

Origin of Trade Union of HRM in India

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Abstract—An Old saying “Time will never be the same” goes perfect with Human Resource Management. There was a time when human factors in industries were treated like machines. They were not aware about their right and duties. This exploitation gave birth to Trade Union which becomes an important part of Human Resource Management. “It is more difficult to break a bunch of broom sticks than a single broom of sticks.” As an individual, for a worker to bargain with the management is very hard, so they resorted to trade union, for bargaining as a strong group which has its influence on management. This Paper explains importance place a Trade Union share in Human Resource Management under few sections. First section “Introduction of Human Resource Management and Trade Union”, it is explaining how three words Human, Resource and Management individually and jointly define HRM & this section also explaining the basic structure of HRM and Trade Union. Second Section is “History of Trade Union” which is explaining the history concept of Trade Union and growth of Trade Union in India. Third section is “Origin of Trade Union Act” which is covering origin of Trade Union Act and working of Trade Union under this Act which is including Registration of Trade Union, Registration of Certificate, Cancellation of Registration, Annual Statutory Returns, Uses of Funds,

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Maintenance of Accounts and Disqualification. In the end, Conclusion part is covering Importance of Trade Union in HRM.

1. INTRODUCTION

Introduction includes the introduction of Human Resource Management and Trade Union

Human Resource Management

Human Resource Management is composed of three words. That are:-

1. Human
2. Resource
3. Management



Fig. 1

Before explaining the whole we should understand the meaning of these three separately

1. **Human:** Living being-Human Kind
2. **Resource:** Those factors which are used by person or organization to function effectively
3. **Management:** Management is a process of planning, organising, directing and controlling the things to do them more systematically, so that pre-determined objectives can be achieved.

Thus, Human resources Management is a process of Planning, Organising, Directing and Controlling Human kinds to achieve pre-determined functions effectively.

Trade Union

Trade Union is an association of workers for worker's betterment. A trade union is an organisation made up of members (a membership-based organisation) and its membership must be made up mainly of workers. One of a trade union's main aims is to protect and advance the interests of its members in the workplace. Most trade unions are independent of any employer.

2. HISTORY OF TRADE UNION

In 1920, the All India Trade Union Congress (AITUC) was set up. In 1926, the Trade Unions Act was passed which gave a legal status to the registered trade unions.

Subsequently many trade unions were formed such as:

- Indian National Trade Union Congress (INTUC)
- Centre of Indian Trade Unions (CITU)
- Hind Mazdoor Sabha (HMS)
- Bharatiya Mazdoor Sangha (BMS)
- United Trade Union Congress (UTUC) and
- National Federation of Independent Trade Unions (NFITU).

3. GROWTH OF TRADE UNIONS IN INDIA

It was not until the close of First World War, that the modern trade Union movement really took permanent roots in Indian Soil. The establishment of Bombay Mill Hands' Association is considered as the first phase of the trade union movement in India. In 1905, the Printers Association of Calcutta and Dock Union Board in Bombay were formed. There was labor unrest in India at the end of the First World War. In several industries, the workers went on strikes to secure wage increases. The Russian Revolution and the Industrial Labor Organization have inspired the Indian laborers to launch trade unions like the Spinners Union and Weaver's Union which had been established in Madras and Ahmadabad respectively.

But the important step in the history of Indian trade unionism was the foundation of All India Trade Union Congress in 1920. There had been a steady progress of trade union movement in India. However, the decision of the Madras High Court that the formation of trade union is illegal stood in the way of its development. In 1926, the Trade Unions Act was enacted to give legal recognition to the different trade unions. The said Act also conferred certain privileges on the registered trade unions in an industrial unit. The Trade Unions Act has made it compulsory on trade unions to use their funds for workers interests and to prescribe a fee of at least 25 paise per works. Most of the members of the executive committee of a trade union must be employed in the factory. In 1930, the climate was not favorable to the growth of trade Union movements in India. The prosecution of the communists involved in Meerut conspiracy case and the failure of Bombay Textile strike of 1929 retarded the trade union movement. Moreover the serious economic depression was added with it, during the period. In the next phase, the Second World War gave a great impetus to the trade union movement in India. The rising cost of living forced laborers to organize themselves into trade unions. At the same time the Second World War split the trade union leaders on the question of participating in the war. Industrial unrest was also increased

during this period. As a result; there was a marked increase in both the number of trade unions and of organized workers.

With independence and partition, the country was plunged into growing unemployment. A series of strikes occurred, in the country. The All India Trade Union Congress was split up as a result of which the Indian National Trade Union Congress (INTUC) was formed in 1947 under the control of congress party. The Hind Mazdoor Sabha (HMS) was formed by the socialist Party in 1948, and United Trade Union congress (UTUC) was formed in 1949. Recently, Centre of Indian Trade Unions (CITU) has been formed by the Communist Party (Marxists).

There are more than fourteen thousand registered trade unions in India. The steady growth of trade unions in India is due to the political consciousness among the laborers as well as the governmental measures to facilitate collective bargaining through approx.

4. ORIGIN OF TRADE UNION ACT

The origin of the passing of a Trade Unions Act in India was the historic Buckingham Mill case of 1940 in which the Madras High Court granted an interim injunction against the Strike Committee of the Madras Labour Union forbidding them to induce certain workers to break their contracts of employment by refusing to return to work. Trade Union leaders found that they were liable to prosecution and imprisonment for bona fide union activities and it was felt that some legislation for the protection of trade union was necessary. In March, 1921, Shri N. M. Joshi, then General Secretary of the All India Trade Union Congress, successfully moved a resolution in the Central Legislative Assembly recommending that Government should introduce legislation for the registration and protection of trade unions. Opposition from employers to the adoption of such a measure was, however, so great that it was not until 1926 that the Indian Trade Unions Act was passed. 41.5 Indian Trade Unions Bill, 1925 having been passed by the Legislature received its assent on 25th March, 1926. It came into force on 1st June, 1927 as the Indian Trade Unions Act, 1926 (16 of 1926). By section 3 of the Indian Trade Unions (Amendment) Act, 1964 (38 of 1964) the word "Indian" has been omitted and now it is known as THE TRADE UNIONS ACT, 1926 (16 of 1926).

