

WAGES ● RIGHTS ● AND TU UNITY

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I. WAGES, DEARNESS ALLOWANCE, BONUS

In 1957, the tripartite Indian Labour Conference (ILC) had agreed that workers in major industries were entitled to a need-based minimum wage and it had accordingly worked out the physical norms of what the wage would be in real terms. Following from that decision, wage boards were appointed by the government in 22 industries. Before all of these, as also before the second pay commission, the workers had argued their case for need-based wage. But none of these authorities awarded an increase which came anywhere near the need-based norm.

However, in many plants and factories, through strikes, struggles and settlements the workers did get substantial increases which, though short of the need-based minimum, did cover the gap between this and the existing wage to a considerable degree.

The wage boards took an enormous time to complete their reports. The average time taken by a wage board for completing its work has been three years, eight months and nine days. The least time was taken by the first cement wage board (one year and six months) and the longest by the tea plantations wage board (five years and six months). In some cases as in electricity, the government refused to accept even the unanimous recommendations of the board. In the case of newspaper employees, the workers in the major papers owned by the monopolists, like the Statesman, the Times of India, Indian Express and Hindustan Times, had to go on a protracted nationwide strike which lasted 57 days (23 July to 18 September 1968) and even then the government only ordered that 75% of the awarded increase be implemented and the rest sent to a tribunal for adjudication. In several others, the employers point blank refused to implement the reports as accepted by the government.

Hence the experience of the workers clearly demonstrated that if they had to win any substantial increase in their wages they had to resort to direct action. Secondly, the wage boards, commissions and courts were extremely time-consuming and by the time the reports were out even the demands raised were outdated due to the continuous and sharp price increases.

At the same time, the first round of wage boards in several industries like cement, sugar, coal, port and docks, steel, etc., did perform a useful function in that instead of the complete anarchy in the wage map of the same industry, it at least standardised the wages on an all-India or on a zonal basis.

The wages map of India, despite the wage boards, presents a picture of great disparities. The wage boards have only covered the major organised industries and their recommendations have preserved and in some cases even enhanced the difference in wage levels as between the industries. Apart from these the state minimum wage committees have awarded wages in several industries which are on a very low level. But in some industries and in some areas and in some plants much higher wages have been secured through struggles or awards. For example, in Ahmedabad textile, Bombay textile, steel, banks, chemicals and organised engineering, the wages are higher than elsewhere.

The wages level once secured is depressed through price rises. Therefore, the linkage of dearness allowance to cost of living indices is very important. Mere linkage does not save the real wage unless the rate of neutralisation is one hundred per cent. In Bombay and in Ahmedabad there is nearly 100% neutralisation at the level of minimum wage, but the rate of neutralisation falls off as the wages rise.

Hence the picture is that, apart from some industries and areas, the workers have not secured a norm which even remotely approximates to the need-based level.

Taking all these experiences into account, the All India Trade Union Congress (AITUC) had as early as 1968 come to the conclusion that the trade union movement should not raise the demand for new wage boards; that, wherever

one wage board had already sat, the appointment of a second wage board should be opposed and that wage demands should be settled on an industrial basis through direct bilateral negotiations.

The first state where the workers broke through the vicious circle of wage boards and tribunals or plantwise action was the state of West Bengal.

The first and second United Front Governments both announced a firm policy of not using the police to suppress legitimate TU agitation and struggles in the interests of the exploiters. This assurance, the first of its kind, coming on the heels of the resounding Congress defeats, unleashed a mighty working class upsurge against the capitalists.

In 1967, it took the form of mass "gheraos" which were a sort of elemental and spontaneous outburst of class fury; generally it lacked clear direction and unity of purpose, and remained confined to the individual plant or office level.

But, in 1969, the working class rose to a new height of class solidarity by consciously organising and launching united general strikes, industry by industry, in jute, plantations, textiles, engineering, etc. In these four major sectors alone about one million workers took part in complete stoppages lasting from eight days to one-and-a-half months. These industrywise strikes were models of united mass action, embracing all trade unions, including the Indian National Trade Union Congress (INTUC) and were thus of a qualitatively higher level than seen hitherto. They could have served as a model for the entire working class of the whole country to follow.

By West Bengal standards, where industrial wages have traditionally been kept depressed, substantial gains by way of wage increases, either interim or new structures, were won through these united struggles. The adamant resistance of the big employers' associations was broken, and they were all forced to sign collective agreements with all the unions for a sizeable increase or cash interim relief plus provision for a tripartite committee to revise the entire structure.

Thus, in jute, the strike settlement was for an ad hoc

interim increment of Rs. 30 per month, for all workers. This has raised the minimum wage for the industry to Rs. 172.60. But the DA was frozen, pending final revision, at Rs. 94.10 per month through unilateral interpretation of the settlement by the employers.

In engineering, prolonged negotiations coupled with mass actions finally resulted in an industry-wide agreement on minimum wage of Rs. 196 per month, and revision of the wage structure.

In tea plantations, the general strike raised the minimum wage too. In textile, a cash interim increase of Rs. 20 per month was secured, taking the minimum wage to Rs. 162 (Rs. 172.94 in Kesoram only).

West Bengal government employees secured small increases (much less than the UF-appointed pay commission recommended) as a result of which the minimum salary now stands at only Rs. 157.35 per month.

Even after this first round of gains, the general wage level in West Bengal remains depressed in relation to (a) the workers' actual minimum requirements; (b) the rise in cost of living (Calcutta consumer price index stands at 744 average for July-December 1969 and 738 for January-June 1970, on the base of 1939=100); (c) the capacity of the organised industry to pay; and, (d) comparable wages in Bombay, Ahmedabad, etc.

A feature of the Bengal struggles was that unions belonging to AITUC, INTUC, Hind Mazdoor Sabha (HMS), United Trades Union Congress (UTUC), and others all united together. The strikes were called jointly, conducted unitedly and then in the negotiations and settlements, everyone was represented.

The impact of the Bengal strikes was not confined to the state only; workers elsewhere were quick to grasp the essential lessons. In the neighbouring state of Bihar, over 40,000 workers in the eight large engineering units at Jamshedpur struck work in November 1969. The strike continued for 36 days. Here again, all shades of the TU movement joined together barring the officially recognised INTUC, though the dissident group was in the joint committee of action. Taking advantage of the Governor's rule,

Tatas and other employers signed a settlement with the INTUC. But the wage increase was big, providing Rs. 200 as minimum in TELCO and slightly less in other factories.

Following this strike, and settlement, there has been a round of bilateral settlements in the public sector engineering companies. Such wage settlements have taken place in Hindustan Aircraft Limited (HAL), Heavy Engineering Corporation (HEC), Bharat Heavy Electricals, Hindustan Machine Tools (HMT), etc., raising the minimum wage to Rs. 185 and Rs. 200.

The importance of these settlements consists not only in the fact that big wage increases were secured through settlements, but also in this that many of these public sector companies have plants in different states. By pushing up the wages in all these plants, situated in different areas, these settlements are acting as a spur to rousing other sections of the working class where the wages are still low.

In the wake of these developments, there have been industrial state-wise settlements in the engineering industry in Bihar, Andhra Pradesh, Karnatak and Rajasthan.

In Haryana, through prolonged strikes millwise, the award of the textile wage board was scrapped and gains obtained through direct settlements but the quantum has been different in each unit.

Thus, instead of the wage board awards and unit-wise struggles, and settlements, new patterns have emerged. There were statewide industrial settlements, nationwide company settlements earlier also, but not on this scale.

Then there are the national industrial settlements in the Life Insurance Corporation, State Bank of India, all other banks, and the Reserve Bank of India. Though in these sectors bilateral negotiations had taken place earlier also, and the national bipartite was not a new phenomenon, yet there are new features like doing away with area classifications in the banking industry.

This has importance because it brought into existence a uniform and standard rate of wages on an all-national level in a highly concentrated block of monopoly capital, that is banking, and delinked it from the vagaries of the size or

location or fortunes of the individual units of the given monopoly.

The culmination of all this process in a way was the recent settlement in steel on 26 October 1970 comprising all the public and private sector mills in the country. This settlement was bilaterally negotiated, and the AITUC, HMS and INTUC jointly represented the workers. As a result of this settlement, the minimum wage of an unskilled worker has been pushed up to Rs. 240 at 183 of the CPI (Base 1960=100) and DA neutralisation of Rs. 1.30 per point has been secured which is slightly over 100% neutralisation at this level of wages.

Both the minimum wage and the rate of neutralisation is the highest won by industrial workers in the country on an all-national industrial level. And the industry and the workers are also at the highest national importance—that is in steel.

The Government of India, which had refused to settle the dispute regarding revision of wages of its employees through negotiations or arbitration and had let loose repression on their strike in 1968, has referred this issue to the third pay commission. The pay commission is functioning in the usual manner of all such commissions and there is yet no indication as to when it will finish its work. It announced an interim relief of Rs. 15 and Rs. 25 to the employees constituting lakhs of industrial workers as in railways, post and telegraphs, defence establishments, etc. and several thousand employees of the secretariat and administrative departments. At present the minimum wage of railway workers is Rs. 141 which with the interim relief of Rs. 15 comes to Rs. 156, i.e. Rs. 84 short of the minimum wage of steel workers and Rs. 44 short of that of an engineering worker.

Through prolonged struggles, state government employees in Andhra Pradesh, Mysore, Rajasthan, Kerala, Punjab, Bihar, Tamilnadu, West Bengal, Maharashtra, Madhya Pradesh could win the demand of parity in wages and DA between themselves and central government employees. With the announcement of grant of interim relief to the central government employees, in several states prolonged

and bitter struggles have taken place to demand that the same should be granted to the state government employees also. In several states like Punjab, Andhra Pradesh and Rajasthan, the employees have succeeded.

Teachers in primary and secondary schools have also had to launch struggles and have in some cases succeeded in securing wage rise.

So, on the wages front where do we stand now?

The slogan of a need-based minimum wage is now being actually approximated in some big industries and services by the minimum wage which workers have been able to secure through struggles and direct settlements. These struggles and settlements by and large have been conducted and negotiated by different TU centres acting together. The wage boards have become outmoded and are being replaced by direct collective bargaining, which means an advance of TU rights.

