in of the proforms. The latter possibility appears to be more likely. Apart from these, the collection
of membership fee generally presents a rosy picture as it contradicts and belies the charge, often levelled against the trade unions, that by and large they are strike committees or agitation forums without any permanent programme or setup to deal with the problems of workers on a long term basis. It also indicate that the workers do have an urge to organise themselves into such institutions and strengthen them.

It is incumbent on any organised society or institution in a democratic setup to have rules and regulations governing its affairs and activities. This stipulation holds good in respect of a trade union organisation as well. Any haphazard or expedient action, however beneficial it may be for the time being, detracts considerably from the prestige and reputation of the defaulting party if it does not conform to the existing rules and regulations. Judged from this standpoint, our trade unions present a mixed fare. The affairs of the trade unions, as judged from their annual returns, are being conducted by and large as per their constitutions and by-laws. Certain deviations are however discernible but they appear to be more an outcome of ignorance than a deliberate attempt at violating the rules and regulations. For instance, in one case the elections were to be held, according to the by-laws, during January or February but they were actually held on the 15th of March. Besides, the office bearers were appointed on an ad hoc
basis and not in accordance with the constitution. Similarly, another irregularity noticed was that office bearers were appointed in excess of what has been provided for in the constitution, viz., in addition to the General Secretary, two organising secretaries were also appointed. Many more of such instances could be cited. The hurdle in the way of having more categories of office bearers could easily have been overcome by amending the rules, but the trade unions thought it fit not to do so and in the process violated their own constitution. According to the annual returns for certain years no elections were held for certain years. This is where the trade unions come in for severe criticism for their undemocratic behaviour and lack of promptness on their part creates doubts and misgivings giving room for rival trade unions to step in. In this manner the established trade unions create problems for themselves which ultimately divide the working class into groups and decrease their bargaining strength.

Many well established trade unions have floundered on the rock of mismanagement of funds. Trade union work is essentially service, whether the office bearers are outsiders or workers themselves. Whenever the essential ingredients of service are lost sight of and the temptation of personal aggrandisement enters into trade union work, there is always the possibility of the union funds being squandered. There
is little scope for defection of such financial irregularities by a mere scrutiny of the annual returns, in the preparation of which, as has already been pointed out, little seriousness is observed. Whatever information is available reveals that, barring a few exceptions the finances of the unions are not properly managed. This observation is subject to the presumption that whatever information is furnished is final and correct and there is no scope for any explanation or clarification. The most important item in the proforms, so far as union finances are concerned, is the information called for under section 15(j) of the Trade Unions Act, 1926, under which all the expenses have to be specified. Out of the 8 annual returns scrutinised, only one gives the details of the items on which expenses are incurred. The remaining returns indicate only the amount. In one case a big sum of over Rs.8,000/- has been spent. Unless details are given, it is difficult to ascertain whether the amount has been properly spent. There has been neither uniformity nor correlation in expenditure, from year to year. For instance, one particular union the expenditure on salaries of office bearers in a particular year was Rs.510/- but in the next year it was more than double and became Rs.1,299/-. In the case of another trade union, during the first two years the expenditure on salaries of office bearers was Rs.400/- and Rs.210/- respectively, but in the third year it assumed the enormous figure of Rs.2,750/-. 
There is no uniformity in the legal expenses incurred but this can of course be explained away in terms of widespread litigation in a particular year. So is the case of compensation paid to members for loss arising out of trade disputes. Under this head some of the unions have shown very scanty expenses. The trade unions are custodians of the hard earned money of the poor workers and they should ungrudgingly safeguard the interests and money of the workers. In one instance however it has been indicated that a sizable amount of Rs.1,420/- had to be written off as old loans considered and or unrecoverable.

Viewed as a whole the affairs of trade unions are quite satisfactory. Their position, financial as well as organisational, can be improved if the office bearers display the required sense of devotion and dedication and the workers take keen interest in the affairs of their unions. The government on its part can render a helping hand by acting as a friend, philosopher and guide, patting them on the back whenever their conduct is praiseworthy and reprimanding them without hesitation whenever necessary.

