CHAPTER III

HISTORICAL BACKGROUND OF TRADEUNIONISM IN INDIA

3.1 Introduction

3.2 Workers Organisation - A Necessity and its Realisation in India

3.3 History of Indian Trade Union

3.4 Labour Legislation

3.5 Trade Union and Related Legislation

3.6 Functions of Unions

3.7 Objectives of Trade Unions

3.8 Reasons for Workers to Join Trade Unions

3.9 Essentials of a Successful Trade Union

3.10 Advantages and Disadvantages of Trade Unions

3.11 Patterns and Structure of Unions in India

3.12 Types of Unions

3.13 Factors Affecting the Growth of Trade Unions

3.14 Statutory Necessities of Trade Unions.

References
3.1 Introduction

The institution of Trade union, though comparatively recent in origin has become a powerful force by way of its direct influence in the social and economic life of industrial workers. Sydney and Beatrice Webb considered Trade Unionism to be "the extension of the principle of democracy in the sphere of Industry". Unfortunately this broad idea is weakened by causes not too far to seek; multiplicity of unions, placing political ideology before economic interests and to some extent insufficient leadership.

Since the conflict, or co-operation between workers and management is greatly influenced by the nature of the workers organisation and the processes that induce their structure, study of Trade Union becomes a critical topic in the industrial relations area. In this chapter an effort is made to study the origin of Trade Unions in India, the nature and pattern of unions, the relations within the unions, its consequences for the structure and behaviour of Trade Unions in the Industry and the implications they leave to be marked and provide in the years to come.

3.2 Workers Organisation - A Necessity and its Realisations in India

Trade Unions are the product of large scale industrialisation and concentration of industries. Before the advent of industrialisation there were
personal contracts between the employers and the workers (as the industries were run in the homes and with the tools of the employer). So there was no need to have any machinery for determining their relationship. But under the modern factory system this personal contact lost its weight due to setting up of large scale industrial units, with concentration in towns and with the heavy use of machinery. The lure of employers, to reduce the cost of production, in order to withstand in the competitive market and to maximise their profits enabled them to use more and more technologically advanced devices of production and sophisticated machines which, in turn, have contributed in further drying up the dampness of the personal relationship. Simultaneously it had given rise to a new class of workers who were dependent on wages only for their livelihood and had come from different parts of the country, for seeking employment in these industries.

3.3 History of the Indian Trade Unions

As an organised movement, trade unions began to take shape in India in the years immediately following the end of the World War I. The rise of trade unions was a new development in the society. In its long history through the ages there is no organisation which can be regarded as the prototype of a trade union. “There are some similarities between a trade union and a caste, but there are more dissimilarities than similarities. A caste is many a time wedded to a
profession or a craft. Originally the caste system may have developed, at least partially, as a result of different professions and practices followed by various sections of the society. But in course of time caste became entirely dependent on birth. One is born into a caste, he cannot join it. The link between the caste and the profession or craft also broke down in later years.\textsuperscript{2}

Trade unions are essentially the product of modern large scale industry. Indian trade unions did not grow out of any existing institutions in the society. They developed as a new institution. So far as the question of formation and development of Trade Unions in India is concerned, its necessity was realised from 1875 onwards by philanthropists, social workers like Shri Soirabji Shapaji Bengalle and Shri N.M. Lokhandey. As a result of their concrete efforts there was awakening among the workers and they had formed a few trade unions like The Printers Union, Calcutta (1905) the Bombay Postal Union (1907) etc. Yet the necessity of having workers organisation on a large scale was realised only after the 1\textsuperscript{st} World War. Therefore, labour leaders like Mahatma Gandhi had given due impetus to the organisation of workers.

Gandhiji had realised the necessity of organising and combining the workers into trade unions, as he had experienced from his close association with working class that the labour relations in India were not just and balancing. On one side, the one party i.e., capital (employers) were properly organised,
entrenched and were having control over the market; whereas the other party i.e.,
labour (employees) was so much disunited and disorganised that it was working
under the grossest superstitions. So much that it could not even imagine, what to
say of thinking that its wages have to be dictated by capitalists instead of
demanding on its own terms. Moreover its intelligence was cramped by the
mechanical occupation as it had little scope or chance to develop their mind.
Due to this very reason it was prevented “from realising the power and full
dignity of their status.” Keeping this attention on both these parties i.e. Capital
and Labour (Employers and Employees.) Gandhiji tried his best to regulate their
relations on a just basis.

