

Trade Union and Collective Bargaining

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Principal

Trade Unions

Meaning

- According to G.D.H. Cole, a trade union means “an association of workers in one or more professions an association carried on mainly for the purpose of protecting and advancing the members' economic interests in connection with their daily work.”
- Dale Yoder defined a trade union as “a continuing long-term association of employees, formed and maintained for the specific purpose of advancing and protecting the interest of the members in their working relationship.”

Why Do Workers Join Trade Unions? / Need for Trade Unions

1. To attain economic security. In other words, to secure permanent employment with higher salary and benefits in order to have economic security.
2. To improve their bargaining power and balance it with that of the management. Workers would like to restrain or resist the management's irrational, illogical and discriminatory actions. Workers can resist the management by improving their bargaining power which in turn requires joining in trade unions. Management's decisions regarding promotions, transfers, work assignment, grievance redressal and disciplinary issues can be challenged by a group of workers rather than any individual workers.

Why Do Workers Join Trade Unions? / Need for Trade Unions

3. To ventilate the workers' grievances to the management.
4. To inform workers' views, aims, ideas and dissatisfaction/frustrations to the management.
5. To secure protection from unexpected economic needs like illness, accidents, injury etc.
6. To satisfy their social needs.
7. To satisfy their psychological needs.
8. To satisfy their needs for belongingness.
9. To secure power.

Functions And Role Of Trade Unions

1. Achieving higher wages and better working and living conditions for the members.
2. Acquiring the control of industry by workers.
3. Minimising the helplessness of the individual workers by making them stand collectively and increasing their resistance power through collective bargaining; protecting the members against victimisation and injustice of the employers.

Functions And Role Of Trade Unions

4. Raising the status of the workers as partners of the industry and citizens of society by demanding increasing share for the workers in the management of industrial enterprises.
5. Providing worker self-confidence and a feeling that he is not simply a clog in the machine.
6. Imbibing sincerity and discipline in workers.
7. Taking up welfare measures for improving the morale of the workers.
8. To protect the right of to be consulted on all the matters affecting the worker's interest.

Problems of Trade Unions

1. Outside Political Leadership
2. Union Rivalry
3. Small Size of Union Membership
4. Financial Position
5. Category-wise Unions
6. Management Attitude

Measures To Strengthen Trade Union Movement In India

1. Development of United Labour Front. Developing a united labour front with one policy, objective, programme and method can eradicate most of the present-day's trade union problems.
2. Development of efficient leadership. Outside political leadership has been developed due to the absence of internal leadership. Outside leadership is the main cause for the multiple problems of the Trade Unions. These problems can be eradicated through the development of leadership talents from within. Management should encourage internal workers to lead their own movement. Management and trade unions should provide educational and training facilities for the development of internal leadership.

Measures To Strengthen Trade Union Movement In India

3. The membership fee should be raised as the amount of wages of the workers increased significantly, compared to the situation in 1926 when the Trade Union Act provided for the collection of 25 paise per member per month as subscription fee.
4. Trade Unions should extend welfare measures to the members and actively render social responsibilities.
5. The Trade Union Act, 2001, should be amended and the number of members required to form a trade union should be increased from 10% to 50% of the employees of an organisation. Similarly, the scope for the outside leadership should be reduced from 33% to 10%. The membership subscription should be enhanced from 12 per annum to 1% of the monthly wages of the worker.

Measures To Strengthen Trade Union Movement In India

6. The Trade Union Act should be amended in order to avoid dual membership.
7. There should be legal provision for the recognition of the representative union.
8. Trade Unions should not unnecessarily interfere in the management decision, where their interference reduces the organisational effectiveness.
9. Trade Unions should form a labour party and trade unions in the country should be affiliated to it. It gives adequate strength to the trade unions both in the industry and in the Parliament.