While discussing the role and functions of a trade union, it has to be seen whether its function is similar or dissimilar in the private and public sectors. It is said that the function of a trade union in the private sector vis-a-vis public sector does not indicate much of a difference.\textsuperscript{3} It makes all the
difference in the approach of the managements in public and private sector towards the functioning of trade unions. The goal of public sector is to achieve social objectives and that of the private sector is the profit motive. The difference in the approach between the two sectors creates different dimensions in their approach towards the trade unions and their functions.

After the Hyderabad state became part of India, Telangana, through its efforts for industrial development, the formation of Andhra Pradesh, its five year plans, has accelerated the pace of industrial development in the state. The structure of the working class has changed along with the structure of the employing class. The public sector has emerged as a dominant factor in the state economy. New industries have come up employing people from all strata of society. Impact of technology is felt in increasing productivity surcharging labour-management relations on the issue of automation and distribution of the gains of higher productivity. During the post-independence period there have been considerable changes both within the labour movement and in relations between the trade unions, employers and government.

The spirit of trade unionism has its own distinct features in public and private sectors. The structure of the public enterprise is definitely different from that of the
private sector. The public enterprise has its own motive and aims for serving the people and achieving higher goals of productivity to increase the standard of living of millions of people. The running of a public enterprise is not only for profit but for the service of the society whereas in the private sector, the motive is purely profit.

Psychologically there is a healthy and free atmosphere for the growth of trade union movement in the public sector as the worker is not afraid of the management, whereas in the private undertakings the worker has the fear of losing the confidence of his owners for genuine trade union activity. It is also seen that there is a militant attitude among the workers towards the management of the private sectors.

In private sector, the recognition of the union itself is a battle for survival. It is noticed that most of the times, energy and resources of unions are spent over activities carried on for securing the right of existence. Once that right is secured, the unions in the private sector turn their attention to the other activities namely promoting education, social welfare, better living and cultural advancement, whereas the public undertakings take these things for granted and provide and promote these facilities and other activities as a matter of social policy to which the country is wedded.
The concept of trade union in private and public undertakings stands on different footings. The industrial complexities in the public sector make it convenient both for the management and workers' representatives to settle the day-to-day problems with mutual understanding and adjustment.

Trade unions and employers distrusting each other is more discernible in the private sector than in the public sector. It is seen that the activities and attitudes of the management largely determine the character and role of unionism in the industry, irrespective of public and private undertakings. It is rightly said that trade unionism has come to stay in the industrial life not only for economic motives but also for equally compelling psychological and social ones, to participate in making decisions that vitally affect the life and work of a community. The prejudices of class conflicts are seen more in private sector than in the public sector.

It is noteworthy to observe that the public undertakings have acquired a dignity not known previously in the old setup of industrial life. A self-generating class, with its roots in the industrial environment, in which the worker is born and bred is growing in strength. The public sector is contributing more for a better living standard, welfare and happiness of the workers. Though some enlightened employers and
managements have shown a considerable progress in the field of labour welfare, most of the private sector is lagging behind.

The trade unions, both in the public and private sectors, have yet to gain a substantive strength for want of a common cause, common goal and common philosophy of bread and butter unionism. The causes are extreme poverty, illiteracy, lack of trained, disciplined and responsible leadership.

A conflict between the two parties arises if their objectives do not synchronise. If this theory is applied to the relationship of the management in public sector with their trade unions, it should be obvious that there must be less of industrial conflict or dispute between the parties as the aim of the public sector is to serve the society and workers constitute a part of the society. But one's observation in this direction is entirely different as public sector too is equally affected by strikes and strifes.

