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AN ANALYTICAL STUDY ON THE ROLE OF TRADE UNION IN INDUSTRIAL RELATION AND HUMAN RESOURCE MANAGEMENT

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ABSTRACT:

Rapid Industrialization gave birth to class conflict between management and labour because of absence of workers ownerships over the means of production. Concentration of economic power in the hands of industrialist motivated workers to realize the significance of freedom of association and collective bargaining to protect their rights. On the other hand employer suppressed the demands of workers.

The scope of industrial relations includes relation between managers and workers, the collective relation between employers and trade unions; and the role of government in regulating these relationships.

Keywords: Rapid Industrialization, hands of industrialist, collective bargaining.

INTRODUCTION

Strikes lockout go slow tactics, absenteeism are some of the reflections of labour unrest which require proper diagnosis for creating conditions for industrial peace. This work is done through human resource management.

The American Society for training and development identified nine human resource areas:

- |1| Training and Development
- |2| Organization & Development
- |3| Organization/Job design
- |4| Human resources planning
- |5| Selection and Staffing
- |6| Personnel Research and information system

- |7| Compensation/Benefits
 - |8| Employee Assistance
 - |9| Union/Labour relation
- However, the main role of a human resource manager is to maintain harmonious industrial relationship.

Scope of industrial set up has given birth to the capitalist economy which divided the industrial society into two groups of labour and capitalists. The interests of these two groups are not common which creates industrial disputes. Causes of industrial disputes may be classified into four groups which are as follows :—

- |1| Economic Causes:—**
(a) Wages (b) Bonus (c) Dearness allowance (d) High industrial profits (e) working conditions and working hours (f) Modernization and automation of plant and machinery (g) Demand for their

facilities.

|2| Managerial Causes:—

- (a) Denial of recognition to trade union (b) Defective recruitment policy (c) Irregular layoff and retrenchment (d) Defiance of agreements and codes (e) Defective leadership (f) Weak trade union.

|3| Political Cause:—

All the four national trade unions are affiliated to one or other political ideologies. The political workers misuse the industrial workers to serve the political purpose and arrange strikes, gherua etc.

|4| Miscellaneous Cause:—

- (a) Sympathetic Strike (b) Police atrocities etc. Whenever on industrial dispute occurs both management and worker try to pressurize each other. The management may resort to lockout and workers may

resorts to strikes, gheroa, picketing.

HYPOTHESIS

- ✍ The outsiders' involvement in the trade union creates unrest in the organisation.
- ✍ Workers Participation in the management is not properly implemented.
- ✍ The law relating to the trade unions needs to be amended.

OBJECTIVES

- ✍ To analyse the need of trade union in India.
- ✍ To make an appraisal of the legislation relating to trade union.
- ✍ To analyse the failure of recognition of trade unions and its impact on industrial relations and human resource management.
- ✍ To analyse the failure of collective bargaining in India and responsibility of the employers trade unions and the governments.
- ✍ To review the judicial decision on labour and management of industrial relation to make suggestion for the amendment of law for harmonious industrial relation and human resource management.

RESEARCH METHODOLOGY

Doctrinal methods of research, case study and inter disciplinary approach has been adopted. Data was collected both from primary and secondary sources.

✍ Primary Data Collection

For this purpose, a questionnaire was formulated which was more qualitative in nature. To elicit information the interview method was also adopted with the human resource management professional, legal experts, trade union leaders, workers, and other related persons.

✍ Secondary Data Collection

Secondary data was collected from various newspapers, journals, books, reports and other related secondary sources. Research was conducted on active trade unions, their performance appraisal, problems and opinions and activities of trade union leaders.

TRADE UNIONS

According to Dale Yoder "A union is a continuing long term association of employees formed and maintained for the specific purpose of advancing and protecting the interest of members in their working relationship.

✍ The broad objectives of the trade unions are :—

- |1| Enough job with good pay.
- |2| Rationalization of personal policies of management-in its selection of employees for lay off, retrenchment, transfer and promotion, the assignment of employees to jobs and in the disciplining of employees.
- |3| Voice in decision affecting workers like scale and schedule of production, introduction of labour saving devices the closing or relocation of plant etc.