Hence, the slogans advanced by the AITUC on the wages question have proved to be quite correct. And the line of further advance is in the same direction: a need-based minimum wage with 100% neutralisation in the rise in cost of living through a bilateral settlement on the basis of unity of all trade unions.

As stated earlier, there still are vast sections of workers who do not get any DA. Others get it on a slab system which is linked with wages and not with consumer price index. Even in the case of those whose DA is linked with the CPI, the neutralisation is not 100% which results in a cut in real wages with each rise in prices.

The National Commission on Labour had recommended that DA should be linked with CPI and that the rate of neutralisation should be 95% at the lowest level. This sum of money should, according to them, constitute the DA at all wage levels above the minimum. Thus at a wage double that of the minimum wage, the rate of neutralisation would be 47½%. The AITUC has rejected this and advocated that DA must provide full neutralisation at all level of wages. Apart from the cut in the real wages, if this is not done, the effect would be of telescoping the differential: the skilled losing in comparison with the unskilled.

The structure of the working class is changing. One of the changes is that with the growth of new techniques the skilled component is becoming larger and the unskilled smaller. Thus a DA mechanism which tapers off the rate of neutralisation with rise in wage scales depresses the price of skilled labour power and enhances the super-profits of the employer.

In its working, the Payment of Bonus Act has proved to be most unsatisfactory. True it provides for a minimum bonus of four per cent. But the minimum in most cases has become the maximum. Many public sector undertakings and all departmentally run undertakings and services are out of the purview of the Act. The clause for exemption of new units has worked to the disadvantage of workers in these. The formula for calculation of the divisible surplus has become heavily weighted against the workers. On top of all these, audited balance sheets given by the employer have been given the status of unchallengeable holy documents.

In view of all these serious defects the AITUC and all other centres have been demanding a complete change in the Bonus Act. The National Commission on Labour however recommended that the present act should be continued unchanged as it had not yet had sufficient trial.

The result was that in the recent period there have been large scale strikes in several industries, demanding that the minimum bonus be raised to 8.33 per cent in all industries and trades and the Bonus Act be completely revised.

The AITUC has put forward the suggestion that all complicated formula and calculations be cut out and bonus be paid as a percentage of gross profits.

The workers and the unions have been demanding a new bonus act, which should cover all workers and employees in the private and public sectors as well as departmentally run undertakings like the railways. They have been asking for raising the minimum level to 8.33 per cent instead of the present four per cent.

As a result of this unanimous demand of the workers, the government of India made an announcement that an ordinance would be promulgated raising the minimum to 8.33 per cent. However, the employers including those in the

public sector strongly resisted this and the ordinance never came. A tripartite meeting was called at Bombay on 20 September 1971 to arrive at some settlement. However, no agreement could be arrived at due to the employers' refusal to accept the 8.33 per cent minimum. But the day after the meeting was over, the labour minister announced that he had held some consultations with some labour leaders and employers' representatives and had arrived at a so-called consensus formula. This formula linked the quantum of bonus to gross profits minus normal statutory depreciation. Then difference between the amount so calculated and the bonus under the act would be payable as an advance; and minimum would be raised to five per cent as an advance. A committee would be appointed to suggest a new formula within six months.

As a matter of fact, this "consensus" so far as the workers are concerned was only accepted by a section of the INTUC. The AITUC and HMS were not consulted and both of them in a joint communique issued from Madras on 29 September rejected it and demanded 8.33% as minimum bonus without any conditions.

Two lakh textile workers of Bombay and fifty thousand textile workers of Coimbatore however launched a general strike, the former under the leadership of the AITUC and the latter under a joint committee of several trade unions to secure a minimum bonus of 8.33%. The Bombay strike was "suspended" after five days when the employers agreed to give bonus according to the "Khadilkar consensus formula" which would raise the quantum in most cases.

The issue of bonus under the "Khadilkar formula" came up for discussion before the Indian Labour Conference on 22-23 October 1971. All trade unions, including the INTUC, attacked the formula, and the government agreed to form a committee to review the whole question.

The advances on the wages issue have been possible because of the unity and struggle of the workers. But before they could go over to the next stage to consolidate the gains further, new political events came on the scene. The Parliament was dissolved and a new one was elected giving absolute and firm majority to the ruling Congress Party.

And, as soon as the new Lok Sabha met, the Finance Minister, Y. B. Chavan, in his budget speech observed that: "it is now generally recognised everywhere that without any active policy of restraint on wages and prices and therefore, on income, we cannot avoid a price spiral, which moves continually from one industry to another."

A policy of wage-freeze in the name of an "incomes policy" is not a new weapon in the bourgeois armoury. Several developed capitalist countries have tried to impose such a policy in recent years. In every case, whether it was USA or the United Kingdom, France or Italy, in actual working the result was the same—an attempt to freeze wages. Prices were not controlled and profits continued to mount. The workers had to resort to large-scale, prolonged and dogged strike actions and defeat the wage freeze sought to be imposed on them in the interest of preserving profits.

In our country the results are bound to be the same. In fact, in view of the price rise, the reasons for which are quite unconnected with any increase in nominal wages, the results are bound to be even more harmful to the interests of the working class.

Without going into too many details the following unanimous findings of the National Commission on Labour will help to bring out certain pertinent features of the situation.

"15.18. To sum up, we note that increases in money wages of industrial workers since independence have not been associated with a rise in real wages nor have real wage increases been commensurate with any improvements in productivity. Simultaneously, wage costs as a proportion of total costs of manufacture have registered a decline and the same is true about workers' share in value added by manufacture. Wage disputes under these conditions have continued to be the single most important cause of all industrial disputes."

(Report of National Commission on Labour, p. 225)

These conclusions are based on its analysis of:

(a) *Changes in productivity*: "Adjusting the increase in net output for price changes during the period 1952 to 1964—and in this case it would be safe to use the index numbers of wholesale prices (for manufactures)—we find that production per worker has increased by about 63 per cent between 1952 and 1964. A part of it must have been contributed by labour whose real earnings have remained almost static during the period." (Ibid, para 15.15, p. 224).

(b) *Decline in labour cost*: "An analysis of data in the Census of Indian Manufactures upto 1958 and in its successor, the Annual Survey of Industries, for later years shows that between 1952 and 1958, money wages as a percentage of total output dropped from 13.7 to 11.4. Between 1960 and 1964, on the basis of the new series of Annual Survey of Industries, the drop was from 10.9 to 9.7. The decline varies from industry to industry but has been registered in all cases, except in the case of fair sized units in the match industry where wage costs as a proportion of the cost of production have gone up. Even after adjusting the gross output in 1964 for prices (1952=100) and working out the share of wages to the output, so adjusted, there is a fall between 1952 and 1964." (Ibid, para 15.16 p. 224).

(c) *Share of Wages*: "Finally, one has to take into account the share of workers in the value added by manufacture. And in this indicator, only two shares count: (i) of employers and those who have provided capital in the expectation of a dividend and (ii) of workers. The percentage of wages to the value added by manufacture, on the basis of CMI data, shows a decline from about 50 per cent in the period 1949-50 to about 40 per cent in 1958. This trend seems to have continued in the subsequent years as revealed by the data of ASI. For instance, wages as a percentage of value added declined from about 40 per cent in 1960 to 36.5 per cent in 1964, the latest year for which information is available. Even if the money value of benefits and privileges is taken into account, the conclusion remains the same, though the decline then becomes less sharp." (Ibid, para 15.17, p. 224)

In the opinion of the National Commission on Labour: "The net effect of the operations of the industrial disputes machinery on wages of factory workers has been that in 1965 the industrial workers at the lower levels were earning hardly a real wage corresponding to that of the year 1952." (Ibid, para 15.14, p. 223)

Hence while on the one hand, production increased by 63% and productivity also increased, the share of workers in the total cost of production and the value added by manufacture declined. Whatever gains in wages they could secure through settlements, awards, and struggles were swallowed up by increases in prices which are not due to any increase in wages as is clear from the conclusions of the National Commission on Labour quoted above.

Prices rise and continue to rise not because of any increase in nominal wages to the workers the bulk of which in any case is an increase in DA which only partially neutralises, after an interval, the actual rise which has already taken place. The causes of the price rise lie elsewhere. They lie in the grip of monopoly capital over vital sections of our economy, in the drive for super profits, in the credit policies of the banks which are utilised for speculation and cornering of vital supplies and which even after nationalisation continue to favour the bigger capitalists.

Instead of putting forward a policy which will curb monopolies, loosen their hold on the vital sections of our economy and thus enable price control to be effectively brought in, the Finance Minister insists on freezing wages (for that is what the reality of the euphemism—"wage restraint"—in fact is). And this policy is sought to be imposed on the working class which through its toil and labour has helped in increasing production and productivity while its own earnings have remained at best stationary, at the level of 1947, i.e. at the level where we achieved independence after two hundred years of colonialism and slavery.

The AITUC and HMS immediately took concrete steps to unify the thinking among all TU centres and to evolve common action to fight this reactionary policy. In separate letters written to all TU centres and national federations

they proposed a joint meeting of all to discuss this and other questions of common interest.

The government changed their tactics in view of this concentrated and immediate reaction. In answer to a question in the Rajya Sabha, Finance Minister Y. B. Chavan, stated that the government had no intention of imposing a wage freeze. The Labour Minister, R. K. Khadilkar, stated that "The government in order to hasten the process of social transformation, must ensure that the productivity of the nation as a whole is raised and economic disparities are reduced at all levels. At the same time, the wage structure should be linked with productivity by and large especially as workers are assured of a proper share in the national product."

In her address to the Federation of Indian Chambers of Commerce and Industry, Prime Minister Indira Gandhi stressed the need for increased production and productivity and of linking wages with productivity as one of the effective means of maintaining costs and prices at a reasonable level.

Hence the emphasis in all these important pronouncements is on linking wages with productivity which, in effect, today means wage-freeze at today's level of work.

This story, once again, is not new.