In the above respect, the present study could identify, by open-ended questionnaire and personal interview, that the cause for the strikes and industrial unrest, particularly in the public sector, is the approach made by the top executives and line executives towards the trade unions. Bottle-necks are created in respect of healthy trade unions in extending their cooperation towards the management for industrial harmony. In
certain cases, where infrastructure leadership is built up in the area of trade unions functioning in public sector, there is much better understanding between the management and the trade unions. Of course the outlook on the part of the executives is progressive if they are drawn from the culture of understanding the human values of workers and their trade unions.

The functioning of trade unions in the private sector is usually based on the win-lose concept and power equation. In this interaction the management uses economic pressure and the trade union uses its strength and power. This is the general trend as far as management-trade union relations are concerned in the private sector. Contrary to this, it has been observed that in certain units of private sector which have adopted the human relations approach towards industrial relations, there is cooperative contribution on the part of the trade unions. In the units where the private management has adopted a participative concept and where decisions are taken in a consultative manner, there is considerable response on the part of the trade unions in realising the constraints and limitations of the managements and making the members understand the same in matters of getting their demands considered. Unfortunately in certain cases where the ideal concept of industrial relations is prevalent, it is sometimes hit adversely by the functioning of multiplicity of trade unions. In such cases establishing bargaining councils may be a better
proposition enabling the trade unions to function properly and contribute their part of the share for the promotion of better relations in industry.

Survey of selected units relating to the contribution of trade unions for industrial peace therein

Three units each of the public sector and the private sector are selected for the survey. The units that are selected in the public sector are A, B, C and that of the private sector, D, E, F. In the unit A the trade union movement began in the erstwhile Hyderabad state. From the beginning it was controlled by outside leadership. The union preferred legalistic approach to industrial relations. It was recognised by the management in 1948. Having failed in its efforts to secure the redressal of its demands, it succeeded in making the management agree for adjudication on items of disagreement.

Till 1955 the management was free from splinter groups in the workers organisation or existence of the rival trade unions. In 1956, a rival trade union came into existence and was registered under the Indian Trade Union Act with an outsider as its president. It was also recognised by the management in the year 1973 under the code of discipline. This union represented nine districts of the Telangana region. Prior to the recognition of this union, there were two other recognised
unions in the region. One was affiliated to the Hind Mazdoor Sabha in Hyderabad proper and the other was affiliated to the Indian National Trade Union Congress. Both were registered under the Indian Trade Union Act. Later on, both these were derecognised and recognition was accorded to another union registered and affiliated to Indian National Trade Union Congress. The derecognised unions are still functioning as registered unions.

As far as Andhra region is concerned, there is only one union which is registered and recognised by the management. There are two other unions in this area functioning as registered unions but unrecognised by the management.

There are as many as fourteen unions in the undertaking, with branches all over the state, of which two are recognised. The multiplicity of the unions has been the real cause for labour unrest in the undertaking. The management has found a way out of this situation by adopting a decision as follows:

"The representatives of the unrecognised unions may be granted interviews for enabling them to represent matters of an individual nature pertaining to the grievance of their members only. Where the grievances of the above nature represented are genuine, appropriate action will be taken promptly and the
final result intimated in writing to the union 
or the worker whose case the union has represented."

The general secretaries of some of the recognised and unrecognised trade unions of the undertaking were interviewed on matters relating to the general labour policy of the undertaking, causes for the discontentment of workers at various levels, the utility or otherwise of the existing machinery of the undertaking in dealing with the labour matters, etc.

1. The union leaders feel that due to the multiplicity of unions in the board, the unions are not in a proper bargaining position. Many of the unions are under the leadership of politicians who are themselves divided into various groups. This is acting as a hindrance to put up a united stand to achieve the demands.

2. The leaders feel that the general causes for labour unrest and discontentment stem from the difference of opinion between the bureaucrats and technocrats on the interpretation and implementation of the management's decisions. The invariably leads to delay in the implementation of management decisions and on account of this the grievances of workers accumulate. For each and every order of the management, clarification is sought from its higher authorities and due to
This matters get delayed or grievances keep pending. This is a time-consuming process which naturally causes restiveness amongst the workers who want immediate results and benefits.

