

# THE CHANGING ROLE AND PERSPECTIVE OF TRADE UNION IN INDIA

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**Abstract**— This paper attempts to understand various factors which negatives the growth of the Trade Union and changing role of trade union in India. Trade union is one of the major component of industrial relation system in India. It is an association of employees to protect their interests and rights. Protection of basic human rights, especially in developing nations forces unionization which is the instrumental in improving quality life of working class (Ghosh &Geetika, 2007). In the absence of union the employer may become too paternalistic and dictatorial (Thomas, 2005). However, responsible union play significant role in maintaining cordial relationship with the management. Rapid technological change and pay revisions, undoubtedly changes the working conditions but they lost control over their employment (Ratnam, 2006). The structural change of working class and competition intensity, changed the role of trade union and at the same time the employer also become more skilled and sensitive in managing working class.

**Keywords**— Industrial Relation, Paternalistic, Quality of Life, Trade Union, Working Class.

## I. INTRODUCTION

The economic reform process initiated during 90's adopting Liberalization, Privatization and Globalization changed completely the model of development. The intervention of the state got lessened with the open market strategy which infact had great influence on trade union since it strengthen the power of capitalist class. In the absence of state intervention, capitalist argued for major labor reform, which allow them to have hire and fire workers and they become sole power to fix wages on the basis of demand and supply.

Even if there was no specific labor reform, consequently the organization started using different methods of unfair labor practice which reflects in reduction in growth of jobs and regular workers replaced with the contract workers to minimize the bargaining power of workers which weakens trade union movement in India. At the same time the employer used some weapons to pressurizing labor to accept unacceptable conditions of work. Various benefits are denied to the working class, since they are not regular workers and this method used as a method of reducing cost to compete in the globalized market to earn profit. This profit aimed by the employer at the cost of labor class. By looking at the court judgements recent years, it is observed that, there is class compact between state and judiciary to accelerate the model of development, which is major setback to the trade union in India. Moreover, in some of the judgements the Supreme Court ruled that, the government employees has no fundamental right to go for strike.

## II. FOCUS ON INDEPENDENT INDUSTRY UNION AND LACK OF CO-ORDINATION AMONG UNIONS

Now trend is instead of getting affiliation from one union which is backed by political parties, the

employee started organizing independent industry wise unions, which weakens politically backed union in India. Since majority of trade union affiliated to one or the other political parties, their attitude towards other unions is changing and their unity sometimes limited to one occasion or for some struggle but divided immediately soon after. This lack of unity and co-operation is exploited by employer. It is a high time to shift from strategy of confrontation and conflict to co-operation and collaboration.

## III. EMERGING TRENDS AND REFORMS

The service sector and retail sector creating large employment opportunities, which also determined new employment relationship resulted in individual bargaining. Hardly, they get time to think about trade union participation, since they are the victim of emotional stress and it is right time to pressurize government not to declare these sector as public utility sector. The range of technological change, organizational change and other reforms is more where there is greatest product market competition and private sector but less likely to happen in unionized workplace. The workplace facing overseas competition and where there is lower union density, the more likely to carry out the reforms. The workplace like public sector, facing less competition pressure need to bring reforms to remove inefficiencies. It is also observed that unions tend to have a negative effect on workplace productivity. However, interestingly good management-union relations resulting in positive associations (Natalia Nunes et al 1993).

## IV. EMPLOYEES PERCEPTIONS

The research supporting that the non-union employee's views the union is unfavorable and non-member perceive that, unions failed to protect the

workers from some critical issues, in result it is an indictment of the inefficiencies of the trade union. In some of the organization, employees do not have the basic knowledge about trade union and unions completely failed to reach broad workforce which is the major problem in union organizing. It is the high time to reach broad workforce by the union leaders and communicate their ideology and its impact on them. They can also focus on how union helps in collective representation to convince them.

