

**PG & RESEARCH DEPARTMENT OF COMMERCE (SF-Men)**

## **JAMAL MOHAMED COLLEGE (Autonomous)**

*Accredited (3<sup>rd</sup> Cycle) with 'A' Grade by NAAC*

*(Affiliated to Bharathidasan University)*

**TIRUCHIRAPPALLI – 620 020**



### **DISCIPLINE SPECIFIC ELECTIVES**

**Title of the Course : INDUSTRIAL RELATION**

**Course Code : 20UCO6DE3A**

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## UNIT II

# TRADE UNION

### What is a trade union?

A trade union is a group of employees who join together to maintain and improve their conditions of employment.

### What trade unions do?

Unions train and organise workplace representatives who help union members with the problems they face at work.

Unions have brought significant changes to society, including:

- ✓ a national minimum wage;
- ✓ the abolition of child labour;
- ✓ improved worker safety;
- ✓ improving living standards by reducing the number of hours in the working week and encouraging a healthy work/life balance;
- ✓ improved parental leave;
- ✓ equality legislation;
- ✓ better protection of migrant workers and a reduction in exploitation;
- ✓ minimum holiday and sickness entitlements.

### **How trade unions work**

- ❖ negotiate agreements with employers on pay and conditions;
- ❖ discuss major changes such as redundancy;
- ❖ discuss members' concerns with employers;
- ❖ accompany members to disciplinary and grievance meetings;
- ❖ help members with legal and financial problems.

### **The major benefits of the Trade Union are:**

- better working conditions such as improved health and safety or pay;
- training for new skills to help you develop your career;
- advice on your legal employment rights;
- advice on finance and problems at work.

### **Role of trade unions:**

1. Securing better wages and benefits to workers,
2. Improving their bargaining power in order to create a level playing field for the workers,
3. Supporting workers in disputes with the management through negotiations and strikes,
4. Securing better working conditions for workers,
5. Availing of better wages, compensation packages and social security benefits,
6. Regularisation of employment.

## Need of trade Unions?

1. Representation of collective stand and power of collective bargaining have been important for the growth of a stable working population across several economies.
2. This has also contributed in workers securing better wages, job security, improvement in working conditions, more equitable sharing of the wealth created by them
3. Continuity and support to stated policy has lent stability to the industrial production, and for the protection of the interest of both the workers and investors or industrialists.
4. Right to form a Trade Union is guaranteed as a fundamental right under Article 19 (1) (c) of the Indian Constitution.

## History of Labour Unions in India

- The trade unions genesis stemmed from the necessity of the time, protecting and securing the interest, presenting the collective demands, grievances of the industrial worker, from the second half of the nineteenth century, with establishment of industries.
- Poor working conditions, undue long working hours were the concerns for the workers.
- Although the Unions formed in the second half of the 19th century, they had limitations in effectively functioning as trade unions, they nevertheless were effective social unions,

presenting the demands collectively, with an orientation to reform the ills.

- Development of such trade unions was closely in sync with the development of the Industry in India.
- N.M. Lokhande, a manufacturing worker, organized a labour convention in Bombay in 1884, one of the most significant events of the eighties
- The Second Factory Commission received a Memorandum highlighting the bad working conditions of the employees, but no action was taken
- The outcome of this was that on April 21, 1890, 10,000 workers gathered in Bombay for a mass gathering
- Twenty-four strikes occurred between 1882 and 1890 in Bombay and Madras
- In India, the first trade union came up in Bombay, after the establishment of textile mills in the 1850s.
- Trade unions came up in Calcutta in 1854, with the establishment of Jute Mills.
- SohrabjiShapuri Bengali and C.P. Mazumdar were the leaders and early pioneers of the labour unions uprising.
- The first factory Commission set up in 1879 studied the problems of industrial workers.
- First trade union under the leadership of Narayan MeghjiLokhande -‘Bombay Millhands Association’, founded in 1884, without any funds, office bearers.

- In 1891, The Indian factory Act was passed
- Some other Trade unions are Ahmedabad Weavers (1895), Jute Mills, Calcutta (1896), Bombay Mill workers (1897) Union.

### Characteristics of the unions and the leadership

- I. The leaders were Social Reformers and Nationalists with political inclination.
- II. Approaches were welfare centric, and not on their rights.
- III. Limited presence catering to the regions of industrial hubs, absent across the country.
- IV. Since it was in the nascent stage, concerted goals or long term targets were difficult to find.

### How to Form A Trade Union Under The Trade Unions Act, 1926

1. **Appointment of Registrars.** According to section 3 of the Act, the appropriate government shall appoint a person to be the Registrar of Trade Unions for each state, and the appropriate government shall also appoint as many additional registrars as it may deem fit to carry out the purposes of the Act.
2. **Mode of Registration.** According to section 4 of the Act, any seven or more members of a Trade Union in accordance with the provisions of the Act may make an application apply for registration of the trade union.

3. **Application for registration.** According to section 5 of the Act, every application for the registration of the trade union shall be made to the Registrar and shall be accompanied by a copy of the rules of the Trade Union and a statement of the following particulars namely-
  - The names, occupations and addresses of the members making the application;
  - The name of the trade union and the address of its head office, and
  - The titles, names, ages, addresses and occupations of the office-bearers of the trade union.
4. **Power to call for further particulars and to require alteration of name** -According to section 7 of the Act, the registrar may call for further information for the purpose of satisfying himself that whether all the particulars are in accordance with section 5 and 6 of the Act -
5. **Registration.** According to section 8 of the Act, if the registrar thinks that the trade union has complied with all the provisions of the Act, it shall register the Trade Union by entering in a register all the particulars in accordance with the provisions of the Act.
6. **Certificate of registration** -According to section 9 of the Act, the registrar shall issue a certificate of registration to the trade union after registration under section 8 which shall be conclusive proof that a trade union has been duly registered.

7. **Cancellation of registration** -According to section 10 of the Act, a certificate of registration of a trade union may be cancelled or withdrawn or an application of the trade union to be verified in such manner as may be prescribed;
8. **Appeal** - According to section 11 of the Act, any person aggrieved by any refusal to register a trade union or withdrawal of registration, etc by registrar may file an appeal where the trade union head office is situated within the limits of a presidency town to the High Court, or where the head office is situated in an area, falling within the jurisdiction of a Labour Court or an Industrial Tribunal, to that court or tribunal as the case may be; where the head office is situated in any area, to such court, not inferior to the court of an additional or assistant judge of a principal Civil Court of original jurisdiction as the appropriate government may appoint.
9. **Registered office**- According to section 12 of the Act, all communications shall be made on the registered office of the trade union.
10. **Incorporation of registered trade union**- According to section 13 of the Act, every registered trade union shall be a body corporate having a common seal and perpetual succession with power to acquire and hold movable and immovable property and shall by the said name sue and be sued.