3. The leaders are of the opinion that the existing machinery of the management dealing with labour matters at the levels of the Superintending Engineers and the Divisional Engineers should be sufficiently activised with powers to ensure implementation of the management decisions by the field officers. The general tendency of seeking clarifications by the field officers even on trivial matters which fall well within their powers and competence should be curbed. They desire that the management machinery dealing with labour matters should be organised and equipped on the same lines as that of the government labour department in the labour units in the district.

4. On the whole the labour unions are satisfied with the progressive outlook and labour policy of the management. They have a general grouse only against the middle line authorities of the management charged with the implementation of the decisions taken by the management on the various issues concerned with labour.

5. The recognised unions feel that the management should not give undue importance or weight to the unrecognised unions. The unrecognised labour unions seem to think that might is right, no matter whether they are recognised or not.
In the undertaking B the relationship between the management and the trade union is not very happy. This is evidenced from the fact that the undertaking had 112 strikes or agitations since its inception. The main reason for the unsatisfactory industrial relations is the inter-union rivalries. There are as many as seven unions functioning in the undertaking. Besides these, there is an officers' association which is recognised by the management.

The relationship between the management and the labour was the worst in the year 1970 when a charter of demands was submitted to the corporation by one of the unions. The management tried its best to arrive at a settlement but, because of the following reasons, no agreement could be reached between the parties.

a. Rivalry among the unions in the undertaking.

b. The unions refused to discuss the management proposals to improve productivity.

c. The demands put up by the unions were beyond the paying capacity of the corporation.

The unions resorted to agitation, slowing down work and adopting "work to rule," with the result that the work of the corporation was disrupted. The unions refused to accept the proposals of the management to resolve the dispute.
and so the management was left with no option but a lockout from 13-3-1971. Ultimately, after prolonged discussions between the management and trade unions an agreement was signed between them on 27-3-1971 enabling the management to lift the lockout from 28-3-1971.

An interview with one of the trade union officials of the corporation revealed how the labour-management relations in the corporation deteriorated day by day:

1. In 1968 the nontechnical staff resorted to go slow tactics when the management refused to permit the Corporation Employees Union to hold a meeting in an office during office hours.

2. In 1969 the Indian Commercial Pilots Association served a strike notice in protest against the appointment of an executive to officiate in place of the Regional Director and demanded of the corporation that an executive pilot be posted to officiate for the said Regional Director. The management of the corporation conceded the demand.

The later agitation by the two major unions of the corporation was for the introduction of the new shift pattern, which led to the declaration of the second lockout on
24 November 1973. However the Indian Aircraft Technical Association agreed for a timebound trial of the shift reform and signed an agreement on 8 December 1973 and hence the lockout was lifted with effect from 10 December 1973. This gave a jolt to the unions and the management took full control of the situation to enforce discipline among its employees.

The following steps were taken by the corporation to improve the relation between itself and the unions.

1. A joint council comprising officials of different unions and management representatives is constituted.

2. Forums for dialogue between the management and the workmen are encouraged.

3. Formation of labour relations committee comprising equal number of representatives of the management and workmen at all India level is encouraged.

4. Works Committee at the regional level is organised.

5. Industrial Relations Committee comprising officials from headquarters and the regions at the headquarters level and Regional Industrial Relations Committees consisting of officials from the regions are formed.
6. For better communication, the existing employees' suggestion scheme is reorganised.

The relationship between the corporation and its trade unions may be said to be jeopardised due to the following factors.

1. Inter-union rivalries.

2. Tough-minded attitude by the management under certain circumstances.

3. Absence of a central employees' organisation to represent the interests of different trades involved in the industry.

4. There are 8 unions functioning in the corporation; when one agitates and its demands are conceded, another starts its agitation.

5. On account of the disturbed conditions due to industrial unrest, the corporation sometimes fails to serve its clientele to its satisfaction.