Accordingly, he advised the working class, “to combine themselves in
the form of unions but not for political motives but for bettering their social or
economic positions. So by combining into unions the labour would become
intelligent enough firstly “to co-operate with itself” and secondly “then to offer
co-operation with capital on terms of honourable equality” For attaining the
objective of elevating the labour to the status of co-partners of capital, Gandhiji,
felt that, there was no need to bring about transformation of the existing
relationship as such capitals and labour were not to be considered “as inherently
irreconcilable analgonists”, but there was need to understand this rock bottom
truth “if capital was power, so was work” and the capital was as much
neighbour of the labour as the latter was a neighbour of the former and one had
to seek and win the co-operation of the other. With this understanding, a familialistic relationship will be created in between these two potent forces of production i.e. capital and labour. Thus having combined labour “would not be tempted then by higher wages or helplessly allow itself to be attracted, for say, pittance.” But on the contrary its combination would act like a magnet attracting to it all the needed capital and ultimately “will have ample food, good and sanitary dwellings, all necessary education for their children, ample leisure and self education and proper medical assistance” and then the capitalist would “exist as trustee for them”. Therefore, Gandhi had realised the necessity of combining the working class into Trade Unions.

Besides Gandhi, the Whitly Commission on Labour in India (1929-31) had also pointed out that the “Modern industrialism is itself of western importation and the difficulties which it creates for labour in India are similar to the difficulties it has created elsewhere”. In these conditions the Commission realised that “it is power to combine that labour has the only effective safeguard against exploitation and the only lasting security against inhuman conditions”. Moreover the Commission did not find an evidence of any alternative remedy that is likely to prove effective. So it emphasised that the need of organisation among Indian workmen is great and it further recommended that “nothing but a strong Trade Union movement will give the Indian working class adequate protection.” The Commission went on recommending the necessity of Trade
Unions so much that it said that "nor is labour the only party that will benefit from a sound development of the trade union movement. Employers and the public should welcome its growth." The Commission had also realised the necessity of Trade Union very much because it was confident that the Trade Union, if formed, "is bound to evoke a response" and if that response does not take the form of organised trade union movement, it is feared that it may assume a more dangerous form.

Besides Gandhi and the Royal Commission on Labour (1929-31) the necessity of forming Trade Unions has increasingly become more and more on attainment of independence in India (i.e. 15th August, 1947). After being independent, India drafted her own constitution where in various freedoms viz., freedom of speech, freedom of association, freedom of settlement and freedom of employment etc. have been guaranteed and goal of social justice has been set up for the welfare of all. Simultaneously for having planned economic development and bringing about social transformation in the country, the Planning Commission drafted its first five year plan, setting therein necessary targets of production - industrial as well as agricultural - to be achieved during the next five years. For having industrial advancement industrial Policy Resolution in 1948, was also prepared.
As the economic progress is bound up with the Industrial peace so for the successful implementation of the plans, particularly in the economy organised for planned production and distribution and aiming at the realisation of social justice and the welfare of the masses, the co-operation from Trade Unions was considered absolutely essential at different stages of the execution of the plans. Accordingly, it was realised that the question of maintenance of smooth industrial relations was not a matter between employers and employees alone. But it was a vital concern of the community. Therefore their relationship has to be of a partnership in this constructive endeavour. This was the reason why it was provided in the first five year plan that the dignity of labour must be recognised so that the workers who on account of hardships of illiteracy and ignorance and lack of opportunities have not been able to play as effective a role in the working of industry as they should, could understand and carry out their responsibility and could take an increasing share in the industry.

Accordingly the workers "right of association, organisation and collective bargaining was accepted" and it was laid down in this plan that they (Trade unions) should be welcomed and helped to function as part and parcel of the industrial system. The necessity of Trade Unions was so much considered that no difference between the workers working in privately owned industries or in publicly owned industries, was made. Even the workers of public sector (managed and financed by the government itself) were in their interests, allowed
to have their organised representation.\textsuperscript{33} and to encourage the growth of healthy trade unions in their undertaking, it was provided that there should not be any restrictions on industrial and commercial employees of government undertaking in exercising their trade union rights like any other employees \textsuperscript{34} i.e. the employees those engaged in private sector).

The necessity of organising workers into Trade Unions was not limited upto the enactment of the First Five Year Plan but it was reiterated in the Second Five Year Plan too, which postulates that “a strong union movement is necessary both for safeguarding the interests of labour and for realising the targets of production”.\textsuperscript{35} Therefore, for building up strong unions the plan emphasised “to grant them (Trade Unions) recognition as representative unions”\textsuperscript{36} and for this purpose the states were asked to enact “some statutory provision for securing recognition of unions”.\textsuperscript{37} The inevitability of Trade Unions did not end with the Second Five Pear Plan of the country but it was re-emphasised even in the Third Five Year Plan of the country which laid down that “they (Trade Unions) have to be accepted as an essential part of the apparatus of industrial and economic administration of the country”.\textsuperscript{38} Besides Third Five Year Plan, a chapter on labour policy has been included in the Fourth Five Year Plan and in the successive Five Year Plans of the country.
Besides these, the code of Discipline of Industries of 1962 was evolved by the employers and the employees for facilitating the free growth of Trade Unions and eliminating all forms of coercion and violence in Industrial relations. Accordingly, it provided that every employee shall have the freedom and right to join a union of his choice.