As the National Commission on Labour pointed out, though during the period 1947 to 1964 productivity and production increased, the real wages of the workers remained stationary. The benefits of increased productivity were thus wholly swallowed up by the bourgeoisie. The rise in nominal wages just compensated for the rise in prices. Today, this slogan would clearly mean that what the bourgeoisie wants to do is to freeze even nominal wages and allow an increase only if productivity is first increased. Then part of this increase may be passed on to the workers in the shape of a rise in nominal wages while the greater proportion would go to swell the profits and the super profits. This will be cloaked under the pious guise of "savings for investments" which will again generate economic activity to combat unemployment. In fact, the meaning is

that profits have to be safeguarded and increased although the living conditions of workers go on deteriorating.

The overwhelming majority of the workers do not get a need-based minimum wage. In many cases, no DA is paid, in many others the DA is fixed and not linked to the CPI, except in the cases of a few the rate of neutralisation is less than 100%. And, in the overwhelming majority of cases where the DA is linked to the CPI, revision is only **after** a period has lapsed. In these conditions making increase in wages dependent upon an increase in productivity actually means far more than a policy of wage freeze: it means an unadulterated policy of wage cuts in real terms.

Since hours of work cannot be increased, the effort is to intensify labour thus increasing the rate of surplus value. A productivity drive in conditions of capitalism means a straight effort to increase exploitation and increase profits while reducing the workers' share in the product.

Such a policy has to be resisted and any attempt to force it on the working class is bound to lead to collective action by the workers.

The declaration adopted by the conference of trade unions held on 18-19 May 1971 has unanimously rejected the idea of wage freeze or linking wages with productivity. It put forward the following slogans:

“A wage policy providing for rising real wages. A national need-based minimum wage with automatic linking of DA providing full neutralisation against changes in cost of living at all level of wages and on this basis complete overhaul of the wage structure.”

This is the immediate task to which the TU movement has to address itself.

II. INDUSTRIAL RELATIONS AND TRADE UNION RIGHTS

The three main principles on which an industrial relations policy would help in defending and advancing the workers' interests are :

- the right to organise unions freely;
- the right of recognition; and,
- the right to strike.

Today all these are under a sharp attack.

1. The right to organise

The right of organisation is not being attacked frontally or openly. Rather, it is mounted through the policy adopted or proposed on recognition. After a union has been recognised, all the others are discriminated against and deprived of all normal functions of a trade union. For example, on the railways where two federations are recognised, though neither of them singly nor both of them jointly, represent anything but a minority of the workers, no other union is given any rights. Even the right of taking up the grievances of their members is denied to them. Thus, quite apart from victimisation and repression, through the very machinery and process of recognition, the right to organise is attacked. This is not peculiar to the railways. It pertains to all the industries covered by the Bombay Industrial Relations Act in Maharashtra, and the Industrial Relations Acts of Gujarat and Madhya Pradesh. It applies to all public sector enterprises and to many others even where there is no law or statute.

Hence, this problem and the position can be understood and discussed only in the background of the right of recognition.

2. The right of recognition

There is no statutory recognition of trade unions in India. The Bombay Industrial Relations Act and similar enactments in Gujarat and Madhya Pradesh provide only for statutory acceptance by the employer of a representative union, i.e. a bargaining agent. But the rights of a recognised union are much wider than only collective bargaining.

The Code of Discipline formulated by the Indian Labour Conference in 1957 provides for voluntary, conditional recognition of trade unions. Even under this their rights are not properly defined.

The united recognition under the law in Maharashtra, Gujarat and Madhya Pradesh and under the Code of Discipline is consciously utilised by the government and the employers as an instrument to foist on the workers a union of their own choice, though here and there, especially in Andhra Pradesh and Mysore, some genuine unions have managed to secure recognition.

However, taking the country as a whole, recognition continues to be a prerogative of the employer whether in the private or the public sector.

For a long time the AITUC and other TU organisations have been demanding statutory recognition of unions. The INTUC has also been in favour of this. However, sharp differences have existed as between the INTUC on the one hand and the AITUC and IIMS and others on the method of determining which union has the largest backing among the workers. The AITUC and several other organisations have favoured a secret ballot of the workers whereas the INTUC has demanded verification of membership rolls.

The National Commission on Labour has left the question open. While recommending statutory recognition of unions by employers, it suggested that the method of determination of majority by verification or by ballot should be left to the discretion of the Industrial Relations Commission concerned from case to case.

The second United Front Government of West Bengal and the Achutha Menon Ministry of Kerala had adopted measures making secret ballot of workers the basis of

recognition. But neither of these got the assent of the central government. The Congress Government of Maharashtra has passed an Act providing for recognition by verification of membership rolls and imposing onerous conditions on the recognised union. In Andhra Pradesh, a similar legislation is on the anvil.

The issue of recognition came up for discussion in the session of the Indian Labour Conference along with other recommendations of the National Commission on Labour. However, the HMS boycotted the session; the AITUC walked out of it and no decision could be arrived at.

Then the Standing Labour Committee was summoned to meet on 23-24 July 1970. The AITUC boycotted this meeting; the UTUC is not a member of the Standing Labour Committee.

The HMS agreed that recognition should be made obligatory by law, but the procedure may be left to be decided by the judicial member of the Industrial Relations Commission alone. However, the government circulated the conclusions putting forward the "consensus" proposal that the procedure would be verification. The HMS repudiated this. Therefore, the consensus was only among the government, the employers and the INTUC.

After the failure of the Indian Labour Conference called to discuss the report of the National Commission on Labour, the government initiated a meeting between the top leaders of the INTUC, AITUC and HMS. Three meetings were held at which the government was not represented and only the representatives of these organisations were there.

However, due to the insistence of the INTUC on verification alone the talks broke down.

The general council of the AITUC at its meeting in November 1970 again discussed the question and decided to raise the demand that a high level meeting of TU representatives be called by the Prime Minister to discuss the entire issue of labour policy including recognition.

The mid-term poll intervened and after the elections, the government declared their intention of convening such a meeting.

In the meantime, the AITUC opened bilateral talks with the HMS and it was decided between the two that a conference of all national TU centres and trade federations should be held independently of the meeting which was proposed by the government.

The government called this conference on 20-21 May 1971 and the TU conference met two days ahead, on 18-19 May. (For a report of these two conferences, speeches, documents, please refer to the AITUC publication: THE TWO TU CONFERENCES—18-19 May, 1971; 21-21 May 1971).

This conference adopted a declaration which, on the question of recognition, reads as follows:

“Regarding the choice of a bargaining agent we feel that the democratic way of settling the matter is as a result of the verdict through a secret ballot of the workers and all parties abiding by the results of the verdict.

“However, even in this we do not want any interference by the government or the employer. The issue must be settled by all the concerned unions themselves.

“Selection of a single bargaining agent by whatever method including ballot will not automatically eliminate rivalry. Hence we feel that the time has come when this problem should be considered in the context of development of trade union unity, ensuring at the same time due reflection of the opinions and allegiance of all the workers in the bargaining agent.”

In the conference called by the government, the Labour Minister summed up the position on recognition as follows:

“It appears to me that all of us are agreed that in the field of industrial relations, the main problem is one of selecting a bargaining agent and investing it with sufficient authority to influence the relationship with the employer. We have been discussing this matter for several years now and many proposals have been canvassed. But I am glad today’s deliberations have thrown up a very broad outline of the solution of this vexed problem. If there are more than one union and if the only union with a majority were to have all the authority for bargaining, then there is the likelihood of its attempts being frustrated by the minority

section. Keeping this possibility in view a suggestion has been put forward that the bargaining agent will have to take into confidence all the minority sections subject to certain conditions.

“In my opinion this suggestion deserves further consideration; it may point the way to promoting the much-desired unity in the trade union movement. In any case, it may have the effect of making multiplicity of unions prove less detrimental to the interests of the workers. On the question of selecting the bargaining agent, differing preferences were expressed, for the method of verification and for recourse to secret ballot. Of course, the trade unions will need some time to elaborate and give concrete shape to the proposals for selecting a bargaining agent and also its practical implications and the means of translating it into a reality at the level of the establishment. I wish the recognised All-India bodies would give further thought to this suggestion by constituting a small committee or a working group of their own for this purpose which could report within a couple of months.”

On the issue of recognition there has been a lot of diverse thinking and a number of variants were in the field. The only unanimously agreed positions are that unions must be recognised statutorily and that where there is only one union, it must be recognised straightaway.

As regards multiplicity of unions the following formulae have been suggested:

- i) Verification of membership rolls and recognition of the largest union;
- ii) Secret ballot (of all workers/of members of all unions only) and recognition of the largest union;
- iii) Recognition of all unions;
- iv) Grant of equal facilities to all unions to enrol members inside the premises of the factory for a specified period (say one year) and recognition of largest union thereafter as a result of verification;
- v) Secret ballot followed by proportional representation in the executive committee of the largest union to smaller unions;

- vi) Secret ballot followed by proportional representation for collective bargaining only to all unions;
- vii) Formula suggested by the National Commission on Labour:
Recognition to be given to the largest union through a procedure to be determined from case to case by the Industrial Relations Commission;
- viii) Formula suggested by the Standing Labour Committee:
Recognition to be given to largest union through verification by the Industrial Relations Commission's chairman only who will be a judge.

In actual fact, what is happening is that no single trade union centre is in a position to call a strike in any industry as a whole. Most struggles in this period have been launched and conducted by united committees of various trade unions and the settlements have also been jointly negotiated by all. In many cases where the so-called recognised union has entered singly into a settlement, other unions have blown it up. With great multiplicity of unions in most places it is seldom that a single union commands the overwhelming majority of the workers. Even the largest union may have only a bare majority or may even be in a minority as a whole. The rise of category-wise unions poses other problems. The largest industrial union may have a negligible influence in a key category which can by its action hold up total production.

Hence the issue of recognition has today to be posed in the context of trade union unity as well as of a basic trade union right.

As a result of the discussion at the conference of trade unions called in May 1971, an informal committee of representatives of INTUC, AITUC and HMS was set up to arrive at an agreed solution on the issue of recognition and other matters of industrial relations policy.

This Committee met several times. Though on several matters like workers' participation in management, the desirability of no interference by the government in industrial disputes, etc., there was a near consensus, on the

question of recognition differences remained. The position of the three organisations on this question can best be summed up in their own words.