6. Even after 15 days after lifting the lockout by the corporation and after the unions' signing the agreement, there appears to be no improvement in the relationship between the corporation and its employees.
7. In certain times instability in the administration of the corporation in dealing with the matters relating to the employees has been a bottleneck.

8. Everytime the change in the top executive of the corporation has added to its industrial unrest.

9. The corporation's encroachment upon certain rights of the unions engaging themselves in collective bargaining has been a setback to industrial harmony in the corporation.

10. The social disintegration among the executives, employees and the unions is another factor preventing better relations among them.

11. Failure on the part of all concerned in integrating the objectives of the parties at variance is another major area giving scope to many manifestations of industrial unrest.

The third unit namely C under the public sector surveyed for the study was started at the end of 1963. Signs of unionism in this undertaking came to the surface in the beginning of 1964 when some of the workers ventilated their grievances in respect of hospital facilities, messing facilities and recreation through a local All India Trade Union Congress labour leader. The political leaders and all
India trade union organisations like the All India Trade Union Congress and Indian National Trade Union Congress evinced interest in establishing their influence on the workers and management. The first shot of agitation was fired with a hunger strike by the Indian National Trade Union Congress leader in protest against the management not conceding increased wages for the contract labour.

One of the office bearers of the Indian National Trade Union Congress, with the help of the then Labour Minister managed to form a union of the undertaking and got it affiliated to Indian National Trade Union Congress. Another union was also formed in the undertaking under the auspices of the All India Trade Union Congress. The episode of multiplicity of unions in the undertaking started causing anxiety to the management which was at a loss to decide which union was the collective bargaining agent on behalf of the workers of the undertaking. Thus the grievances of the workers could not be settled till March 1967 and strained relationship between the management and the workmen became inevitable.

This situation added fuel to fire when there was a separate movement launched in the state. In this situation enlightened union leadership in the undertaking is ousted and in this regard a leader opined, "Educated persons with
democratic and socialistic ideals do not thrive in the union activities, only uneducated persons of disorderly behaviour can manage to remain in such unions."

On 27 December 1969 the union, under a new leadership, served a strike notice on the management for the implementation of the Engineering Wage Board recommendations. While the conciliation proceedings were instituted and were in progress, the workers resorted to strike on 12-1-1970. Happily, a settlement was arrived at and the workers reported to duty from the first shift of 13-1-1970.

A split in the state, in the Indian National Trade Union Congress, led to an intra-union rivalry in the undertaking. Again there was strike in the year 1971 and on the advice of the labour commissioner and the chief secretary of the state government the workers resumed duty on 12-1-1971.

One of the unions staged a relay hunger strike from 12-6-1972 to 22-6-1972 demanding bonus for the year 1971-72; with an announcement that exgratia payment would be made by the management the hunger strike came to an end.

One of the welcome features of the union movement the undertaking was the formation of a federation. One of the first activities of the federation was the question of
reduction of office hours for the administrative staff.
The federation failed in its bid. Barring this, the federation
has seldom taken up any major issues like joint charter of
demands, and the unions at the individual units are allowed
to take up their own issues at the unit levels.

In the light of the discussion, a survey in respect
of the selected 3 private sector units, D, E, F, may be
presented here.

The unit 'D' manufactures high explosives and is located
at the outskirts of the Hyderabad city. It is well organised
on the basis of scientific management. It employs more than
2,000 workers. The total expenses incurred by the unit in its
employees are more than Rs.210 lakhs per year, out of which
salaries/wages and bonus account for more than 110 lakhs.
Other benefits extended to the employees in terms of money
value are of over 100 lakhs. The unit has served its customers
for more than 12 years.

