

Trade Unionism and Indian Textile Industries



By: S. Venkatachalam & Dr. P. Palanivelu



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The cotton textile industry is frequently plagued by labor problems. The very long strike of the textile workers caused losses amounting to millions of rupees not only to the workers and industry but also to the nation in terms of excise and other taxes and exports. Industrial relations are very critical one. It is a very broad concept and it has many dimensions. The most important aspect is industrial dispute, which always influences the industrial relations. Cotton - Spinning and Weaving is the most important industry in our country. India has been famous for the quality of its handspun yarn and hand woven cotton cloth and a flourishing cotton trade development between our country and outside world including Europe. The last two decades have witnessed a silent industrial revolution in our country resulting in the transformation of predominantly agricultural economy into industrial economy. An Impressive progress has been made in the fields of large, medium and small scale industries in India. Industrial relations in the cotton textile industries are very important. The Textile industry occupies an important place in the Economy of the country because of its contribution to the industrial output, employment generation and foreign exchange earnings. Labor problems are very important in every organization exporters are give more concentration on labors issues its easy way to reduce labor problems. It is more important factor for garment industry to develop at present global competition.

Trade Unions

Trade Union in India is the primary instrument for promoting the union of trade union movement and championing the cause of working class in India. The Madras Labor Union was the first organized Trade Union in India followed by a large number of trade unions in the Indian industrial centers. The Indian government passed the Trade Unions Act in 1926, which legalized the registered Trade Union in India. The Act also gives protection to these trade unions against certain civil and criminal cases. There are at present many Trade Unions in India, which regulates the aspirations of the working classes. The All India trade Union Congress (AITUC) is the oldest Trade Union in India and till 1945 it remained the central trade union organization in India. The working class movement was also politicized along the political parties. The Trade Union in India is engaged in protesting against the attacks on trade union, right to strike, right to collective bargaining, reduction of social security, closure of industrial units and massive retrenchment of workers, and the endangering growth of unemployment. The trade unionism in India has developed quite slowly as compared to the western nations. Indian trade union movement can be divided into three phases. The first phase (1850 to 1900), the second phase (1900 to 1946), the third phase began with the emergence of independent India (in 1947).

The trade unions are highly aggressive in nature and it affects good industrial climate. The unions call for strike in every year asking for higher wages and bonus during festival time. The entrepreneurs want a drastic reform in their industrial problems with regard to export business since any delay in execution of export orders may give more losses to the industry. In Present days employees are not only satisfied with the salary, which is provided by the company, at any level of salary, the employee's expectation is more than the salary that is other facilities like bonus, transport, light, ventilation air, restroom, toilet, water, training program and etc. These facilities are called as welfare facilities. The purpose of welfare facilities is to increase the satisfaction level of the employees. It is also one of the ways to reduce labor problems.



Principles of Indian Trade Unions

- (1) The status of labor as a laborer, his relation to his employer, and effect on the economic and industrial life of the country.
- (2) The status of the laborer as a citizen, as related to the political movements and its result.
- (3) The status of the laborer in the industrial world, which has been rising ever si nce the industrial Revolution.

The direction of this potential revolutionary labor movement in India is in the hands of people they are classified classed into four groups

- (1) The Nationalist
- (2) The Reformists
- (3) The Government and capitalist agents
- (4) The leaders who have come out from the ranks of the laboring class.

Trade Unionism in India

Trade Unionism is a new thing in India. Before 1918 it did not exist, except for a few unions for white workers. This time unions are growing rapidly and successfully. The amount of success can be determined from the huge number of organized members that the Indian laborers are speedily realizing the need for their own unions. Some of the current labor laws are archaic. But irresponsible and militant trade unionism could roll the balance in wrong way. Indian labor can be divided into five groups it is representing about 25 % of the total number of the factory-going workers. This growth indicates

- (1) The land laborers: They are largest in number about 30,000,000. Their chronic poverty, continual semi-starvation, is well known and is bitterly illustrated by their earnings, including unemployed days.
- **(2) The plantation workers:** The planters are organized, and consequently their misery is not growing.
- **(3) The mine workers:** Rice is the main food of the miners. The price of clothing has gone up three times, but the wages are very low from very long period. They are working more than 300 days per year.
- **(4) The handicraft workers:** They are numbering about 2,500,000 hand weavers and 8,700,000 metal woods, ceramic and other hand laborers.
- **(5) The factory workers:** They are very important in labor movement. To a certain extent the second and third groups are still the mainstay of the Nationalist leaders, whose opportunism is forcing the workers towards class-consciousness, as was proven during the plantation strikes.

India has powerfully organized Labor movement in the form of the secretary of the Indian Labor Federation or Standing Committee of the All-India Trade Union Congress. Under this federation there are 97 unions, with 1,500,000 members. It covered all the industries of the country. The leading organization is the Railway men's Union, which has organized

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50% of those employed, which is about 325,000 workers. The second in importance is Textile Workers' Union, and the third is the Miners' Union.

Industrial Revolution & Textile Industries

The Industrial Revolution has been a worldwide occurrence; though it has occurred in all the parts of the world, there are few exceptions. Industrialization occurred first in Britain, and its effects spread only gradually to Asia and also in India. The Industrial Revolution that eventually transformed all parts of the Asia surpassed in magnitude the achievements in India; the process was carried further to change radically the socioeconomic life of our country. The reasons for this succession of events are complex, but they were implicit in the earlier account of the buildup toward rapid industrialization.