The subject of labour has been so much important that the Government of India for improving the conditions of workers and for solving their day to day problems, had appointed a National Commission on Labour in 1966, for submitting its detailed report along with its recommendations. It has already submitted its report in 1969 which are under consideration by the government. This Commission in its report regarding the inevitability of Trade Unions said that Unions have a share in the success of the national plans for economic development, since these are formulated and implemented as much for maximising production as for distributing the product in an equitable manner.

The above discussion reveals that Trade Unions have become inseparable part of the country’s industrial organism because they “help to integrate worker’s with the society in which they live. They form a link between the individuals and the total community. Without trade unions workers could have no institutional means of putting forward their point of view. In the absence of Trade Unions, the organised strike would give way to the un-organised riot and other such
undisciplined behaviour. Trade Unions channelize the workers protests in a disciplined manner. Thus the Trade Union has been an essential bargaining institution of workers in organised trades. So it is in the interest of the employer that membership of the union should be as wide and general as possible. In this manner it is conclusive that the Trade Unions are interwoven with the economic advancement of the country.

The task of influencing the socio economic - politics of the community must have high priority for the trade union movement. Trade Union should serve not only as agencies seeking for their member, fair wages and proper conditions of work and living, but should also play increasingly important role in the nation’s economic development.

The significant point about industrial labour is that though numerically small, in the economic and political structure of the country its influence is vast. For, organised labour has a tremendous influence in that sector of the economy which has a vital bearing on economic growth.

The contribution of the Industrial work force per head to the national income is much greater than that of any other groups. The huge agricultural work force produces less than half of the national income where as the nature of the work done by the workers in the Iron and Steel Industry or the export industries are different.
The Trade union movement in India was born after the end of the 1st World War, when there was an outburst of Industrial strike. “This first union was started in Madras by the initiative of Mr. B.P. Wadia in 1918.” It was known as the Madras Textile Union. It did excellent work in redressing the grievances of workers, but in 1921 the law was made use of against it by employers who obtained an order from the Madras High Court restraining the union activities. The event focussed the attention of the public, on the need for trade union legislation which did not exist till then in the country.

Meanwhile, in 1920, in Ahmedabad an association of workers was formed which developed into a model union. It was unique in its constitution and in its leadership. Under the guidance of Mahatma Gandhi, the Ahmedabad Textile Labourer’s Association was able to build up a solidarity among the workers which was unrivalled. The union was one of the strongest in the country. The chief importance of the union lies in the fact that it had devised an elaborate system of joint conciliation and arbitration with the Ahmedabad Mill owners by which this textile centre has been almost free from strikes. It adopted the ideals of truth and non-violence as its means to get the demands fulfilled. The year 1920 also saw the establishment of the All India Trade Union Congress (AITUC) as a central organisation of labour. The main impetus to its founding was the association of India with the International Labour Organisation.
"The growth of a healthy trade union movement in India has been retarded by the tendency of political organisation to use trade union activities to further their political aims. Some how it is only in India that trade unions are mixed up with politics. Trade unions in all countries are more or less 'political', in the sense that they are affected by the decisions of the state, therefore try to affect those decisions. Trade unions in India are different from those in the west in that they have less independence from political parties. They are unable to attain their ends by purely trade union methods. Therefore, they require political assistance and the political parties are ready to provide that assistance." 45

The passing of the Indian Trade Union Act of 1926 conferred a legal and corporate status on registered trade unions and granted them certain immunities in regard to trade disputes. The act makes provision for two matters. (1) The conditions governing the registration (2) The right and privilege accorded to registered unions. The Act also allowed the funds of the registered unions to be spent for the conduct of trade disputes and for the provision of benefits to its members.

Under the Trade Union Act of 1926, the registered trade unions are required to submit annual returns to the Registrar of Trade Unions. It is, however, not compulsory for all unions to be registered under the Act. In 1919 the international labour organisation was founded and for the purpose of sending
representatives to the organisation the AITUC was started. Lala Lejpath Roy was elected to attend the conference held at Geneva. B.P. Wadia, Divan Chammanlal, and N M Joshi were elected as the advisors. The first meeting elected Lajpath Roy as chairman.

"In 1926, the Trade Unions Act was passed which was a landmark in the history of the trade union movement in this country. The Act gave a legal status to the registered trade unions and conferred on them and their members a measure of immunity from civil suits and criminal prosecution. Registration of Trade Unions enhanced the status of unions in the eyes of the general public and of the employers."^46

"Towards the end of 1920's there was a split in the Trade Union movement on account of ideological differences among trade union leaders. The AITUC was captured by the communists while the moderates started a new central labour organisation known as the All India Trade Union Federation."^47 The conflict among the leaders resulted in the failure of many strikes.