The trade union which is functioning in this unit is
affiliated to Hind Mazdoor Sabha and recognised by the
management except on some occasions. The first charter of
demands submitted by the union dated back to 10-11-1971. The
representatives of the management and the union held discussions
on the issues raised by the union in the charter of demands
on various occasions and those that were not settled were admitted to conciliation; settlement on them was reached under section 12(3) of the Industrial Disputes Act and a separate settlement was concluded under section 18(1) of Industrial Disputes Act on the issues mutually agreed upon earlier.

Normally cordial relationship between the union and the management has prevailed in the unit. The unit does not suffer from the multiplicity of unions. Though the outside leadership of the union has been changing every year at the annual general body meeting, there has not been a shift or change in the affiliation with the federation of trade unions namely, Hind Mazdoor Sabha. Except one or two, office bearers of the union are drawn from the worker cadre. The office bearers are enlightened as they have been participating effectively in the Workers’ Education Scheme and other training programmes conducted by the professional institutions in the area of leadership development and workers’ participation in industry. The management encourages the union leadership by extending financial assistance, enabling them to attend conferences, seminars and symposiums, held, within and outside the state, in the area of industrial relations and allied subjects.

Labour welfare, within and outside the unit, is a concern of the management. There appears to be active participation of the union members in the welfare activities promoted by the management.
Unit E is a tobacco company situated in an urban area of Andhra Pradesh and was started as a family firm as early as 1920. It became public limited company in the year 1930. It is substantially a foreign owned organisation, with 65% of its total shares being held by foreign nationals. It manufactures various brands of cigarettes having not only good market in the country but also outside.

The company is managed by a Board of Directors with a full-time Chairman. It has 6 major departments, which are headed by departmental managers. The personnel department is mainly concerned with industrial relations and labour welfare. It also deals with various developmental training programmes of staff and workers. It may be said that this department is concerned with all the matters relating to the employees' interests, from recruitment to retirement. As in December 1977, the company employed about 2,500 workers, besides providing indirect employment to a considerable number. The entire unionised staff is divided into 2 main categories—daily rated and monthly rated. The wage of the daily rated workmen ranges from Rs.6/- to Rs.20/- per day and that of the monthly rated from Rs.200/- to Rs.400/-, besides the dearness allowance. They are also paid job money. A unique feature of the wage structure of this unit is the "comprehensive bonus plan." This plan links the payment of bonus with production/productivity. This scheme is incorporated in the memorandum.
of settlement entered into by the management and the union under section 12(3) of the Industrial Disputes Act, 1947. This scheme is a substitute for bonus under the Payment of Bonus Act. This comprehensive annual bonus plan consists of two parts. The production payment plan covers all regular workmen employed by the company excluding seasonal workmen in the leaf department; and the productivity index plan covers all the regular workmen in the factory, commercial and administrative department excluding the field workmen and the workmen in the leaf department. The dearness allowance is paid to workmen as per the cost of living index, i.e., for every increase of 10 points of the cost of living index, an increase of ₹.7/- is paid.

The unit has a sound recruitment, training and promotion policy. It is observed that there is a gentleman’s agreement with the union that whenever an employee retires or dies while serving the company, his nominee is taken in his place. Promotions are made on the basis of "merit-cum-seniority." A peculiar feature of the training policy is the Technical Training Centre where workers are trained to make the fullest use of their skills. A separate building, with an atmosphere conducive for training, is provided for this purpose. A merit rating system is in vogue. The ratings of the employees are periodically perused and the names of those who are eligible
for promotion are communicated to the President and General Secretary of the union. With their consent the promotions are effected. The procedure has been incorporated into one of the memoranda of settlement reached between the management and the union.

All matters relating to labour are negotiated between the representatives of the management and the union in the negotiation committee constituted with 6 members, three from the management and three from the union. In this unit there is the practice of job evaluation. An advisory committee meets to resolve grievances whenever they are received. In the year 1974 the committee met four times and evaluated various categories of jobs. There is also a committee called grievances committee of general nature; the functioning of the committee is satisfactory.