INTUC's Draft Proposals

One union recognised as the representative union for one industry in a local area or a plant is a desirable ideal. There are some unions, which have already attained this status either under provisions of any law or under the Code of Discipline or as a result of collective bargaining agreement. These unions shall not be disturbed and the constituents of the other two organisations herein shall respect the representative status of these unions so that the representative union can function effectively.

There are areas and industries in the country where there is no such recognised union as the representative union for an industry in a local area or a plant. In all such cases, recognition shall be on the following basis:

1. Verification of paid membership shall be the basis for recognition of a union.
2. If as a result of such verification, any union is found to have a membership exceeding 50 (fifty) per cent of the total number of workers employed in the plant, or 40 (forty) per cent of the total workers employed in an industry in a local area, then it shall be recognised as the sole bargaining agent for the plant or for the industry in the local area respectively.
3. Where an industrial union for a local area is recognised, no plant-wise union/s shall be recognised in the area in that industry.
4. But if the verification results show that membership of the largest union is below than 50 (fifty) per cent in the case of a plant or 40 (forty) per cent in the case of an industry in a local area, then such union will be recognised for the plant or the industry as the case may be, but it will associate in negotiations the other union/s whose verified membership is above 15 (fifteen) per cent in the case of a plant or 10 (ten) per cent in the case of an industry in a local area.

5. Where the verified membership of the largest two unions in a plant or an industry in a local area show a difference of less than 10 (ten) per cent or 5 (five) per cent in the case of a plant or an industry in a local area respectively of the respective total number of workers employed, then all the workmen employed in the plant or an industry in the local area shall elect through secret ballot one of the two contesting unions as the recognised union.
6. If the results of such secret ballot showed that a union has secured more than 50 (fifty) or 40 (forty) per cent of the total number of workers employed in the plant or in industry in a local area respectively, then such union shall be recognised as the sole bargaining agent.
7. If the result of the ballot showed that no union has secured more than 50 (fifty) or 40 (forty) per cent of the total number of workers employed in the plant or in industry in a local area respectively then the union securing largest number of votes will be recognised, but it will associate in negotiations such of those unions which may have secured more than 15 (fifteen) or 10 (ten) per cent of the number employed in the plant or in industry in a local area respectively.
8. Certification of recognised unions will be by some appropriate judicial authority and the decision of such authority shall be final and binding on the parties.
9. Recognition once granted shall be valid for two years and will continue thereafter until it is successfully challenged.

AITUC Proposals Regarding Recognition of Trade Unions

1. The AITUC stands for one union in one industry. However such an ideal cannot be achieved immediately in the conditions existing today. But all the three organisations, viz. AITUC, INTUC and HMS should agree to work in a manner which will pave the way towards it. The AITUC also stands for compulsory recognition of trade unions by law.

2. In view of the multiplicity of trade unions compulsory recognition of trade unions poses the important question of

agreement on the method for determination of the recognised union. While the AITUC has always stood for ballot of all workers, yet in order to secure unanimity among the trade union centres, it would agree to the following procedure:

- i) Recognition shall be on the basis of verification of paid membership. If as a result of such verification one union is found to have a membership exceeding 60 per cent of the total number of workers employed in the plant/industry, then it shall be recognised.
- ii) If the verification results shows that the membership of the largest union is below 60 per cent of the total number of workers employed in the plant/industry, or that the difference between the membership of such a union and the immediately next union is less than 5 per cent of the total membership of all unions, then recognition shall be decided by secret ballot of all the workers employed in the plant/industry. The union securing the highest votes shall be recognised.
- iii) If the largest union has a membership of or secures votes less than 60 per cent of the total workers employed in the plant/industry, then all such unions which have a membership of or secure votes above 10 per cent of the total workers employed in the plant/industry shall be associated with the recognised union in all negotiations, provided that the recognised union alone shall have the right of entering into a settlement and the minority unions shall not have the right to vote.
- iv) The verification of paid membership and the ballot shall be conducted by a Board consisting of one judicial member and one nominee each of the central organisations which have affiliates in the concerned plant/industry.

In order to avoid litigation and delay, the decision of the Board should be accepted as final and binding with no right of appeal. If necessary, the Constitution should be amended for this purpose.

- v) In the case of the initial recognition under this procedure all unions shall in all cases be given equal

facilities for enrolment of members for one year. For every subsequent grant of recognition in all cases where a fresh determination is demanded by any union such equal facilities shall be given for a period of three months prior to the date of verification.

- v) Recognition will be for a period of two years after which, if challenged by any union, the procedure laid down above will be followed.
- vii) No industrial union shall debar the enrolment of membership from any category/craft of workmen. No craft/category union shall be eligible for recognition where any industrial union is in the field.
- viii) In any conflict between an industrial union and a plant union, the industrial union shall prevail.
- ix) This procedure shall come into immediate effect and shall prevail over all state laws, settlements or code. There shall be one uniform law, centrally legislated, covering all fields of employment, in the private sector, public sector, departmental undertakings, employment under the state and local bodies.
- x) Many questions of detail have been left out. For example the determination of appropriate areas and definition of an industrial union, cases where an industrial union may have no or negligible membership in several plants while powerful plant unions may exist etc. These can be discussed and settled later.

All these proposals relate to recognition. However the main problem is unity of the trade union movement. Therefore the INTUC, HMS and AITUC must seriously consider this.

The HMS agreed in the main with the position of the AITUC.

The talks again got bogged down but in the 27th session of the Indian Labour Conference in October 1971, at the suggestion of the AITUC a further period of six months was agreed to in which the three organisations would meet again and try to find a solution. However, for quite some time no meeting could be held due to the Indo-Pak war and its aftermath.

When discussions were resumed, there was a frank interchange of opinions, but there was no overall accord. On crucial issues, differences remained and since the give and take by each was on the basis of a complete solution being found, it was decided in the last meeting held on 6 June 1971 that a report should be given to the Labour Minister about the final position of each organisation. This was done and as things stand at present there is no accord.

The final position is given in the text below. There was agreement on all paragraphs except paragraphs 15, 17 and 19, and the position of the INTUC, AITUC and HMS with regard to these is indicated separately in each of these three paragraphs.

“At a meeting of the representatives of the Indian National Trade Union Congress, All India Trade Union Congress and Hind Mazdoor Sabha, held at New Delhi, on 6 February 1972, the following points were agreed to:

Recognition:

1. Where there is only one union in a plant or in an industry in a local area functioning for more than one year as a registered trade union such shall be recognised by the employer forthwith as the sole bargaining agent.

2. In every case where more than one union claim recognition, there shall first be verification of paid membership of each of the contending unions.

3. If as a result of such verification, any union is found to have a membership exceeding ‘X’ per cent of the total number of workers employed in the plant, or ‘Y’ per cent of the total workers employed in the industry in the local area, then it shall be recognised as the sole bargaining agent for the plant or for the industry in the local area, as the case may be.

4. But if such verification results show that membership of the largest union is below that ‘X’ per cent in the case of a plant, or ‘Y’ per cent in the case of the industry in the local area, then such union will still be recognised for the plant or for the industry in the local area, as the case may

be, but it will associate in negotiations the other union/s whose verified membership is above 'Z' per cent of the total number of workers in the case of a plant or 'B' per cent in the case of an industry in a local area. It is clearly understood the recognised union alone shall be competent to raise demands, refer disputes for arbitration, sign settlements or call out strikes.

5. Where the verified memberships of the largest two contesting unions in a plant or an industry in a local area show a difference of less than 'C' per cent or 'D' per cent in the case of a plant or an industry in a local area respectively, of the respective total number of workers employed, then all the workmen employed in the plant or in the industry in the local area shall elect through secret ballot one of the two contesting unions as the recognised union.

6. If the results of such secret ballot showed that one of the two unions has secured more than 'X' per cent or 'Y' per cent of the total number of workers employed in the plant or in the industry in the local area respectively, then such union shall be recognised as the sole bargaining agent.

7. If, however, the result of the ballot showed that no union has secured more than 'X' per cent or 'Y' per cent of the total number of workers employed in the plant or in the industry in the local area respectively, then the union securing the largest number of votes shall be recognised, but it will associate in negotiations such of those unions which may have secured more than 'Z' per cent or 'B' per cent of the number employed in the plant or the industry in the local area respectively. (A union recognised under this clause will have the same right as the recognised union recognised in Clause 4 herein).

8. Where an industrial union for a local area is recognised, no plantwise union in the industry in that local area shall be recognised. Where there is already a plantwise union recognised in an industry in a local area, it will lose its recognition, as and when an industrial union for the industry in the local area is recognised under this formula.

9. All claims for recognition shall be dealt with and de-

cided by an independent judicial authority, with which will be associated the representatives of the contesting parties as assessors.

10. Recognition once granted shall be valid for two years and will continue to be effective thereafter as well until it is successfully challenged under this formula.

11. There shall be no recognition granted to any craft or occupational or category-wise union.

12. Where no union is recognised in a plant or in an industry in a local area, all the contending unions for recognition shall be given equal facility for collecting subscription for membership for a period of one year, after which the process of recognition as outlined hereinabove will be resorted to for deciding which among them should be the recognised union.

13. Where a union is already recognised under either the Code of Discipline or Collective Bargaining Agreement or under any other basis other than one mentioned in Clause 15, the recognition of such union shall be liable to challenge under this formula after a period of two years from the date of last recognition; and all the contending unions in such case, shall have equal access of collecting membership subscription for one year after the challenge under this formula is made commencing from the date of such challenge. All the other privileges of the recognised union will, however, continue till it is dislodged from the position of a recognised union in the light of fresh determination in accordance with the procedure indicate hereinabove.

14. Any bipartite agreement leading to recognition after the date of this agreement shall be liable to challenge under this formula without regard to any time limit.

15. *INTUC view*: In the case of recognition granted to unions under existing state industrial relations laws, such recognition shall continue to be governed by those laws for the time being. The experience gained in according recognition in the manner indicated in the present formula, if found satisfactory and deserving to be extended, then these unions also will be brought under this national formula at

the appropriate time. Till then, the formula for recognition indicated hereinabove will not be applicable to these unions.

AITUC and HMS view: This clause should be deleted. The national formula should be applicable to all industries and areas.