"The 1930's started with a climate which was favourable to the growth of the trade union movement. The prosecution of the communists involved in the Meerut Conspiracy case, and the failure of the Bombay Textile strike of 1929 brought a dullness in trade union activity. The serious economic depression of this period had the same effect. There was wide spread retrenchment (due to
economic depression) and the strikes of this period were aimed at maintaining normal wages and preventing retrenchment. During this period there were further splits in the trade union movement but ultimately, just before the Second World War, unity in the movement was brought about.48

The Second World War created an emergency and the trade union leaders again were split on the question of participating in the war. The communists following the Russian Communist party wanted to help the British to fight out the Nazis while Nationalist leaders wanted to strengthen the national movement to over throw the British rule from India. This led to a sharp ideological rift and the trade union movement was split again. Industrial unrest increased during the war because of the mounting cost of living. The government used the Defence of India Rules and prohibited strikes and lockouts and referred industries disputes to conciliation and adjudication. But the deteriorating economic conditions made workers conscious of the need for making organized efforts for securing relief. This gave a fillip to the union movement and there was a marked increase both in the number of unions and of organized workers.

After Independence

With independence and partition the country was plunged into growing unemployment. The high hopes of the service workers for securing higher wages, better conditions and amenities from the national government were shattered.
The workers found it necessary to struggle hard even to retain what they had obtained earlier. A series of strikes swept the country and man-days lost during the period were the highest ever recorded in the county. The disunity in the trade union ranks was aggravated by the starting of four central organizations during the period- the INTUC, AITUC, the HMS and the UTUC. Among them INTUC and HMS were affiliated to the “Industrial Confederation of the Trade Union” (ICFTU) which is one of the international labour organizations. AITUC was affiliated to the world Federation of Trade Unions. Indian trade union movement was so weak when compared to the other unions of the world. Because of the influence of the political parties, still now our workers are not closely united. Besides, a number or workers have not joined in any union.

The Central Trade Unions

1. All India Trade Union Congress (AITUC)

It was established in 1920 as a result of a resolution passed by the organized workers of Bombay and the delegates which met in a conference on 31st October 1920. It was attended by such first rank political leaders as Motilal Nehru, M.A. Jinnae, Mrs. Annie Besant and Vallabhai Patel and Col. Wedgewood on behalf of the British Trade Union Congress. The first president was Lala Lajpat Rai.
II. The Indian National Trade Union Congress

The INTUC came into existence on 4th May, 1948, as a result of the resolution passed on 17th November 1947, by the United Board of the Hindustan Mazdoor Sevak Sangh, which was a labour organisation working under the direction of National Congress-minded labour leaders on the Gandhian Philosophy of Sarvodaya. Since AITUC was under the stronghold of the Communists, the Congress labour leaders thought of forming a new central trade union organization. To give effect to this idea, a conference was held at New Delhi under the chairmanship of Sardar Vallabhai Patel. It was inaugurated by Shri Acharya J.B. Kripalani (on May 3, 1947) and was attended by eminent nationalist and socialist leaders.

III. Hind Mazdoor Sabha (HMS)

When the Socialists separated from the Congress, those who were dissatisfied with the pro-Communist policies of the INTUC, formed a new organization, the Hind Mazdoor panchayat, which was merged with the Indian Federation of Labour in 1948 under the name of the Hind Mazdoor Sabha. It is an organ of the Praja Socialist Party.
IV. United Trade Union Congress (UTUC)

Some trade union leaders of the socialist bent met together in December 1948 to form a new central organisation of labour, called Hind Mazdoor Sabha. Some of the leaders did not agree with the principles and objectives of the Sabha and they therefore, again met at Calcutta on December 27, 1948, and decided to call upon a conference of trade union leaders to form a united Trade Union Committee. This Committee called for a meeting of the various leaders at Calcutta on April 30, 1949, and formed a new union under the name of United Trade Union Congress.

V. Bhartiya Mazdoor Sangh (BMS)

This union has been the outcome of the decision taken by the Jana Sangh in its convention at Bhopal on 23rd July, 1954.

VI. National Front of Indian Trade Union (NFITU)

This union was founded in 1967, with the claim that “this is the only trade union in India which is not controlled by any of the political parties, employers or government.”
VII. Centre of Indian Trade Union (CITU)

This was formed in 1970 when as a result of the rift in the AITUC, some members of the Communist Party seceded.