At the time of industrial revolution, working conditions in textile factories were unfavorable relative to modern standards. Children, men, and women were forced to work for 68 hours per week. Factories often were not well-ventilated and became very hot in the summer. Worker health and safety regulations were non-existent. People might have chosen to work at these factories because other work for unskilled, landless persons was less consistent throughout the year and from year to year, and offered less possibility for earnings growth for those who adapted well to the work.

Textile factories organized workers' lives much differently from craft production. Handloom weavers worked at their own pace, with their own tools, and within their own cottages. Factories set hours of work, and the machinery within them shaped the pace of work. Factories brought workers together within one building to work on machinery that they did not own, it also increased the division of labor. Factories flourished over manual craftsmanship because they had more efficient production output per worker, keeping prices down for the public, and they had much more consistent quality of product. At times, the workers rebelled against poor wages. The early textile factories employed a large share of children, but the share declined over time. Leaders, textile Engineers and Technologists demanded immediate action against the persons responsible for the recent labor unrest in textile industries.

A spirit of cooperation between textile industries and trade unions is the minimum prerequisite for industrial harmony and development. Industrial relations is a major force which influences social, political and economic development of a country. Industrial relations systems based on the spirit of cooperation, it ensures the promotion or protection of employees' and employers. In 1991, a series of industrial, fiscal and trade reforms were announced by the Government which have a direct bearing on industrial peace and prosperity. The ground realities of the situation suggest that workers and management still lack in realization of industrial disputes to solve in joint cooperative decisions and continue to think in terms of their own interests being mutually conflicting. Employers are faced with increased competition and adopt unfair labor practices. Due to retrenchment of workers and contract labor, the union's membership has been affected at national level. The role of Government has also changed, due to globalization and opening up of the economy, is unable to continue its pro-labor policy. Efforts have been made to study the impact of these changes on the industrial relations at the state level during the post reforms period.

The Union government's Labor Bureau, the total number of man days lost because of strikes and lockouts in 2009 was 4.73 million and in 2008 and 2007, the numbers were 9.83 million and 16.41 million. This should show a huge decline in the incidence of strikes



and lockouts. The catch is that these figures are still provisional; data collection and compilation in India moves at a glacial pace. Also, the final figures for 2002, 2003, 2004 and 2005 as per the Labor Bureau are 9.66 million, 3.21 million, 4.83 million and 10.80 million respectively. Statistics do not reflect the trend, as often disputes are not being reported. Closures are taking place, layoffs are happening, but either workers are accepting it quietly.

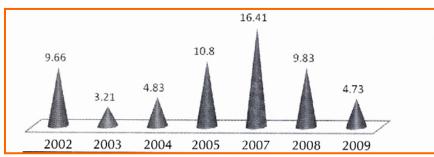
Total Number of Man days loses because of Strike and lockout

Year	Mandays (Million)
2002	9.66
2003	3.21
2004	4.83
2005	10.80
2007	16.41
2008	9.83
2009	4.73

Source: Union government's Labor Bureau (Approximate figures)

The problem is partly caused by job losses in the economic slowdown and the uncertainty they have engendered. According to the two surveys conducted by the Labor Bureau to assess the impact of the economic slowdown on employment in India for the quarters October-December 2008 and January-March 2009.

there was a decline of about 0.5 million in employment in the earlier period. In the second, there was an increase of 0.25 million. The survey covered certain specific sectors. "The employment in the selected sectors during March 2009 remains lower than employment in September 2008, when the number was 16.2 million. The Labor Bureau found that the effect of the slowdown was far greater on contract workers. While there was no change in the January-March 2009 period, there was a sharp slump of 3.88% during October-December 2008.



The share of organized sector employment in total employment has been falling from 7.3% in 1993-94 to 5.8% in 2004-05. In absolute numbers, too, employment in this sector has gone down, from 27.7

million in 2001 to 27 million in 2003, according to a survey by the National Sample Survey Organization. "Organized employment is down from 10% to 7% of the labor force because of slow non-farm job creation in rural areas and a labor law regime that breeds informality," more freedom to hire and fire. Its demands include a ban on flash strikes.

Conclusion

Everybody recognizes that India's labor laws encourage the substitution of people with machines and breed unorganized employment. But policymakers are not able to deal with the optics of labor reform where people have begun to view labor reforms as anti-poor while they actually are the opposite. The changes that have occurred in industrial relations scenario in textile industry the economic reforms introduced during the nineties. The number of disputes and the number of workers involved in the disputes have come down gradually in the post reforms period. But at the same time the man-days lost due to strikes

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and lockouts show an increasing trend in the same period. With the measures taken by Government and labor department, the workload of adjudication machinery has decreased and this efficiency of conciliation machinery is reflected in discharging its functions. The economic reforms have affected industrial relations in textile industry there is a declining tendency in industrial disputes. The prevailing atmosphere of labor unrest could be attributed to total violation of certain norms of discipline by a section of trade unions and also by some employers. Labor problems are very important in every organization. Exporters give more concentration on labors issues as it is easy way to reduce labor problems. It is more important factor for garment industry to develop at present global competition. So as much as possible labor unions are trying to reduce problems since it is very important for development of textile industries.

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