- |4| Winning recognition for workers that they are equal partners with management in the task of production.
- |5| Gaining legislative enactments.
- |6| Industrial peace.
- |7| Labour welfare.
- |8| Collective bargaining objective of Central Trade Union Organisation (National Level Federations).

↳ **Functions of Trade Unions**

Mr. Broughton has classified the function of trade union into three categories :—

- ✍ Intramural Activities : Activities within the four walls of the organization such as bargaining for wages, participation in management, providing labour welfare activities etc.
- ✍ Extramural Activities : Activities outside the premises of the plant such as provision of house, fair price shop in colonies, library, hospital etc.
- ✍ Political Activities : Representation in government through election.

↳ **Methods of achieving objectives of trade union :—**

|1| Mutual Insurance

Trade union maintains a fund by collecting money from their members. This is used for labour welfare, in accident strike etc.

|2| Legal Enactment

Demand for honest implementation of various provisions of different acts concerning them and after suggestion to the government for their amendment wherever necessary is one of the methods for protecting the interests of their members.

|3| Collective Bargaining

According to John T. Dunlop the term collective bargaining connotes multiple meaning. Collective bargaining is

- (i) a system which establishes, revises and administers many of the rules which govern the workers place of work.
- (ii) a procedure which determines the quantum of compensation which employee should receive and which influence the distribution of economic benefits.
- (iii) method of solving disputes.

Collective bargaining performs three important functions :—

- ✍ Technique of long run social change
- ✍ Peace treaty between two parties in continual conflict
- ✍ Establish a system of industrial jurisprudence

TRADE UNION IN INDIA

There are thirteen central trade unions in India. Indian National Trade Union Congress (INTUC). All India Trade Union Congress (AITUC) centre of Indian Trade Unions (CITU) and United Trade Union Congress are some of the Central trade unions. There are other associations in different industries and occupations that are not affiliated to any central union. The all India Rank Employees Association National Federation of Indian Railway Man and All India Mine Workers Federation are a few examples.

There are thousands of other smaller unions in the country that are either associated with central union or operate independently.

INTERNATIONAL AFFILIATION OF INDIAN TRADE UNIONS

Divisiveness of Indian Trade Unions is also reflected in their international affiliations. AITUC has been associated with World Federation of Trade Unions (WFTU) which was formed in 1946 after World War II, while the INTUC and HMS affiliates of International Confederation of Free Trade Unions (ICFTU) set up in 1949. WFTU was under the Soviet leadership and ICFTU is under the American leadership. Federations of trade unions at International Labour Organisation. These international federations also provide relevant information on trade union activities in other countries, benefits derived by the working class and the progress made in improving the quality of their work life and living standards through collective bargaining or legislation. The ICFTU has been running an Asian Trade Union College in India since independence. The college has been active in getting together organizers from Asian countries and taking them through a course of training based on experience of the trade unions in Asian region.

REGISTRATION OF TRADE UNION

The Trade Unions Act introduces a voluntary system of registration of unions. The objective of introducing a system of registration for trade unions was to encourage the establishment of permanent and stable bodies having adequate written constitutions and regular audited accounts. The Act, therefore, requires that a registered Trade Union must set out in its rules the objects for which it is established and the purposes for which its funds may be used. Its benefit conditions, disqualification and forfeitures must be mentioned, provision must also be made for appointment and removal of members of the executive and other office-bearers of the Trade Union, for the safe custody of the funds and annual audit of accounts. The provision must also be made for the manner in which the trade union may be dissolved.

To encourage unions to register, certain advantages were offered by the Act, including express power to acquire and hold movable and immovable property and to bring and defend legal proceedings in the name of the Trade Union. The Act grants immunity from civil and criminal liability to registered Trade Unions. Furthermore, the Act confers upon a registered Trade Union a legal personality with the power to contract in its own name. These advantages solicit the workers to form Trade Unions and get them registered under the provisions of the Trade Unions, Act. 1926.