Comparative Study of Four Original Central Organisations

Although there are as many as nine central labour organizations in the country, only four are of great importance: the INTUC, the AITUC, the HMS, and the UTUC. Even though the general objective of these four organizations is the same, namely, to promote the economic, social, political and cultural interests of workers, they differ in some fundamental principles based on political attitudes.

Objectives: The INTUC aims at the sarvodaya ideal and stands for gradual transformation of the existing social order. It aims at establishing a socialist state in India. The objectives of AITUC have a distinct ring of 19th century Marxism. The AITUC also strives to establish a socialist society, but through radical means. The HMS stands for the establishment of a democratic socialist society, and so does the UTUC. So the ultimate pattern of society aimed at by the four organizations is the same.
3.4 Labour Legislation

This is another important area, which has a great impact on the industrial relations system. Labour legislation has been instrumental in shaping the course of industrial relations in India. Establishment of social justice has been the principle, which has guided the origin and development of labour legislation in India. The setting up of the International Labour Organization gave an impetus to the consideration of welfare and working conditions of the workers all over the world and also led to the growth of labour laws in all parts of the world, including India. Some of the other factors which gave impetus to the development of labour laws in India were the Swaraj Movement of 1921-24 and the appointment of the Royal Commission on Labour in 1929. The labour laws regulate not only the conditions of work of industrial establishments, but also industrial relations, payment of wages, registration of trade unions, certification of standing orders etc. In addition, they provide social security measures for workers. They desire legal rights and obligations of employees and employers and also provide guidelines for their relationship.

In India, all laws emanate from the constitution of India. Under the constitution, Labour is a concurrent subject, i.e., both the central and state governments can enact labour legislation, with the clause that the state legislature...
cannot enact a law which is repugnant to the central law. A rough estimate places the total number of enactments in India to be around 160.  

3.5 Trade Unions and Related Legislation

The Trade Unions Act, 1926

The Trade Unions Act was passed in 1926 under the title of the Indian Trade unions Act and was brought into effect from 1st June 1927 by a government. The act was amended in 1947, 1960 and 1962. Subsequently, the word ‘Indian’ was deleted from the amended Act of 1964, which came into force from 1st April 1965.

It was enacted to provide for the registration of the trade unions and in certain respects to define the law relating to registered trade unions.

1. This Act may be called the Trade Unions Act, 1926.

2. It extends to the whole of India.

3. It shall come into force on such date as the central government may, by notification in the official gazette, appoint.
The Objects of the Act

The Act was enacted with the object of providing for the registration of trade unions and verification of the membership of trade unions registered so that they might acquire a legal and corporate status. As soon as a trade union is registered, it is treated as an artificial person in the eyes of the law, capable of enjoying rights and discharging liabilities like a natural person. In certain respects, the act attempts to define the law relating to registered trade unions. The Act, apart from the necessary provisions for administration and penalties, makes provisions for:

a. Conditions governing the registration of trade unions.

b. The obligations of a registered trade union; and

c. The rights and liabilities of registered trade unions.

Applicability of the Act

The Act extends to the whole of India. The words “except the state of Jammu and Kashmir” have been omitted by the amended Act of 1970 with effect from 1st September 1971.

The Act applies not only to the unions of workers but also to the associations of employers.
The Act is a central legislation, but it is administered and enforced mostly by state governments. For the purpose of this act, the Central government handles the cases of only those unions whose activities are not confined to one state. All other unions are the concern of state governments. The registrars of trade unions are appointed both by the central and state governments. They can also appoint additional or Deputy Registrars who may exercise the powers and functions of the Registrars, as they think fit so as to obviate delays in the disposal of applications for the registration of trade unions.

**General Scheme of the Act**

The Act is divided into 33 sections and contains 5 chapters.

Chapter I deal with the title, scope and commencement of the Act, together with important definitions (Secs 1 and 2).

Chapter II discusses the various aspects of registration of trade unions, viz., appointment of Registrars (sec.3) mode of registration (Sec.4) submission of application for registration (Sec.5), provisions to be contained in the rules of a trade union (sec.6) power to call for further particulars and alteration of name (sec.7) registration (sec.8), issue of certificate of registration (sec.9); cancellation of registration (sec.10); making of appeals (sec.11); location of registered offices
of the trade unions (sec.12); incorporation of registered trade unions (sec. 13); and the non-applicability of certain acts to registered trade unions (sec.14).

Chapter III describes the rights and liabilities of registered trade unions, i.e., it deals with the objectives for which general funds may be spent (sec.15); the constitution of a separate fund for political purposes (sec.16); criminal conspiracy in trade disputes-immunity (sec.17); immunity against civil suit (sec.18), enforceability of agreements (sec.19); right of inspecting books of trade unions (sec.20); rights of minors to membership of trade unions (sec. 21); disqualification of office-bearers of trade unions (sec.21.A); proportion of officers to be connected with the industry (sec.22); change of name of trade union (sec.23); amalgamation to trade unions (sec. 24); notice of change of name or amalgamation of trade unions (sec.25); effects of change of name and amalgamation (sec.26); dissolution of trade unions (sec. 27); and filing returns by trade unions (sec.28).