NOTE: In view of the uneven growth of trade unionism in the various industries/services in the country, it is agreed that rates of percentages mentioned in terms of X,Y,Z,A,B and C will be concretised by the parties to this agreement looking to all relevant aspects in respect of industries and areas concerned.

Direct Negotiations / Voluntary Arbitration / Strikes:

16. All industrial disputes shall be settled by direct negotiations with the recognised union alone or along with the other union(s) as indicated in this formula for recognition. Where such direct negotiations fail and where there is no agreement which provides for voluntary arbitration, the choice between strike and arbitration shall rest with the workers.

Essential Services and Industries:

17. *INTUC view:* The list of essential services and industries shall be extremely limited, and it is agreed that strikes should be avoided in such industries and services. It is also agreed that in certain departments or sections even in industries not classified as essential, it might be necessary not to disturb the continuity of work. In all such cases, there should be provision for automatic arbitration.

AITUC and HMS view: There should be no essential service/industry.

In a service/industry, any particular area/department may be treated as essential subject to a bilateral agreement between the employer and the union.

Individual Grievances:

18. In the case of dismissals and discharge of individual workmen or their termination from service for any reason,

The workman concerned shall have the right of direct access to an appropriate court for redressal of his grievances and in all such cases the workers should be given a subsistence allowance both during pendency of proceedings and till the award is implemented.

National Bipartite Committees:

19. There shall be set up at the national level bipartite industrial committees for each of the major industries to begin with and if the national committees so desire, they can set up similar bipartite committees at the regional or at the plant level so as to make a beginning towards labour participation in management real and effective, and thereby give labour the right of co-determination.

INTUC view: The basis of representation on these national, regional and plantwise industrial committees shall be proportionate to the verified membership of the organisations concerned.

AITUC and HMS view: Representation on all these committees shall be on the basis of parity."

Thus, as can be seen the crucial issue on the question of recognition on which there has been a breakdown is due to the insistence of the INTUC to preserve the present position in the States of Maharashtra, Gujarat, and Madhya Pradesh. The State Acts have been opposed all along by all trade unions except the INTUC. Today opposition to these remains as strong and so far as the AITUC is concerned, there can be no compromise on this score. What the INTUC position would amount to would be to exclude a large chunk of areas and industries from the national formula and to continue the present laws which according to us were designed to promote a sheltered trade union movement in a blatantly partisan way.

Hence the impasse continues.

At the national level, recognition is confined to only four central TU organisations: INTUC, AITUC, HMS and UTUC. All the four together do not reflect the totality of the organised working class. First of all many new centres have been formed: Hind Mazdoor Panchayat (HMP), an-

other UTUC, Bharatiya Mazdoor Sangh (BMS), and Centre of Indian Trade Unions (CITU). Secondly, there are many national industrial federations which are outside of all these central organisations. Hence, at the national level also the slogan has to be advanced that all central organisations and national federations should be recognised and given representation in the tripartite.

Only on the basis of recognition to all at the national level can the trend for united action be strengthened and the harmful effects of the splits, which have weakened the working class vis-a-vis the bourgeoisie, be overcome to some extent.

The Right to Strike:

1. On the right to strike there have been important developments.

As is well known in addition to the curbs and checks imposed by the Industrial Disputes Act, the Code of Discipline and the various court decisions, the government had enacted the Essential Services Maintenance Act. Under this act and the hastily promulgated ordinance which preceded it, many strikes have been declared illegal.

The National Commission on Labour recommended that strikes should be prohibited in the so-called "essential" industries and services and all disputes should be sent to compulsory adjudication by the Industrial Relations Commission. In all "non-essential" industries and services, strikes should be permitted for 30 days after which adjudication should come in. The only positive feature of the National Commission on Labour report on this issue is that they proposed to take away the powers of the state governments under the Industrial Disputes Act by virtue of which the state can intervene in the dispute at any time, send it for adjudication and illegalise the strike. The Standing Labour Committee modified the proposals of the National Commission on Labour by doing away with the 30 days' period in "non-essential" industries, and restoring the right of the state governments to intervene.

Thus, the proposal is to retain compulsory adjudication, make it obligatory in "essential industries and services" and retain the power of the state governments to impose it in all other cases. In every case, where the dispute goes for adjudication, the strike would be ipso facto illegal.

In addition to accepting the proposals of the National Commission on Labour, the Standing Labour Committee has agreed to restrict the right to call a strike on industrial matters to recognised unions alone and has prescribed a rigorous procedure after going through which alone can the strike be called. All sympathetic strikes and all political strikes are ruled out. Similarly, all strikes by unrecognised unions will be ipso facto illegal.

As a matter of fact, even now there is hardly a strike which is not declared illegal under one pretext or another, and when the government found that the strike of the central government employees on 19 September 1968 was legal, it promulgated the Essential Services Maintenance Ordinance specifically to illegalise it.

In the States of Bihar, Rajasthan, Andhra Pradesh and Maharashtra, the government have proposed further curbs on the right to strike through state legislations.

In Rajasthan, the Industrial Disputes Act has been amended to empower the government to illegalise any strike and at the same time prescribe conditions of services, etc., which it would be obligatory for all parties to accept. Similar provisions were sought to be enacted in Bihar.

In Maharashtra and Andhra Pradesh, the Congress governments introduced bills which all the trade unions in these states (barring the INTUC) have called "Black Bills." The Bills seek to curb strikes, impose recognition of the union through verification of membership rolls and subject the recognised unions to a rigorous code of conduct which imposes a series of bans on workers' behaviour which it calls "unfair labour practices" which must be eschewed, on pain of further penalties. Enactment of these state laws would further complicate this vital issue. Hence the matter was raised in the third meeting of the working party

of employers and workers held on 7 February 1972. The official summary released by the government says:

“The employers’ and workers’ representatives referred to the anxiety on the part of some of the State Governments to go ahead with their own labour legislation and urged that the Union Labour Minister might take up the matter with the State Labour Ministers so that there might not be any divergence between the Centre and the States in the matter of recasting the legal framework in respect of trade union recognition and disputes settlement machinery.”

The AITUC has all along taken firm positions on the right to strike. We stand for the unfettered, untrammelled right to strike of all workers in all industries and services. On this there can be no compromise. We stand for collective bargaining which loses all sanction unless the workers have the right to strike. We stand for bilateral negotiations without interference by the state and any courts or commissions. Of course, if negotiations fail, the parties may agree on voluntary arbitration if they so desire.

The Trade Union Conference held on 18-19 May 1971 unanimously came to the following conclusions:

“In the field of industrial relations, we feel that the immediate need is for a complete break with the existing pattern of third party interference. It is this interference, whether through the labour departments or through adjudication, wage boards, etc., which vitiates industrial relations, perpetuates divisions and weakens collective bargaining.

“We, therefore, suggest that all systems of conciliation and adjudication, etc., be immediately scrapped. All disputes should be left to be settled directly between the parties through bilateral collective bargaining and negotiations. The parties, if they so desire, can agree to have recourse to voluntary arbitration. But every attempt to impose arbitration or adjudication by law will be resisted.

“Should direct negotiations fail, workers and employees in all industries and services must have the unfettered, unrestricted right to strike.

“Workers have had recourse to strike only as a last resort and after all avenues of peaceful settlement of the dispute have been denied. To say that strikes have been launched indiscriminately or irresponsibly is a wild slander contrav to the facts and a blatant propaganda to discredit the working class movement.

“It is the common experience of trade-unionists that police interference is ordered in industrial disputes and repressive laws are used to crush by force the struggles of the working class. We demand an end to all police interference in industrial disputes, which essentially are disputes between the employers and the workers, and an immediate stop to the use and misuse of legal provisions against the workers.”

In the Conference called by the Labour Minister on 20-21 May 1971, various trade union centres endorsed this position. Only a section of the INTUC argued for some provision other than strikes being made in the case of essential services. Even the Labour Minister was forced to conclude as follows:

“On the other important subjects of the character and the shape of the machinery for settlement of the disputes, I notice that opinion is generally not in favour of any governmental intervention. The emphasis has been on collective bargaining and failing that recourse to strike. In essential industries however the necessity for governmental intervention has been referred to by some parties. These views are no doubt entitled to consideration and will be taken into account by the government. But as the Prime Minister reminded us yesterday, industrial relations are too important and serious a matter to be left solely to workers and employers.”

The general council of the AITUC at its meeting held on 15 July 1971, made an important proposal. It suggested that where employers do not agree to voluntary arbitration, the recognised union may take the dispute unilaterally to arbitration which will be binding on all parties.

The pattern of industrial relations and the right to strike has been discussed among the INTUC, AITUC and HMS

at the various meetings of their representatives. There is complete unanimity among them that there should be no third party interference which means that the compulsory adjudication, system of conciliation, arbitration, etc., should be completely scrapped and should be replaced by direct bilateral negotiations. The right to strike has been reiterated. Para 16 of the document adopted at the meeting on 6 February 1972 (reproduced above) brings this out very sharply.

In the wake of the situation created by the Pakistani aggression in December 1971, the President of India came out with a call for a "moratorium on strikes". This was repeated by the Prime Minister on several occasions and by several other ministers from various forums. In a meeting of representatives of trade unions and employers called by the Labour Minister on 23 December 1971 the proposal was officially mooted and it was argued that such a "moratorium on strikes" should extend not only during the actual hostilities but for several years thereafter to enable the country to increase production and productivity.

While the trade unions were willing to cooperate in all efforts needed to prosecute the war, they clearly and stoutly pointed out that the proposal for an "industrial truce" or a "moratorium" was unacceptable.

The AITUC placed a statement on record which summed up its position in the very first meeting called by the Labour Minister on 6 December 1971. (This statement was issued on 4 December 1971, the very next day after the war started.)

"Unable to withstand the onslaught of the heroic peoples of Bangladesh, fighting for national liberation, the blood-thirsty military junta which holds Pakistan in bondage, instigated and supported by the US imperialists, and encouraged by the Chinese, has launched war against India. At this critical juncture, the AITUC pledges its full solidarity and support to the nation's efforts to defend itself. We are confident that the peoples of India will be victorious against this attack.

"India is not alone in this fight. The people of Bangladesh are fighting the same enemy. And we have the support of

the mighty Soviet Union, the socialist world and anti-imperialist forces all over the world.

