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Trade Unionism—Emerging Trends

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Abstract—The paper reflects the downward trends of union membership over the past period. The automation/technology and low-tech areas are being framed out to contract workers/outsourced has too impacted the declining trend of the unions. Moreover there is perceptible change in the attitude of union towards management, industry and government. As more and more unions are depoliticized, making the workers and the management true ‘partners in progress.’

Key words: white collar, unionization, power-shift, automation/technology.

I. INTRODUCTION

In an unprecedented fashion, the workers union at Eicher Ltd’s Alwar plant had given up their right to negotiate their wages willingly, and have instead empowered the management to fix the annual compensation for workers, as in the case of executives. Similarly, during wage negotiations in the premier navratna PSU-Gas Authority of India Ltd(GAIL), unions actually agreed to increase daily working hours by half an hour and reduce the number of festival holidays in a year by four days.

The above is an illustration of the changes sweeping trade unions. To-day, there is a distinct shift towards internal leadership bereft on any political affiliations, reduction in strike and a general apathy towards trade unionism.

II. THE EVOLUTION

Trade union played a political role during freedom movement. Immediately after independence, there was rapid unionization which continued through the 1960’s. During this phase, unions emerged from the shadow of their parent political parties and branched out as distinct entities, like the INTUC of Indian National Congress; the leftist AITUC, HMS and UTUC. All unions had a more or less common agenda, i.e. “safeguard the interests of the working class.”

The 1970’s witnessed unionization of “white collar” workers including bank employees. Indira Gandhi’s socialist ideology did appeal to the masses.

Soon, the honeymoon was over, unions were on the warpath, with issues transcending labour problems. The Railway strike in 1974 was a water-shed in Indian labour history.

Trade union activities were totally suppressed during the Emergency. However, the labour movement resurged post-emergency. At some places, the resurgence was violent and bloody. Though outwardly, issues at stake were normal demands of monetary nature, deep rooted in the labour psyche was the discontentment arising out of disciplining of workers by management during the Emergency.

The short-lived Janata Government, which assumed office in 1977, could not achieve anything worthwhile on the industrial relations front, though it made a sincere attempt through the still-born Industrial Relations Bill of 1978.

The aftermath of the Emergency witnessed an important chapter in trade union field—emergence of independent union leaders like **Dr.Datta Samant** in Bombay. These leaders were firebrand, had unbridled aggression and utter disregard for bipartite and tripartite dispute settlement machinery. Very soon, the “Samant Magic”, with its quick results, marginalized the central unions. So much so, most of the forty strikes in the Thane-Belapur belt during March-December were attributed to this magic.

The summit of Samant’s trade unionism was the Bombay Textile Strike in 1982. However, as the saying goes, “what goes up must come down,” the textile strike failed and Samant came crushing down from the pedestal he occupied. The textile strike did not bring cheer for anyone. Being a total failure, it brought about total disillusionment among the working class.

III. POWER SHIFT

The textile strike had far reaching impact. There was complete role reversal between management and unions. With militant trade unionism no more a force, management decided to start acting tough and placed counter demands on unions during collective bargaining process. In turn for a decent pay and perks, management negotiated for higher productivity, right to retain and redeploy manpower, induct new technology and if need be rationalize/reduce the work force. Thus, there was a paradigm shift in the union-management power equation with the power balance tilting in favour of management.

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IV. LABOUR LAWS: NEED FOR A RELOOK

Labour laws, regulate the relations between employers and their workmen on various issues relating to their service conditions but does not address various problems. There exist a plethora of labour laws supported by a very elaborate labour enforcement machinery in India. Even though there have been amendment in the labour laws during the past, but still it requires several amendment/changes to suit the present day requirements. The moot problem is that the unorganized labour has no protection under these laws and this labour constitute the majority of the labour force. Moreover, the enforcement machinery under the respective legislation serve more as an impediment in the way of rapid industrialization.

The emergence of globalization, liberalization and privatization has brought new thinking vis-à-vis labour legislation. It is often pleaded by the employers that the existing labour laws put impediments on them in respect of hire and fire policy. However, the worker's organization is strongly against the hire and fire policy and does not want any relaxation in this regard otherwise they comprehend it would lead to exploitation of labour class.