Chapter IV deals with powers to make regulations (sec.29); and publication of regulations (Sec.30).

Chapter V deals with the consequence of failure to submit returns (Sec.31); Supplying false information regarding trade unions (Sec.32); and cognizance of offences (Sec.33).
Provisions of the Act

The main provisions of the act relate to

1. Definition

2. Registration of trade unions

3. Duties and liabilities of a registered trade unions.

4. Rights and privileges of registered trade unions.

5. Amalgamation and dissolution of trade unions.

6. Submission of returns

7. Penalties and fines.

8. Power to make regulations.

9. Definitions under the Act

The term executive refers to any body, by whatever name called, to which the management of the affairs of a trade union is entrusted, i.e., a body should be responsible for managing the affairs of a trade union. Office bearer means and includes “any member of the executive of a trade union”. No one can be appointed an office bearer unless he has attained the age of 18 years, and has not been convicted by the court for any offence involving moral turpitude, or sentenced to imprisonment (unless a period of 5 years has elapsed since his release). Not less than 75% of the total number of office bearers of every registered trade union shall be persons actually engaged or employed in an
industry with which the trade union is concerned. Registered office means "that office of a trade union which is registered as the Head Office under the Act".

Registrar of Trade unions means "a Registrar appointed by the appropriate Government for each state. The registrar also includes an additional or Deputy Registrar of Trade Unions".

Trade Dispute means "any dispute (i) between employers and workmen; or (ii) between workmen and workmen, or (iii) between employers and employers which is connected with the employment or non-employment, or the terms of employment, or the condition of labour of any person".

Trade union means "combination, whether temporary or permanent, formed (i) primarily for the purpose of regulating the relation between (a) workmen and employers, or (b) between workmen and workmen, or (c) between employers and employers, or (ii) for imposing restrictive conditions and the conduct of any trade or business, and includes any federation of two or more trade unions.

The Trade Unions Act Does Not Affect

1. Any agreement between partners as to their own business.

2. Any agreement between an employer and those employed by him as to such employment; or
3. Any agreement in consideration of the sale of the goodwill of a business or of instruction in any profession, trade or handicraft.

A trade union is not only a combination of workmen but also of employers; and the Act applies not only to the union of workers but also the association of employers.

1. Registration of Trade Unions

Any seven or more members of a Trade union may, by subscribing their names to the rules of the trade union and by otherwise complying with the provisions of this Act with respect to registration, apply for registration of the trade union under this Act.

Application for Registration

Every application for registration of a Trade union shall be made to the Registrar, and shall be accompanied by copy of the rules of the trade union and a statement of the following particulars namely;

(a) the names, occupations and addresses of the members making the application;

(b) the name of the trade union and the address of its Head Office and
(c) the titles, names, ages, addresses and occupations of the office bearers of the trade union.

The *Industrial Employment (Standing orders) Act 1946*

The Indian Trade Unions Act, 1926 is intended mainly to provide a base for orderly labour-management relations. The industrial employment (standing orders) Act, 1946, also forms part of the same base. Its principal function is to settle and clarify from the beginning many of those terms of employment over which disputes normally arose. It also protects workers from arbitrary actions by employers.

The *Industrial Disputes Act 1947*

In spite of the above mentioned facts disputes arise in factories. It is the function of the industrial disputes act to settle them.

The industrial disputes act is an endeavour on the part of the state to regulate industrial relations. The registration is designed to ensure industrial peace by having recourse to a given form of a procedure and machinery for investigation and settlement of industrial disputes.

The Act is mainly concerned with settlement of disputes. However, there are certain provision aimed at the prevention of disputes. It provides for the establishment of works committee, whose function is to provide a vehicle for the
peaceful working out of labour-management problems, before they reach the status of industrial disputes. There are restrictions on strikes and lockouts in public utilities. It also restricts employers in laying off its employees and declaring lock-outs. All these provisions aimed at prevention of disputes. If disputes still occur, the Act makes provision for settlement either by conciliation, voluntary arbitration, or compulsory adjudication by a labour court or tribunal.

**Industrial Relations Machinery**

The present machinery for the settlement of industrial disputes comprises; (1) conciliation (II) arbitration and (III) adjudication machinery. An attempt is made here in to review the working of the present industrial relations machinery and to see what success of has achieved, its limitations and defects.