This act summarizes all modalities pertaining to registration of trade union to decision of trade related disputes. This act sets guidelines for both the workers and the industrialists. The Act deals with the registration of trade unions, their rights, their liabilities and responsibilities as well as ensures that their funds are utilised properly. It gives legal and corporate status to the registered trade unions. It also seeks to protect them from civil or criminal prosecution so that they could carry on their legitimate activities for the benefit of the working class. The Act is applicable not only to the union of workers but also to the association of employers. It extends to whole of India. Also, certain Acts, namely, the Societies Registration Act,

1860; the Co-operative Societies Act, 1912; and the Companies Act, 1956 shall not apply to any registered trade union, and that the registration of any such trade union under any such Act shall be void. The main provisions made in this Act are as under:

Trade Union

Trade Union means any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions.

5. REGISTRATION OF TRADE UNION

The Act provides for the registration of the trade unions with the 'Registrars of Trade Unions' set up in different States. For registration of a trade union, seven or more members of the union can submit their application in the prescribed form to the Registrar of trade unions. The application shall be accompanied by a copy of the 'rules of the trade union' and a statement giving the following particulars:- (i) Names, occupations and addresses of the members making the application; (ii) The name of the trade union and the address of its head office; (iii) The titles, names, ages, addresses and occupations of the office bearers of the trade union as per the format given in the Act. The Registrar, on being satisfied that the Union has complied with all the requirements of this Act, registers the trade union.

6. REGISTRATION CERTIFICATE

On receipt of the application for registration, the Registrar issues a certificate of registration in the prescribed form as a conclusive evidence of registration of that trade Union.

7. CANCELLATION OF REGISTRATION

A certificate of Registration may be withdrawn or cancelled by the Registrar either after an application of a Trade Union or if the Registrar is satisfied that the certificate is obtained by fraud or mistake or that the trade union had ceased to exist or will fully and after notice from the Registrar contra vent any provisions of the Act or rules etc.

8. ANNUAL STATUTORY RETURNS

The registered trade unions (workers & employers) are required to submit annual statutory returns to the Registrar regarding their membership, general funds, sources of income and items of expenditure and details of their assets and liabilities, which in turn submits a consolidated return of their state in the prescribed preformed to Labour Bureau, Ministry of Labour and Employment. The Labour Bureau on receiving the annual returns from different States/Union Territories

consolidates the all India statistics and disseminates them through its publication entitled the 'Trade Unions in India' and its other regular publications. Every trade union shall send annual returns to the Registrar in triplicate on or before the 1st day of June of the year succeeding the calendar year.

9. USES OF FUNDS

The general funds of a registered trade union shall not be spent on any other objects than those specified in the Act. Also, a registered trade union may constitute a separate fund, from contributions separately levied for or made to that fund, for the promotion of the civic and political interest of its members. No member shall be compelled to contribute to such fund and a member who does not contribute to the said fund shall not be excluded from any benefits of the trade union.

10. MAINTENANCE OF ACCOUNTS

The account books of a registered trade union and the list of members thereof shall be open to inspection by an office-bearer or member of the trade union at such times as may be provided for in the rules of trade union.

11. DISQUALIFICATION

A person shall be disqualified for being chosen as, and for being a member of, the executive or any other office bearer or registered trade union if- (i) he has not attained the age of eighteen years; (ii) he has been convicted by a court in India of any offence involving moral turpitude and sentenced to imprisonment, unless a period of five years has elapsed since his release. The Trade Unions Act 1926 has been amended from time to time and the most important being the Trade Unions (Amendment) Act, 2001. This Act has been enacted in order to bring more transparency and to provide greater support to trade unionism in India.

Some of the salient features of the Trade Unions (Amendment) Act, 2001 are:-

- No trade union of workmen shall be registered unless at least 10% or 100, whichever is less, subject to a minimum of 7 workmen engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the date of making of application for registration.
- A registered trade union of workmen shall at all times continue to have not less than 10% or 100 of the workmen, whichever is less, subject to a minimum of 7 persons engaged or employed in the establishment or industry with which it is connected, as its members.
- A provision for filing an appeal before the Industrial Tribunal / Labour Court in case of non-registration or for restoration of registration has been provided.

- All office bearers of a registered trade union, except not more than one third of the total number of office bearers or five, whichever is less, shall be persons actually engaged or employed in the establishment or industry with which the trade union is connected.
- Minimum rate of subscription by members of the trade union is fixed at Rs 1 per annum for rural workers, three rupees per annum for workers in other unorganised sectors and Rs 12 rupees per annum in all other cases.
- The employees who have been retired or have been retrenched shall not be construed as outsiders for the purpose of holding an office in the trade union concerned.
- For the promotion of civic and political interest of its members, unions are authorized to set up separate political funds.

12. CONCLUSION

“It is more difficult to break a bunch of broom sticks than a single broom of sticks.” As an individual, for a worker to bargain with the management is very hard, so they resorted to trade union, for bargaining as a strong group which has its influence on management. Trade Union is becoming very important to worker for reasons like Promoting and maintaining national integration by reducing the number of industrial disputes, incorporating sense of corporate social responsibility in workers, achieving industrial peace.

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