"The AITUC calls upon the working class of India, men and women, to strengthen the rear which is vital to sustain the country and to support the front. We must strain every nerve to cement a purposeful unity, fight against all communal and chauvinistic disruption, and defeat the machinations of imperialists and their henchmen to sow disruption, discord and defeatism in our ranks. We must unite and defeat the nefarious activities of anti-social elements, hoarders, blackmarketeers and profiteers who seek to utilise the nation's difficulties for private gain.

"The AITUC expects the working class to do its duty as it did earlier when India was faced by aggression from China, and then, Pakistan. All obstacles which may mar industrial relations and shake the confidence of the workers must be removed by the government and the employers accepting certain essential obligations.

"The government must not let the earlier experience be repeated, when despite all promises, prices continued to soar, heaping misery and suffering on the toiling masses. Mere declarations to hold the price line and pious appeals to the very forces who profit through price rise and are at the back of it, are not enough. The AITUC, therefore, calls upon the government to utilise its emergency powers and the united will of the people to take the following urgent steps immediately:

"1. Take-over by the state of the wholesale trade in food-grains and other essential consumer articles as well as industrial raw materials.

"2. Physical control of all existing stocks and control on prices of all essential commodities and equitable distribution through authorised ration and fair price shops both in the urban and rural areas.

"3. No credit to speculators, hoarders and big businessmen; strictly controlled credit for industrial purposes and removal of secrecy of credit to monopolists.

"4. Complete ban on forward trading.

"5. Moratorium on foreign debts.

"6. Take-over of the management of foreign oil companies as an immediate first step towards nationalisation without compensation.

"To create confidence among the workers manning the vital lines of transport and communication, the AITUC calls upon the government which is also the employer in these cases, to withdraw all actions taken against thousands of workers in the railways, post and telegraphs and defence services who continue to be dismissed, discharged, suspended or to suffer from break in service and other disabilities as a result of the 1960 and 1968 strikes or other trade union activities and actions.

"While naturally the workers will strive to keep production moving, government must undertake immediate steps to take over and restart all closed mills and factories and to ensure full utilisation of installed capacity. These measures are necessary in order that production loss through closures and under-utilisation of capacity is overcome and production of vital supplies is ensured.

"In every plant and factory, joint plant committees, composed of equal representatives of management and of all registered unions, must be set up to ensure maximum production, avoidance of wastage, maintenance of good quality and at the same time, help in the maintenance of good industrial relations by avoiding unilateral action.

"The employers on their part must ensure that there will be no closures, retrenchment or lay-offs, that workers' services will not be unilaterally terminated; that good working and living conditions will be maintained; that all awards, agreements, and laws will be implemented fully. They must also ensure that no action affecting the workers and the plant will be taken without first processing it through the joint plant committees.

"These are mutual obligations, which all of us owe not only to each other but to the nation at this critical time.

"The AITUC appeals to all concerned to rise to the occasion."

This meeting decided to constitute a tripartite working body to suggest concrete steps regarding industrial relations. Three meetings have been held so far, but since the trade

unions were meeting among them to arrive at a consensus regarding the crucial question of recognition, nothing could emerge from these meetings.

The talk about moratorium is however going on. Even as late as 4 April 1972, the Prime Minister stated in the Lok Sabha that the President had called for a moratorium on strikes and lock-outs for the benefit of the nation as a whole and not for the benefit of industrialists. (*Times of India*, 5 April 1972.)

However, all trade unions have strongly opposed this because they know that such a step would only benefit the industrialists and will give them a free hand to deny to the worker even the most elementary and legitimate demands and rights. The INTUC in its working committee held on 25-26 March 1972 declared:

“Discussing the state of industrial relations in the country, the committee also took note of the appeal by the President and the Prime Minister for a moratorium on strikes and lockouts for three years... appeals that the emphasis should be on the positive side of providing labour with a new and effective means of settlement of disputes, rather than the negative emphasis of moratorium on strikes. The working class will resent strongly any attempt to interfere with the fundamental right of the worker to strike.”

In the face of opposition from all sections of the trade union movement, the Labour Minister, R. K. Khadilkar, had to say in the Lok Sabha, on 30 March 1972, that the idea of depriving workers of their right to strike had never occurred to the Government. He said that the suggestions made by the President and the Prime Minister for a moratorium on strikes did not mean that they wanted a ban on strikes. It was only a plea for a voluntary restraint by the workers. It was nothing more than an appeal for creating a climate of industrial peace to augment production. He repeated this argument again on 8 April 1972. But the question is fundamental. On this it is worthwhile reiterating the position.

The right to strike is fundamental to collective bargain-

ing. Without it, there can be no sanction behind collective bargaining. It is not surprising, therefore, that this right has been under constant attack from the employers and the government.

First of all, there are statutory prohibitions on strike under certain conditions. These are laid down in the Industrial Disputes Act and similar legislations. Under the provisions of these Acts, any strike can, at any stage, be made illegal, even if it was previously legal despite all the onerous conditions, by simply referring any item of dispute to adjudication and banning the further continuance of the strike.

Courts have further defined this and made two categories—justified and unjustified. For all practical purposes, a legal but unjustified strike would have the same consequences for the workers as an illegal strike.

The Code of Discipline imposed still further restrictions—this time, as morally binding. In implementation, the bureaucracy has termed all strikes as contrary to the Code.

In practice, if a strike survives the legal and moral restrictions, then in most cases, it comes up against naked repression. Section 144 Cr.P.C. banning all meetings, demonstrations, etc., section 7 of the Criminal Law Amendment Act outlawing even the most peaceful picketing, Section 107/151 Cr.P.C. and a horde of other provisions are pressed into service to attack the strikes. The Central Industrial Security Force Act is the latest weapon in the armoury and yet another is being forged through Section 36AD of the Banking Bill. Lathi-charges, teargassing and even firings are quite common occurrences.

Thus a sustained attempt is made to outlaw strikes or defeat them if they take place. Government has even brought in special ordinances on occasions to suppress strikes like the Essential Services Maintenance Ordinance, etc. to ban strikes by railway, P&T and other workers, as in 1960 and 1968.

A special Joint Consultative Machinery has been set up for the Central Government employees. The idea is to avoid strikes and provide for mutual negotiations and in the event of failure to settle, resort to arbitration. However, as in the latest case regarding minimum wage, the govern-

ment refused to have the matters settled through arbitration.

The workers therefore have no option but to either give up their demands or to proceed on strike.

Indeed, despite all the curbs and repressions, workers have been launching strikes to press their demands. And unless this right is there, collective bargaining would be nothing but imposition of the employers' terms on the workers.

The AITUC stands for collective bargaining in all industries and services. Hence, the workers must have an inviolable right to strike in all industries and services. Normally, under conditions where trade unions are recognised and collective bargaining provided, strikes will not and do not take place without notice. But if an employer changes conditions without notice or commits provocative acts, a strike without notice must be provided.

Does the unfettered right of the workers to strike mean reciprocally the unfettered right of the employer to lock-out? In reply, we will quote here what we said in 1954 while answering a questionnaire on Industrial Relations sent to the trade unions by the Government of India :

“In the present laws in this country, as well as in all capitalist States, strikes and lockouts are placed on an equal footing. If they admit the right to strike, they admit the right to lockout. And when they restrict or ban strike, they also speak of banning lockout.

“They say that the capitalist is at liberty either to employ a worker and carry on production or not to employ and cease production. He is the master of his capital and has a right to use it or suspend its use.

“Similarly, the worker. He is at liberty to hire himself to the employer for wages and work or not hire himself, and go out of employment. He is the master of his own capacity to work, his labour power, and has a right to use it or suspend its use.

“The right of the capitalist not to hire a worker is his right to lockout. The right of the worker not to hire himself out to the employer is his right to strike. Both are equals

and the State and law must treat them equally. If the law bans one, it must ban the other.

“In this, the framers of the law take their stand on the conception of formal equality between the employer and the workers.

“Such conceptions are not based on the reality of the situation.

“We hold that there should be no right to lockout but there is and should be the right to strike.

“Why is a lockout declared by the employer? Because, he wants to make more profits or cut out losses by reducing wages or worsening the conditions of employment of the workers. When the workers refuse to accept the employers' conditions, he is locked out. Production comes to standstill.

“No doubt, in both cases, production ceases. And using this, the state pretending to be a neutral acting for the people, comes forward with proposals to ban or control both strikes and lockouts, pleading that continued production is a social necessity.

“But this argument for continued production only comes in days of rising profits and demand for goods. When the crisis of capitalism creates a glut of goods, fall in prices and profits, then both the state and the employing class argue for lesser production, the inevitability of depressions, closures, etc. Thus production for social use is not the main worry of the State or the employer but production for profits.

“And it has been proved in history that no capitalist state can ever plan or carry out a plan for continued rising production and specially production for the people's needs. Therefore, let us not argue on that basis at all, but confine ourselves to the question of lockout and strike as between employer and employee in the first instance.

“As stated above, seeing the two equally in their actual results is a total inequality in which the worker, as man and producer of wealth, is hardest hit and the only sufferer.

“If an employer locks out a worker and stops production, does he lose his living? He may lose his profits or save his losses. Though it is a fact that profits are his income, yet their losses or stoppage does not face the employer in the case of a lockout, with starvation and death.

“For example, can we think that a lockout or strike can face, say the Birlas or Tatas, with starvation and death?”

“In large-scale industry, the employer’s living, as such, has no connection with the profits or losses of the industry. Large-scale capital is without life or soul.

“But what is the effect on the worker? With his only means of livelihood gone, the worker, who always lives only by labour from day to day, is faced with immediate starvation leading to deaths of several in case of prolonged stoppage.

“Thus the right to lockout is a right to starve and kill a worker or the right to threaten him with starvation and death.

“If a worker goes on strike and stops production, he loses his livelihood but does not affect the livelihood of his employer.

“He only ceases to produce profits for his employer in the hope that the fear of losing in competition, the fear of social opinion unable to witness the suffering of the worker and the might of collective action may bring the latter to agree to the demands of the workers.

“Thus the right to strike is not a right to starve the employer but a right to bring pressure by refusing to produce profits and by voluntary suffering and collective action.