## **V. WORKPLACE EMPLOYMENT REGULATIONS**

Some of the researchers empirically examined, whether labor regulatory framework protect the interest of workers and trade union members. They also opined that some of the laws gives basic protection and welfare of the workers and who do not wish to recognize the basic rights of trade union are calls for strictly enforcement of these laws. Advocates of labor market deregulations argues that, labor market regulations gives disproportionate powers on employees and their unions which resulted in conflict and lesser productivity. Even pro-worker legal framework will not protect the employees completely, instead there is increasing vulnerable employer hostility.

Majority of trade union in India engaging in the welfare and economic improvement of workers. They do not focus on improving productivity and economic performance of the organization. Because of the economic challenges, there is mass changes and they enter collectively bargaining agreement along with productivity improvement of the organization (Sodhi 2013).

## **VI. GOVERNMENT ROLE**

The government took very little initiative to make the union productive partners in the organization. In addition the union also have not taken any initiative to make their members more productive to the organization. During the period of emergency the workers involvement in strike got reduced due to prohibition on right to go for strike and the state assumed totalitarian. Later the new government restored the fundamental rights and in consequence of that the number of strike raised to 2500 during 1980 when compared to the 1241 in 1975. Later, there was adverse relationship between management and unions and management were trying to make union in effective, which in turn contributed to the labor unrest. The labor refused to enter into these issues and the strike resulted no economic gains. During 1980 to 1990 the management took some harsh measures resulted in increasing lock outs (observed in the above table) and the demands of the union were completely ignored. Because of this unrest industrial relation was completely deadlocked and zero sum

game has intensified. During these period there was huge mistrust between management and union and the contribution from the union was marginal.

## **VII. GLOBALIZATION AND TRADE UNION**

New economic policies of the government created fear among union members and they opposed these policies in spite of the government effort to involve the unions in decision making process since they did not address concerns of the unions. The competition intensified and management started focusing on cost cutting, productivity increases, pay for performance etc., (Sodhi, 1994). To compete with the global market, the companies started introducing latest technology which resulted in the reduction in the workforce. Interestingly there was steep fall in the percentage of parliament members with union background (from 21% in 1971 to 3.4% in 2004). In recent years country witnessed number of labor unrest both in private and public sector. The strikes and lockout have taken place in the big companies like Nokia, Maruti Suzuki, Bosch India etc. Many studies proved that the compensation for the unions have increased tremendously but the productivity of the workers reduced to the greatest extent (Hirsch 1997).

## **VIII. WOMEN'S PARTICIPATION IN TRADE UNION**

According to the labor bureau report we can infer that the proportionate increase in the number of trade union is diminishing since 1996 to 2008. Remarkably since 2009 the number of trade union keep falling and which is lowest in 2012, the number reached to 16154. Education have changed the phase of the employment of women, which has raised up steeply over the last few years. In spite of this trend, the total number of women employment is much lesser than that of men and their involvement in the trade union was less. There may be professional & personal barriers and lack of required education may be the reason for the lesser involvement in the trade union activities (ILO 2012). Even if few of the women employees join trade union, they do not actively take part in the trade union activities. The willingness of women workers to participate in union is based on three factors i.e. Social motives, goal motives and reward motives (Klandermans 1984). There may be other convenience and in convenience factors may be responsible to restrict women workers from participating union related activities. Women who wish to take part in union related activities has to manage the responsibilities of family, work and union (Ratnam& Jain, 2002). Male domination in the union activities is also one of the reason to keep away the women from union activities (Beale, 1982). When we compared to men, the women membership has remained very low in spite of marginal increment

from 24.1% to 37.5% since 1996 to 2010. Although the percentage is low, the membership of women workers in trade union is increasing since 1996.

## CONCLUSION

This paper is just an attempt to understand the changing role of trade union India. The entry of foreign players due to globalization introduced pro-employer industrial policy, which changed the scenario of trade union and the Industrial System in India. Apart from their main objective of demand for pay and working conditions, now trend is union plays key role in encouraging productivity and they are acting as an change agent of social welfare. It should be noted that the role of state in maintaining good industrial relations by taking care of employees through various legislations is very significant.

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