CHAPTER - 1

INTRODUCTION

In the rudimentary stage of industrialization, master and man (Journeyman) customarily worked side by side. There was hardly any social difference between them. The difference was only that the (Master) craftsman had his capital in the form of his skill and the tools of his trade and the unskilled labourer who could rarely be sure of regular employment had nothing. These unskilled labourers while working with the master, gradually learned the skill, acquired his tools and ultimately became master himself and engaged unskilled helpers. A combination of any group was not in anyone's interest. Masters and Journeymen were both satisfied. With Industrial Revolution there was application of steam power. Factory system developed on a small scale at first. Railways appeared communication became faster. There was further development of factory system. The condition of unskilled labourers however, further deteriorated. But they could not combine as there was hostility of employers who forced workers to abjure union altogether (Henry Pelling, 1962, p.5). But artisans had started to combine in the early 19th century. The scarcity value of their skill enabled them to extract concessions from employers.

From the history of trade unionism in various countries, it is found that some traces of trade unionism were there in the
clubs of journeymen, "Chapels" etc. Their main purpose was resistance to the infringement of journeymen's condition of work as laid down by masters. It was also not uncommon for workmen to combine as early as the late Seventeenth century for the purpose of mutual insurance against sickness, old age or death (Henry Pelling, 1962, p.11).

They agreed unanimously to set apart some small portion of their wages in a public fund or bank for the relief of themselves, their widows and children and also aged leaders. These were collected in a box kept at their meeting place. These meetings were sometimes called "Box meeting".

Friendly society or similar names were given to those bodies. Along with this development there were rudimentary attempts to combine for wage bargaining. The friendly societies were also connected with these combinations. Masters tolerated these bodies because they needed the goodwill of their workers in the face of rapid expansion of trade. So they often tolerated what was virtually a system of collective bargaining.

It is to be remembered that the first combined societies were almost invariably of skilled workers rather than labourers. Skilled workers were anxious to maintain their status and standard of living in a changing industrial environment. Such societies responded to changes in the structure of industry which had been taking place. Gradually Philanthropic societies (1818)
developed. But employers were hostile to these societies and these societies were made illegal under prohibitive statute.

In 1889, Will Thorms organised a union among fellow workers. He, being illiterate, received a good deal of clerical assistance from Eleanor Marx, daughter of Karl Marx (Henry Pelling, 1962, p.94). Will Thorms demanded a three shift system of working time in the gas works instead of two shifts. This meant a cut in the basic working day from twelve hours to eight hours. The gas company agreed to do this.

Thus trade unions developed in spite of employer and government resistance, and in spite of divisions between skilled and unskilled workers. Workers did combine. They aimed at securing better working conditions and mutual insurance against sickness, old age or death. Thus the purpose of labour combinations enlarged gradually and also became varied.

Ultimately 'new unionism' with new characteristics developed near the beginning of the 20th century. Several novel features marked them off from the older combinations. They catered largely to unskilled and poorly paid workers. They had low entrance fees (Subscription). They depended on aggressive strike tactics to win concessions from their employers. This satisfied their members. Their membership was open to all. They were strongly influenced by socialists. Thus general industrial unions started.
Robert Peel, Home Secretary, U.K., remarked, "Men who ... have no property, except their manual skill and strength ought to be allowed to confer together, if they think so for the purpose of determining at what rate they sell their property" (Henry Pelling, 1962, p.8). Organizations which had emerged a few months earlier from the shadows of illegality were allowed to remain in public view to form the nucleus of the trade union movement as we know it today. Unions gained legitimacy. War years gave unions a chance for further development. The new unions gradually developed into a powerful institution. Steps taken by unions in the industrial field had farreaching impact on industry, commerce, society, national and international economy etc. In its development it traversed various paths and accordingly it enlarged its area of activities. In socialistic system, its main activity was generally co-operation with state power. Similarly its functions took a new turn while dealing with public sector management. The functions of trade unions were different in a capitalistic system from that in a socialist system. Again differences appeared in their functions in private sector undertaking and public sector undertakings.

Purpose of Study

We can visualise a broad spectrum of present day trade union functions if we study the trade unions in i.e. U.K., U.S.A. & U.S.S.R. In order to know their functions in public sectors, India may be considered as one of the suitable places for its study. Durgapur in West Bengal is the stronghold of public sector
undertakings in eastern India. So the study of functions of trade unions in public sector undertakings of 'Durgapur zone' will be indicative of the functions of trade unions in public sector in India.

**Importance of the study**

Trade unions are very strong in West Bengal. Strong unionism vis-a-vis public sector will be an interesting study especially since the two biggest trade union centres, INTUC and CITU, affiliated to two political parties i.e. Indian National Congress and Communist Party of India (Marxist) respectively, are present. One of them was the ruling party at the Centre (Congress) and other is the ruling party in West Bengal (CPM). Here lies the importance of the study of functions of trade unions in public sector undertakings in Durgapur.

From this study of the functions of trade unions and the performance of the trade union leaders the following important aspects may be uncovered:

1. The various problems facing Indian Trade Unions can be studied from the viewpoint of political unionism, multiunionism, inter-union rivalry, low membership, absence of welfare activities.

2. The new functions which have been taken up for performance by the trade unions.
In the industries all the existing trade unions do not perform all the functions. Thus ascertainment of how many trade unions are involved in, and which unions perform real and major functions.

The development of a guide line to indicate what functions trade unions perform so that (i) workers' interests are protected and (ii) a cordial industrial relation is established, (iii) employee relations are uniformed etc. If these are achieved, their impact on national economic development are likely to be positive.

Research Methodology:

Various steps were taken to understand the actual functions of trade unions. These functions were grouped for the convenience of the study.

Hypothesis: Trade unions are not properly discharging many of these functions.

Design and Procedure:

Three types of questionnaires - one for Managers, one for Trade Union Leaders and another for WORKERS were prepared in order to know the performance level of trade unions.

Accordingly three tier samples were taken. To make the study as closely objective as possible, 3 point Likert type scale was used. The reliability and validity of the measurement
instruments were checked. Analysis of data by percentage calculation is also done. Analysis of variance (ANOVA) has been also done. The details of the entire exercise is given in the separate chapter of Research Methodology, before the actual empirical work is taken up.