“The right to lockout and strike in their effect are not the same. The one is a right to starve, the other is a right to live.

“Hence, the right to strike is inviolable, the right to lockout is anti-social and not permissible.

“The large-scale capitalist has all the powers at his disposal to force his will on the workers. His greatest power is money. Withholding it from the worker, he can starve and bend him. He has the power of the press, propaganda, ‘public’ opinion and finally the State forces at his disposal.

“The worker has no money, no press and no state forces to help him. His only power is to offer or withhold his labour

power, which can live only if it works, only if the capitalist buys it for profit. Hence his only weapon is not to sell it temporarily when the capitalist wants it on his own terms. Thus strike is the only weapon of the workers against the employer. And it is not unlimited in its effectiveness because a worker cannot strike for long.

“Hence, we must protect the right to strike from being curtailed or weakened because not to do so will only benefit the already powerful and ruling forces of organised capital.

“These are some of the points on the question of strike and lock-out, arising from industrial disputes. Political strike and solidarity strike must not be made the subject matter of the law on industrial relations.”

III. WORKERS' PARTICIPATION IN MANAGEMENT

Before we talk of workers' participation in management, let us see how the capitalists and government have managed the economy. Despite the growth in industry, both in the public and private sectors, industrial production is in a mess. As against the Fourth Plan target of an annual growth rate of eight to ten per cent, the actual growth is: 1968—6.4 per cent; 1969—7.1 per cent; 1970—4.8 per cent and in the first four months of 1971—1.8 per cent. A large number of mills and factories, chiefly in the textile and in engineering industry, have closed down. Many more are on the verge of closure. It is common knowledge that most mills and factories which become “sick” do so because of fraudulent managements which suck them dry for personal gains.

A study undertaken by the Federation of Indian Chambers of Commerce (FICCI) shows that under-utilisation of installed capacity is increasing. This survey revealed that among the 200 engineering and chemical factories investigated as many as 39% were utilising, in 1970, only 50% or less of their installed capacity. The state of the heavy engineering, steel, heavy chemicals and heavy electrical industries in public sector is, as is well known, even worse.

For example, in 1970, the percentage of installed capacity utilised in steel was as follows:

| | <i>Ingot Steel</i> | <i>Finished Steel</i> |
|----------|--------------------|-----------------------|
| Bhilai | 77 | 65.0 |
| Rourkela | 56 | 48.4 |
| Durgapur | 43 | 29.4 |
| TISCO | 85 | 64.7 |
| IISCO | 62 | 58.1 |

Prices are shooting up. Unemployment is on the increase. But profits do not fall nor is the speculative market on the decline.

The industrial stagnation is not accidental. Apart from causes which are inherent in the capitalist structure itself, there is the determined sabotage by the monopolists and the bureaucrats. In the public sector especially, mismanagement and calculated sabotage are playing havoc.

A paper prepared by the National Productivity Council says:

“There is some justification in the comment that plant capacities are not fully utilised with a view to restricting output for securing higher prices and profit margins.”

In conditions of developed capitalism, when the struggles of the working class begin to assume sharp forms, and the call for abolition of capitalism itself begins to get hold of the minds of the workers, the capitalist offers to the worker, participation in the management of his own exploitation and thereby tries to confuse and deaden his class-consciousness and his struggle to overthrow the system itself. The Indian capitalist is no exception to this aim of his class the world over.

But in conditions of the new epoch, even in some of the developed capitalist countries, where the working class is advanced enough in class-consciousness, organisation and leadership, it can utilise the positions afforded by participation in management to weaken the forces of monopoly capital depending on the correlation of forces not only in the economic but political sphere also. There its class-collaboration-

ist character recedes giving place to a new type of class struggle, as in Italy, France, etc.

In India, where, however, the workers' class-consciousness is not advanced, the attitude to workers' participation in management in the public sector is influenced more by the political factor.

India is not yet a developed capitalism and has to fight the conspiracies of neo-colonialism and imperialism against our national economy, whose very vital units are being built in the public sector. Therefore, while guarding against the dangers of the development of class-collaborationist attitudes, the AITUC was prepared to participate in public sector management provided it is based on democratic principles at all levels.

The idea of workers' participation in management is not new and goes as far back as 1956.

The Second Five Year Plan (1956) had stated that: "For the successful implementation of the Plan, increased association of labour with management is necessary". In its view such association would help in promoting increased productivity, in giving employees a better understanding of their role in the working of industry and in satisfying the workers' urge for self-expression.

A tripartite study group was formed to study the experience of other countries and it presented its report in 1957. The 15th session of the Indian Labour Conference which met in the same year decided to try an experiment in 50 selected units though the AITUC dissented. A seminar on labour-management cooperation was held in 1958. But despite all these efforts and much fan-fare, it was officially acknowledged that the "progress was disheartening". By 1961, Joint Management Councils had been formed only in seven public sector and 17 private sector undertakings.

The Third Five Year Plan (1961) redefined the objectives of workers' participation in management thus: "Workers' participation may become a highly significant step in the adaptation of the private sector to fit into the framework of a socialist order". It stated that such participation "should be accepted as a fundamental principle and as an urgent need."

However, the experiment remained a dead letter. In the few undertakings where it was tried, it soon petered out. The reasons for this failure are not far to seek.

Some critics have stated the experiment failed because the Joint Management Councils were a mere duplication of the statutory works committees. Hence experience soon showed that these were superfluous. What is important is not that the JMCs and the works committees had the same form. What is important is that both were effete and without any powers. They had merely a consultative role and the ultimate decision on all matters remained with the managements. Secondly, the sphere of activity allotted was extremely limited and could hardly be called "participation in management", by any stretch of imagination. Therefore, it is not a matter of surprise that the slogan found no response among the workers.

Further, as the two statements from the Second and Third Five Year Plans quoted above show, the planners were only playing with the slogan to confuse the workers.

The Second Plan speaks of increasing productivity, which is a matter that can hardly be calculated to invoke enthusiasm among the workers for, in our conditions, it meant nothing but increasing the workload and rate of exploitation. The other objectives such as satisfying the urge for self-expression, etc., is mere philosophical humbug. The Third Plan puts forward entirely different objectives. It sought to use workers' participation as a tool for transforming the private sector and making it "fit into the framework of a socialist order". Thus it was obvious that the main direction was to be the setting up of Joint Management Councils in the private sector; and these councils, with almost no powers and a severely restricted function, were to be the powerful tools of controlling the managements of big concerns and make them "fit into the framework of a socialist order"! What that fitting into is and what is the "framework" of this 'socialist order' into which monopoly is to be "fitted" and fattened are naturally not spelt out.

Thirdly, the scheme sought to bypass and destroy the workers' trade unions which the Tripartite Study Group admitted in an indirect fashion by saying: "A firm impres-

sion left with us was that workers' participation in management could be successful only as a supplement to a well-established system of collective bargaining". The group had noted that "Without strong and cooperative trade unions, schemes of participation would probably remain mere paper schemes". Similarly, the seminar on labour-management cooperation (1958) had to conclude: "One of the essential criteria for formation of joint councils is that the undertakings should have a well-established and strong trade union functioning".

The result was, therefore, bound to be as it was—a complete failure. Now once again, the slogan has been given that workers Directors should be taken on the Boards of various public sector concerns. The field of action, which was the private sector in the Third Plan, is now the public sector. The objectives are unstated. The mechanism is one or two directors on the Board and trade union recognition and collective bargaining are still in the old mess.

For a long time, the AITUC has been demanding that the public sector should be democratised and the civil service bureaucracy that rules it should be removed. Without this, its performance cannot be improved and the conscious sabotage by agents of monopolists as well as the unimaginable mismanagement by bureaucrats cannot be fought.

What exactly is this democratisation and how is it to be achieved? I quote from a resolution of the general council of the AITUC on 15-16 July 1971.

"The general council discussed the issue of workers' participation in management in the conditions of developing capitalist economy and the struggle for achievement of national democracy. Both the content and form of such participation are important.

"The general council agrees that workers should participate in management in the present political and economic conditions of our country, in order to strengthen the working class and democracy, and weaken the absolute authoritarian class rule of the bourgeoisie and the bureaucracy in the economy.

“In this context the question cannot be limited only to acceptance or non-acceptance of worker-directorship in concerns; but has to be viewed as a whole. The real step forward must be in the direction of workers’ control as a whole in partnership with the bourgeoisie in the present stage of developments in India.

“(i) The main principle must be that the representation of the worker must be at two levels. One at the level of the floor of the shop, office or service and second, at the level of the management above. Both these representations or participations must be based on the elective principle of the workers’ choice. And it must carry with it the necessary authority.

“On the floor level workers will be represented by the elected works’ committee whose subordinate or basic floor part should be the shop committee. The works committee should consist of the representatives of workers only. All of these should be directly elected by all the workers. Even today this is admitted but only partly in principle and broken in practice.

“Where conditions warrant, due to the scale of an enterprise or for other reasons, in each shop/category elected shop committees must be set up.

“The shop committees as parts of the works committees shall have the power of supervision, enforcement and implementation of collective agreements arrived at by the recognised unions.

“Further, where these committees feel that an item of the agreement pertaining to their sphere and relating to conditions therein, e.g. norms of production, efficiency, supply of standard materials, layout of machines, supply of tools, etc., is not in accordance with the conditions actually obtaining and require revision, they shall take up the matter first with the shop-floor part of the management. Failing that, they will take it up to the works committee, who, if the problem is not resolved will take it through the union. These committees shall also handle matters pertaining to discipline raised by the management, and individual grievances raised by the workers, within their respective spheres.”

“(ii) The second unit of workers’ control or participation in management is the recognised union.

“(iii) The third unit is the workers’ director in the Board of Directors who will be nominated by the recognised union.

“Such should be the basic features of the scheme of workers’ participation in management both in the public and the private sector.

“The general council feels that in the absence of such a class outlook and integrated scheme of giving effect to the role of the working class and demands of democratic advance, no useful purpose can be served by merely nominating one or two directors to a board, whatever be the powers and functions of these directors. It will only lead to reformist illusions and careerism among sections of the working class, as international experience in developed capitalist countries has shown.