**Conciliation**

The aim of conciliation is to bring about a settlement in disputes through third party intervention. According to the Madhya Pradesh Industrial Relations Act, 1960, the procedures followed by the conciliation machinery is as follows: a party desiring to effect change in the conditions of work gives a notice of change to the other party. The parties may arrive at an agreement by negotiations within a stipulated time. When no agreement is arrived at, the dispute shall be referred to conciliation except in cases where arbitration has been agreed upon by both the parties. Conciliation proceedings are deemed to have been completed when
settlement is signed. After the completion of conciliation proceedings, the desired change can be affected or enforced by direct action.

The attitude of the parties to conciliation is extremely important for the success or failure of the conciliators. Besides, conciliation is often looked upon by the parties as merely a hurdle to be crossed for reaching the next stage of arbitration.

**Voluntary arbitration**

Another system of settlement of disputes is voluntary arbitration. But apart from the statutory arrangement for recourse to voluntary arbitration, considerable emphasis is placed on this mode of settling disputes in official pronouncement. In order to make voluntary arbitration more effective the government established the National Arbitration Promotion Board with a tripartite composition - representatives of government, employer and workmen. All these effects with standing voluntary arbitration has had little success so far.

Factors which have contributed to the slow progress of voluntary arbitration, as mentioned by trade union leaders/executives or labour officers are:

i. Easy availability of adjudication, in case of failure of negotiations

ii. Dearth of suitable arbitrators who can command the confidence of both the parties.
iii. The fact that an appeal against an arbitration award was not possible under the law.

iv. Mutual distrust of parties about their intentions.

**Adjudication**

The ultimate legal remedy for the settlement of an unresolved dispute is its reference to adjudication by the appropriate government.

**Role of Government**

The intervention of the government in laying down a statutory provision for the settlement of industrial disputes was the prevention and settlement of disputes. Right from the start of trade unionism government has been the mediator or arbitrator in all the disputes. Not even a single major issue has been settled without the intervention of the government.

The central government had taken power under rule 81(A) of the Defence of India Rules to issue general or special order to prohibit strikes or lock-outs and for requiring employers and workers to observe certain terms and conditions of employment. Government had also power to refer any trade dispute to conciliation or adjudication and to enforce the award of adjudication. Strikes were made illegal during adjudication or conciliation proceedings and also during the period for which award was made binding. Government exercised
these powers freely and many trade disputes were referred to adjudication and awards were enforced.

The government’s role on mediation and adjudication has become complicated because of the induction of political parties and their leaders at the top of the government machinery.

3.6 Functions of Unions

The functions of unions include intramural, extramural and political. Intramural functions are those activities which are at the betterment of needs of workers in relation to their employment such as ensuring adequate wages, securing better conditions of work, rest interval, continuity of employment etc. Extramural activities are those which perform to help the workers in times of need and improve their efficiency. They also include welfare measures and conduct recreational functions for the workers.

The history of trade unionism in the country records profound effects of political leaders. The route of action, the concentration of work moves from workers to a more universal area—politics. In India most of the unions are politically affiliated or have strong support of leading political parties of the country. Thus the trade unions use their franchise to capture the government
which indirectly results in acquiring stronger hold of power through political influence for their trade union.

3.7 Objectives of Trade Unions

The objectives of the trade unions generally are:

1. They strive for achieving higher wages and better conditions for the members.

2. They not only minimize the helplessness of the individual workers by making them stand collectively and increasing their resistance power through collective bargaining but also protect their member against victimization or injustice of the employers.

3. They provide the worker self confidence and a feeling that they are not simply a log in the machine.

4. They imbibe a spirit of sincerity and discipline in the workers.

5. They also take up welfare measures for improving the morale of the workers.

6. They demand an increasing share for workers in the management of industrial enterprises. They help in raising the status of workers as partners of Industry and as citizens of the society.
3.8 Reasons for Workers to Join Trade Union

Workers join unions because they are constrained by circumstances to do so, and because they want.

1. To get economic security through steady employment and adequate income.

2. To restrain the management from taking any action which is irrational, illogical, discriminatory or prejudicial to the interests of labour. Workers desire that the assignment of jobs, transfers, promotions, maintenance of discipline, lay off, retirement, rewards and punishment should be on the basis of a pre-determined policy and on the basis of what is fair and just.

3. For better communication of their news, aims, ideas, feelings and frustrations to the management and to have an effective voice in discussion about their welfare.

4. To secure protection from economic hazards beyond their control for example, illness, accident, death, disability, unemployment and old age.

5. To get along with their fellow workers in a better way and to gain respect in the eyes of their peers.

6. To get a job through the good offices of a trade union.
3.9 Essentials of a Successful Trade Union

1. Should have a social foundation, so that it may be strong enough to achieve success in the realisation of its objectives.

2. Should have clearly enumerated objectives and a coherent and well conceived policy, and it should consider itself a business organisation which requires careful planning and sound organisational methods for its success.