The unit is providing the various amenities, as prescribed by Factories Act, 1948. There is a Workers Welfare Endowment Trust for which the unit has donated Rs. 1,50,000/-. It has agreed to donate to the Trust every year an amount equivalent to the aggregate of the annual increment of workers withheld for that year and also the dearness allowance payable on such withheld increments of workers, as per the terms of memorandum of settlement dated 1-5-1965. The object of this Trust is to promote welfare activities of the workmen like
the promotion of adult education, scholarships, cultural programmes, industrial and educational tours, sending the workmen to various training courses, providing presents to retired workmen etc. In the Trust deed dated 26-9-1959, it is observed that the company donated a sum of Rs.75,000/- for the establishment of Karmika Vidya Kendram. It is managed by the the union. It is further noticed that the company donated another sum of Rs.1,25,000, in October 1967, to the Trust for its school.

Another important feature is the company's higher educational trust created in the year 1973. A sum of Rs.1,50,000 has been donated by the company to the trust to be utilised for the promotion of scholarship through freeships, and grants by way of loans or otherwise on such terms and conditions as trustees may lay down from time to time to enable the meritorious and/or deserving children of the employees of the company to obtain higher technical education in the fields of medicine, engineering, electronics, technology etc. The unit spends about Rs.60,000 every year to promote activities of sports, study and educational tours, and weekend picnics. The unit brings out periodically its house journal as a medium of communication between itself and its employees.

The idea of starting a union in the unit occurred to the workers as early as 1942. The union was established under
the leadership of an outsider. It was registered on 28-12-1946. In the year 1947 it was affiliated to the All India Trade Union Congress and was recognised by the management on 20-4-1947. The outside leadership was thrown out in the year 1957 and soon an inside leadership came to be developed.

The company was constrained to declare a lockout from 10-7-1967 for an undemocratic and unilateral attitude to the trade union activities. A rivalry between the groups within the union developed and it led to the election of the office bearers of the union under the supervision of the State Labour Department in the year 1969. The new leadership of the union was recognised by the management on 26-2-1969. It was under the aegis of the Indian National Trade Union Congress. In the year 1970 this leadership was replaced by another outside leadership, from the Hind Mazdoor Sabha. In this changeover of leadership, the harmony of the unit received a setback. The atmosphere of industrial relations improved gradually with the restoration of infra-structural leadership and the settlement of a number of issues. From 1-1-1978 on the industrial relations in the unit are fairly good and issues are settled amicably between the management and the union across the table of collective bargaining.

The management and the union have entered into an agreement, effective from January 1978 to July 1981. According
to the terms of the agreement each employee will get a wage increase between ₹.120/- to ₹.130/- per month. The bonus payable to the employees was enhanced from the existing 12 to 14 per cent to 20 per cent.

Other benefits from the agreement include a medical checkup centre in the union premises, supply of two pairs of uniform annually to every child of a worker, payment of tuition fee and supply of books for higher education to workers as well as their children, grant of ₹.18 lakhs towards providing interest-free loans to members of cooperative house building society (construction of 100 houses in Nacharam is to be taken up immediately and grant of ₹.1 lakh to the workers' cooperative credit society.

Unit F is a limited company. Having foreign collaboration, it manufactures a number life-saving drugs besides important basic chemicals. The formulation plant of the company was commissioned in 1967 and the basic chemical plant, in 1968. It is located on the borders of the city of Hyderabad. It engages about 950 employees. Twenty one per cent of them are ladies. Most of the workmen are literate, matriculation level being the norm. They are in the age group of 20-30. The working conditions of the employees are governed by certified standing orders. The company provides a number of training programmes for the workmen. Some of the programmes are:
1. **Company Familiarisation Training Programme.**
2. **Fire Fighting Training.**
3. **First Aid Training.**
4. **Personnel Hygiene Training.**
5. **Outside Training Programme for which workmen, including union leaders, are deputed.**

The unit has a number of joint consultative committees such as the industrial relations committee, works committee, canteen committee and safety committee. Particular mention may be made of the industrial relations committee which functioned till May 1973. There was a strike in the unit from 16-5-1973 to 15-7-1973. After this, the committee was not revived. This was a high power committee comprising the senior executives of management and senior office bearers of trade union workers representatives including General Secretary of the union, while the management representatives included the Personnel Manager. The committee dealt with the day-to-day problems of the workers and met once a fortnight, and also whenever required, depending upon circumstances.