RECOGNITION OF TRADE UNION

It may be desirable to mention that though the Indian Trade Union Act, 1923, provided for the registration of trade unions complying with various specified requirements, it imposed no obligation on employers to recognise the deal with such registered Unions. The Royal Commission on labour in India pleaded for the recognition of Unions by employers. But throughout the thirties the question of recognition proved to be a recurring cause of friction between the employers and organised labour and the advisability of amending the Trade Unions Act, with a view to impose on employers a statutory obligation to recognise and deal with such trade unions satisfying certain prescribed conditions, figured prominently in the agenda of successive labour ministers, conferences held in 1940 and 1941 and of the meetings of the Standing Labour Committee (1944) and the Indian Labour Conference (1945). The result was the adoption of Indian Trade Union (Amendment) Act XLV of 1947, which provided for the compulsory recognition by the employers of the representative trade unions by order of a Labour Court. The Act confers on the executives of a recognized trade union, the right to negotiate with the employers in respect of matters connected with the employment or non-employment, terms of employment and the conditions of the work of all or any of its members. Finally, the Act defines certain practices as unfair on the part of a recognised trade union and certain others as fair on the part of an employer, and requires both to desist from such practice under the threat of withdrawal of recognition on application to the Labour Court by the Registrar or the employer in the case of the former and a fine

of upto Rs. 1,000 in the case of the latter. Unfair practices include participation support or instigation of an irregular strike, submission of returns containing – false statements, discharge or discrimination against any officer of a recognised trade union.

LEGAL CHARACTER OF A REGISTERED TRADE UNION

Is registered Trade Union a legal person? The answer may be given in affirmative in view of the provisions of sec. 13 of the Trade Unions Act, 1926. It may be pointed out that only a trade union which has been registered under the provisions of the Trade Unions Act, 1926 receives a legal status and thereby becomes legal person and not unregistered Trade Union. In fact, certain advantages, and rights emanate from the registration of a Trade Union under the provisions of the Trade Union Act. When a Trade Union is registered all communications and notices are made to a registered Trade Union which is registered under this Act to the head office thereof. Notice of any change in the address of the head office shall be given within fourteen days of such change to the Registrar in writing and the changed address shall be recorded in the register of the Trade Unions to be maintained in the Registrar's office.

FINDINGS

Trade unions are essentially for safeguarding the right of labour. When there is tussle between labour and management and interest of the two are in conflict, trade unions are certainly required. This position has to remain until society is so changed that greater identity of interest is brought about between labour and capital.

Trade union in India have miserably failed to protect the welfare of workers and creating harmonious and peaceful industrial relations.

SUGGESTIONS

- ✍ Labour is the wealth of our country it should not be wasted at all in strikes and lockouts. There should be mutual adjustment between the labour and capital.
- ✍ The state must maintain a balance of interests of labour and capitalist class.
- ✍ The state must intervene to curb unfair labour practices.

CONCLUSION

In the present day society it has become a normal feature of every section of society to form unions and to put up demands through that union, without giving due weight to the interests of society or community as a whole. It is not very much appreciating of trade unions in so far as they emphasize only rights, claims benefits and demands. They only look to one side of the coin and forget their duties. They emphatically preach rightism (adhikarvad) as against the gospel of Holy Gita; "Karmanye Vadhika Raste, Ma Phaleshu Kadachana" {*you have every right to work but not expecting fruits out of it*}

With the growing discoveries, inventions and scientific advancement new industrial and labour problems likely to occur, the law being a flexible instrument of social order, has to develop new mechanism to deal effectively with the problems in sight in times ahead. The old labour laws may be unsuited. The state has to contemplate ways and means to safeguard interests of the working community. At present, the government is giving a serious thought to enact laws to put an end to all types of unethical practices. The government had drawn up plans to bring about integration of various social security schemes with a view to cut down administrative expenditure and increasing their coverage. It attaches great importance to the organisation of landless workers, the absence of which is the root cause of most of their problems and a major handicap for the government in the enforcement of protective laws and schemes for their welfare.

The Change in economic policy in 1990, LPG (*Liberalisation, Privatisation and Globalisation*) brought a tremendous change in the working of business houses. State interventions became less.

Private and multinationals has emerged. In this modern era of LPG, trade unions are facing enormous challenges, not only in terms of bargaining potential but also in its existence.

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