The overbearing attitude of unions and changing market conditions under globalization prompted corporate houses to go in for automation which, inter alia, reduced the required workforce. **Further, with the onset of automation/technology, low –tech areas are increasingly being framed out to contract workers/outsourced.**

The pace of industrialization in India has not been far from encouraging, a major share of the blame could be apportioned to labour laws. Most militancy and unreasonableness of union stems from the belief that no strong punitive action can be enforced against them. As a result, many small and medium industries have downed shutters, thus adding to the ranks of the unemployed. Thus, labour laws meant for safeguarding interests of the working class are, in fact, responsible for their woes.

The time has come when we should have a hard and honest review of all labour laws. Even the corporate world has time and again expressed the opinion that India must reform her labour laws to generate investor confidence.

V. EMERGING TRENDS

The union membership is in downward trend over the past period. Notwithstanding the minuscule percentage, organized labour often holds industry and the nation to ransom, in utter disregard of the fact that its actions create islands of high wages which not only push unorganized labour to the brink of starvation, but also create roadblocks in the way of a healthy economy.

However, in the wake of the opening up of the economy, workers have started to understand the futility of agitation. Simultaneously, employers too are busy organizing themselves. The new found unity among employers has emboldened them and they have started tough counter-bargaining during bipartite negotiation and collective bargaining.

Another notable trend is general apathy among the working class towards unionism. It is not difficult to see why. The most important factor responsible for general apathy is increased income. **With increase in earning and consequent overall standard of living, the working class has become the middle class.** The leaders have understood that prolonged strikes are against their interests as workers would not like a climb-down from the new found avatar of middle-class socialite.

Another factor contributing to the apathy towards trade unionism is the **increasing proportion of working women in the work force** in almost all sectors of industry. In certain sectors like electronics, gems and jewellery, almost 100% of employees are women. Women, in general, are apathetic to trade union activities. Their dual responsibilities at office and at home hardly allows them any leisure time to indulge in it.

Bajaj Auto's Chakan Plant workers, who were on strike for 50 days, returned to work on August 13, 2013, despite the company remained unyielding on any of their demands. This was after an ultimatum from Managing Director Rajiv Bajaj that the company would be impelled to **permanently shift half of its Chakan production to the Aurangabad and Pantnagar units if the workers did not call off their strike within a week.**

Full-time trade unionists are puzzled over the increasing apathy of workers towards trade unions. This is because unions basically existed to extract a better bargain for their members. Today, as economic conditions of an average worker becomes better, there is loss of interest in unions.

Moreover, with new found co-operation from workers, managements have become pro-active in anticipating and fulfilling workers' needs. Workers have woken up to the fact that **cooperation and consensus** ensures that their company remains competitive and viable. Their growth and aspirations would flow out of their company fortunes.

Technology change brings about a shift in the composition of labour force. From a totally blue-collar work force, companies are already shifting to white collar work force. This has further reduced the role of trade unions, which in turn may lead to depoliticisation of unions. As more and more unions get depoliticized, thus making the management and workers true "partners in progress."

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A major trend witnessed these days is the change in the attitude of unions towards management, industry, government and the economy:

- A. Unions are becoming increasingly matured, responsive and realistic in their thinking and action. Gone are the days of strikes, bandhas, gheraos and violence.
- B. Unions are reconciled to economic reforms. Their accent is on opposing the adverse impact of reforms and not the reforms per se.
- C. Discussion among trade union nowadays is on issues like productivity, total quality management, technology, competition, MNCs and the like.
- D. Depoliticisation of unions is another trend witnessed these days. Unions have realized the futility of political affiliations and are now insulating themselves against political influence. Many leading companies such as Philips, Voltas, Siemens, Hindustan Unilever, Blue Star, Pfizer and the like have unions but are not affected by political parties.

Thus, the trade unions are at the cross-roads. Their membership is declining, their political support is waning, public sympathy is receding. One of the reason for this trend is the gradual realization on the part of workers, who are young and well-educated. Unions must come out with innovative ideas to regain their lost ground. To avoid self-decline, unions need to think harder about what they are good at and how to serve their services.

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