In the unit informal communications are routed through line management, while formal communication is made through union and notice board and also through a house magazine which is mailed to the residential addresses of the employees.
Some of the welfare activities promoted by the units for its employees are: holiday homes, annual cultural programmes, film shows and canteen facilities. Canteen facilities include subsidised beverages, snacks, etc. The workmen of the unit formed themselves into a union on 4-12-1968. It was registered on 20-8-1968 under the Indian Trade Unions Act and was affiliated to Indian National Trade Union Congress. The office bearers of the union are drawn from the worker cadre. On 4-8-1968 the internal President of the union resigned and in his place an outsider was elected. Subsequently when the President of the union became the labour minister of the state, the ex-president of the union was brought back to the union. In the year 1970 there was a change in the position of the General Secretary i.e., among the workers themselves. As there was only one union in the unit, it enjoyed all the privileges of a recognised union. In the year 1971, under the memorandum of settlement dated 23-8-1971, the union was formally recognised as the exclusive collective bargaining agent on the terms and conditions set out in the code of discipline.

From the records made available by the unit it is found that three important collective agreements were reached between the management and the union in the years 1969, 1970 and 1971.

A total monetary benefit of Rs.85/- to Rs.150/- per month in 1971 agreement was considered to be a landmark in the
history of collective bargaining in Andhra Pradesh. This is the first factory in Andhra Pradesh to introduce a 5-day week.

In the last quarter of 1972 there was a rift among the workmen and a separate union was formed under the leadership of the ex-General Secretary of the union which was a minority group. But the company stood firm on the side of the union recognised and did not support the minority. After a few months the minority union was dissolved and its members joined the recognised union. But there was change in the union, i.e., an internal worker was now made the President of the recognised union and the ex-General Secretary of the union as working President, while the General Secretary of the recognised union continued as its Secretary. A significant feature of the union is that all the workmen including the lady employees took active interest in the union activities and some of the lady employees were associated with the union as its active office bearers.

The following instances of work stoppages/strikes took place in the unit:

1. Period and dates : One day, 28-10-1970.
2. No. of mandays lost : 309.
3. Reasons for strike : Protesting against the employees being taken by the police from
2. Period and dates

| Consequences | Workers lost wages for the day. |

No. of mandays lost: 281.

Reasons for strike: Demanding Sankranthi holiday on 14-1-1972 as against 15-1-1972 as declared by the company.

Consequences: Loss of 2 days' wages (penalty for illegal strike). However subsequently, 2 days' wages were refunded against the adjustment of 1 day's privilege leave after an apology tendered by the union. Labour department investigated into the strike and warned the union not to repeat such instances.


No. of mandays lost: 20,468.
Reasons for strike

As a protest against the suspension, pending enquiry, of Godown keeper, following a stock discrepancy worth Rs. 1.02 lakhs. Workers started agitation which resulted in suspension, pending enquiry, of six workmen. Union declared strike from 16-5-1973 as a protest against the illegal lockout declared by the company.

Consequences

Loss of 69 days' wages (61 days' for absence and 8 days' as penalty for illegal strike). 11 workmen including union leaders were dismissed. Permission was sought from the Labour Court under section 33 of the Industrial Disputes Act for dismissing 10 more workmen. Government declared the strike illegal and refused to refer the matter to adjudication. Union has been derecognised.
A comparison of work stoppages/strikes with the settlement reveals a surprising factor that no strike or agitation took place at the time of signing any settlement; all work stoppages/strikes took place when agreement subsisted.
Footnotes