3. Should be an enlightened one, so that it may be able to guide and direct the Trade Union movement properly. This presupposes the existence of correct and effective leadership which should come from the rank and file of its members and subject to their support or rejection. The union should be run "by the members for the members".

4. Should have honesty and integrity of purposes not only in financial matters but to its relationship with employer, to the formulation of its polices and evaluation of its performances.

5. Should have a sense of responsibility.
   a) to be internally strong that it may be effective in protecting the interests of workers.
   b) to use its economic power in a careful and responsible way.
c) to be democratic so that the worker's right to self government becomes a reality.

3.10 Advantages and Disadvantages of Trade Unions

A strong trade union gives a guarantee of industrial peace and brings stability in the industry.

Trade unions bring about improvement in the conditions of work, employment and wages of workers and lead to greater efficiency among labourers.

They also inculcate a feeling of self respect and confidence among the workers.

But in spite of the above advantages the trade union activities have been criticised on the ground that they create misunderstandings between the workers and employer and disturb industrial peace and bring instability in the Industry. They generally adopt a hostile attitude towards rationalisation or improved methods of production and retard technical progress. Sometimes intoxicated with their strength or misled by others they launch strikes on flimsy grounds.

However, it should be noted this sort of criticism is due to the defective or improper policies and working of the trade unions rather than the basic objectives of trade unionism itself. It is now a generally agreed fact that trade unionism is
beneficial not only to the working class but also to the Industry and, the economy as a whole. Thus, trade unions have to play an increasingly important role in the economic development of the country and they must be prepared to undulate the role.

3.11 Patterns and Structure of Unions in India

There is no statutory provision which has outlined a definite structure and laid down a specific basis for the formation of trade unions in India. There are different varieties of structure. The reason for this can be understood, from the views of the National Commissions of Labour. It says “The basis on which a trade union should be organised is a matter to be determined by workers themselves, in the light of their own needs and experiences. They have to grow according to the dictates of their members, but within the constraints set on them by the law of land”.

3.12 Types of Unions

Since the growth of unions are spontaneous and automatic there is no definite classification that is followed all over the country. However for clear gaps of differentiation the unions have been classified into the following categories.

1) Primary unions
2) Industrial Production.

3) The National Centres.

Primary unions are further divided as

a) Industrial unions

b) General unions.

c) Craft unions.

3.13 Factors Affecting the Growth of Trade Unions

Here an attempt is made to analyse and point out the factors which are responsible for the rapid increase, relative stability and fast decline that is seen at frequent intervals in the story of the growth of trade unionism. They can be called the determinants of the rate of growth of trade unionism.

Commitment of labour force is the first determinant. Here the worker is permanent in his job and Industry and hence more committed. In this case the rate of growth is rapid. The composition of labour force also affects the rate of growth of Trade Union movement in a country. For example if women and children constitute a significant proportion in the labour force, rate of trade union movement would be slow since it is different to organise women and children. History reveals that the number of membership of Trade Unions increases during cyclical upswings in business activity and fall during the downward swing. It is known that during periods of war also, when economic activities expand,
employment increases and cost of living rises while wages lag behind, there is a relatively greater swing towards unionisation.

The political climate and the legal framework of the country also has a decisive influence over the pattern and the rate of union growth.

The structure of Trade Union organisation also affects the growth of trade unions. As long as the craft unions exist, the pace of union growth cannot be accelerated as they show little interest in the union activities. The structure of Trade Union movement has to adapt itself to the changing needs of the labour force, otherwise it would become archaic and tamper the growth and pace.

It has become customary these days to make collective agreements with the employer for union security provision such as the closed shop, unionshop, agency shop, and maintenance of membership shop etc. These provisions make union membership more or less compulsory on workmen, the workers become union members automatically without any additional efforts on the part of their unions. Hence union security provisions are considered as the institutional interest of the unions.

Since its very inception, trade unionism has faced stiff opposition from the employers. This opposition and hostility took many turns; non-recognition of unions, bribing the trade union officials, establishing rival unions and
organisations, victimisation of union members and workers. However the attitude of employers in India have apparently changed since independence, at least they have learned to put up with the unions. They are not openly antagonistic or hostile. However the question of recognition still longs in the air. Since there are multiple of unions in an establishment, inter-union and intra-union rivalries, the unions are not strong and the employers know that fact.

3.14 Statutory Necessities of Trade Union

An active union has essentially to fulfil the following criteria.

1. It has to have an office.

2. Paid or unpaid, part-time staff or full-time staff.

3. Systematic system of record keeping related to the strength and activities of members.

4. It has to carry out its business which ought to include.
   a) Raising major demands of its members during the course of its functioning.
   b) Contesting in elections for the workers councils.
   c) Handling grievances of its members and working into their welfare needs in and outside their work-place.
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