“Hence, in the present situation when a proper scheme of workers’ participation in management has not been agreed to, the general council decides not to nominate worker-directors but to launch a wide campaign for demanding an integrated and principled scheme as outlined above.

“While outlining this basic principle and feature, it is noted that the structure of the scheme will vary in some cases according to the nature of the sphere of production or service concerned—such as for example, in the sphere of banks, transport, etc.

“Hence in such cases, each concrete scheme will have to be examined in all its details and appropriate decisions taken”.

It is only such an integrated scheme, with clear-cut objectives and mechanism basing itself on the democratic rights and functioning of a recognised union which can really associate workers with the management, having an impact on production and on the basis of safeguarding and expanding the interests of the workers, that can help the public sector to build the national economy in the interests of the people.

IV. TRADE UNION UNITY AND SPLITS

The AITUC was founded in 1920. Though before independence it was split on two occasions, the splits were healed and it continued as the single national trade union centre.

With the advent of independence in 1947, the Congress ruling party asked its trade union cadres to leave the AITUC and form the INTUC. Other political parties followed and we have the HMS and the two UTUCs. The HMP has already decided to dissolve itself. The latest splits are the formation of the CITU and the National Labour Federation. Almost each political party has its counterpart trade unions. Even regional parties like the Dravida Munnetra Kazhagam (DMK) in Tamilnadu and the Akalis in the Punjab, have organised their "own" trade union organisations. These splits have weakened the working class in its confrontation with the bourgeoisie both in the fulfilment of its economic demands as well as its political weight in the country.

However, despite the splits, there have been many united actions at various levels from the local to the national. At the national level the following developments are worth noting.

The strike of the central government employees on 19 September 1968 brought on one platform all the central TU organisations and federations and state government employees barring the INTUC and its affiliates. The two basic issues raised in the united platform, apart from support to central government employees, were of need-based minimum wage and trade union and democratic rights. The culmination of this united movement, initiated at the national level by AITUC, was the big united May Day 1969 march and the Workers' Petition to parliament. After this, the platform of united action could not continue. It is worth mentioning that in all this campaign the Communist Party of India (Marxist) (CPM) took active steps to sabotage the united programme.

Again the AITUC took the initiative on two issues.

As decided at the general council meeting on 24-25 November 1970, it wrote to all national TU centres to come

together in a meeting in order to devise means and methods of ending terroristic attacks and clandestine murders of cadres and followers of rival centres. The HMS agreed with the proposal and the CITU promised to answer after consultation with its working committee. However, nothing further came of it.

The second initiative was the proposal of the AITUC to change the structure and composition of the Indian Labour Conference by including in it representatives of all national TU centres and trade federations. The Indian Labour Conference today had representatives only of INTUC, AITUC, HMS and UTUC. However, even all of them together do not represent the totality of the organised working class. With the formation of several new national centres and the increasing number of industrial federations unless all of these are given representation, the Indian Labour Conference does not become representative of all sections of the organised workers.

Hence, the AITUC invited all national TU centres and national industrial federations to come to a joint meeting to discuss the structure, composition and methodology of the Indian Labour Conference.

However, before these initiatives could be pursued, the political situation in the country changed radically. The Lok Sabha was dissolved and mid-term poll ordered.

On 14 July 1970, the AITUC had written to the Prime Minister regarding the government's labour policy as a whole and had suggested that the "*Government should first have a discussion with the trade union leadership as a whole on the questions involved.*"

The Prime Minister had then replied saying *inter alia* that "I share some of the concern you have expressed regarding the need for a new approach towards trade union and industrial relationship problems". (For the full text of the correspondence and all papers relating to the 29th session of the Standing Labour Committee, see the AITUC Publication, "Twenty-Ninth Standing Labour Committee and Labour Policy".)

The HMS had also raised a similar demand for a con-

ference of top level TU representatives at which all matters pertaining to labour policies could be discussed. Both AITUC and HMS demanded that till such a meeting was held, the Standing Labour Committee should be postponed. However, the government ignored these demands and went ahead with the Standing Labour Committee meeting which was held on 23-24 July 1970.

The AITUC boycotted the session, the UTUC is not a part of the Standing Labour Committee. The HMS recorded important reservations and differences on major questions. But the government passed off the results as a tripartite "consensus". This "consensus" adopted the recommendations of the National Commission on Labour and modified them in a more reactionary direction.

After the mid-term poll, the government declared its intention of calling a meeting of representatives of various trade union centres. And, finally, the meeting was called for 20-21 May 1971.

The bureaucracy tried to sabotage the meeting by preparing an agenda which went contrary to the declared stand of the trade unions, by inviting some handpicked reactionary paper organisations and ignoring big federations and centres, etc. (The full story of this as well as the documents and speeches are published by AITUC in its booklet "The Two TU Conferences").

However, the game of the bureaucracy could not succeed. The AITUC and HMS took the initiative in arranging a broadbased meeting of national centres and trade federations, where for the first time, the INTUC was also present, though as an observer. This conference took place on 18-19 May 1971.

In several ways, this conference called by the trade unions was remarkable. For the first time it brought on one platform all national centres; but what is more important is that all of them could come to unanimous conclusions.

This united conference could be brought about because of several factors. One was the impact of united struggles which had been taking place for the past three to four years in various parts of the country in several industries. Another factor was the political changes in the country.

The split in the Ruling Congress Party had its reflections inside the INTUC leadership. There was a growing awareness among all for the need for a common understanding and an approach towards unity in view of the growth of monopoly and the need to isolate reactionary elements on the one hand and sectarian and terroristic and anarchic trends on the other.

However, the result of this conference should not be over-estimated. Though all could come on one platform and all could adopt a common Declaration, there remained strong trends in the leadership of some organisations which did not desire unity and even united action. Others wanted to utilise the developments for their own narrow partisan ends and for furtherance of their party's political understanding without caring for the real need for building up a broad coordination which could lead to a democratically functioning integrated united national centre. Besides these, there are genuine and bonafide differences on many issues which face the TU movement. There is the question of relationship between TU centres and political parties.

Immediately, the TU conference had wholly positive results. It set up a convening committee for calling further meetings. And it enabled the TU movement to go to the conference called by the Labour Minister with complete agreement amongst them and thus foil the disruptive game of the bureaucrats.

The government conference held on 20-21 May had to concentrate on issues posed by the movement rather than by the bureaucrats.

Thus the two May conferences resulted in setting up of two committees: one composed of all the participants with the AITUC, HMS and CITU as conveners, and the other of the AITUC INTUC and HMS. The first was to promote joint action wherever possible on common issues. Though this committee met on two or three occasions, recent political changes leading to the formation of new alignments have practically ruled out the further possibilities of its continuance.

The second committee was charged with the task of finding an agreed solution on the problems of industrial relations,

recognition, etc. and its work has been noted earlier. While these talks were going on, the INTUC and HMS formed a coordination committee at the national level. This was followed by the setting up of a similar coordination committee between the HMS and AITUC. However, at the meeting on 6 February 1972, the proposal was mooted to form a National Council of Trade Unions in which the INTUC, AITUC and HMS would be represented. The press communique issued at the end of this meeting stated:

‘This Council will endeavour to arrive at a common understanding regarding national economy, self-reliance, industrial relations, issues affecting the working-class and above all the promotion of greater solidarity and common action.’

In the meeting held on 15 March 1972, it was agreed to get the mandate of the respective organisations and meet again. However, there was a difference on how the National Council is to be composed. While the INTUC wants representation based on the verified membership, the AITUC and the HMS stand for parity.

The crux of the matter lies in bringing together all democratic and progressive trends which may ultimately pave the way for unity among them.

The various trade union centres are allied with various political parties, and therefore the question of trade union unity is inevitably tied up with political developments and the relationship of the political parties with each other.

The political fronts formed in various parts of the country and the polarisation of forces have repercussions on the trade unions also. This whole development raises sharply the question of relationship between the trade unions and political parties. This question has been engaging the attention of trade unions in many countries. Recently, in Japan particularly, there has been a lot of controversy and thinking. In India also the question has to be discussed so that we can clear the ground for united action and can formulate a platform on a national scale which may lead to eventual unity among like-minded centres.

It is clear that in any move for understanding on trade

union united action, we have to keep out centres owing allegiance to reactionary and communal parties.

But how much and in what way can the platform raise political issues so that we avoid a sectarian approach and at the same time do not confine ourselves to merely economic demands?

Discussion among trade unions is required to clear these questions and provide a basis for united understanding and close relationship between the national centres.

V. CONCLUSIONS

It is natural in the historical growth of the capitalist system anywhere, that it begins its career of exploitation of the workers without at first working out any norm of wages and working conditions. The wage structure of capitalism remains a veritable jungle of anarchy, until the workers begin their struggle for better wages and force the employers to change. It was so in India too.

Wide disparities existed between the wage rates between one region and another, between one industry and another and even in the same region and industry between one unit and another. This anarchy was high-lighted by the payment of DA to some and its denial to others. The system of payment of DA and the rates at which a rise in the consumer price index was neutralised, and the other conditions attaching to it, further widened the disparities. Production and incentive bonus which is paid in some industries and units only also tended to increase wage differences.

Hence the wages map of India still presents an anarchic picture.

But this picture has been modified to some extent.

The development and extension of capitalist production and distribution in India, following attainment of independence and establishment of a national state with a common national economy, has created conditions in which this anarchy could be fought and a national minimum wage could become a possibility.

This development has created a national market for products and by increasing mobility of labour has created a multi-national working class, which through repeated struggles begins to overcome its peasant and provincial roots and becomes welded as a class acting on an all-national scale and confronting the employers unitedly against the anarchy of the wages-system and for equal rights and proper norms for all. Different wages within comparable units producing the same products for the same market becomes an inhibiting factor for capitalist production and competition and compels the capitalists also to adopt common national norms and standards.

The growth and development of capitalist production thus creates objective conditions by which the anarchy in the wages map, which itself is the result of capitalism, can be removed and some order brought in.

While the development of capitalism led to the ruination of the peasantry and added to the army of unemployed which helps in depressing wages, at the same time, the accumulation of profits by the employers, and in particular, the super profits amassed by the monopolists and bigger employers, made it possible for workers to secure wage gains through determined struggles. Thus the very development of capitalism created an objective basis for uniting the workers, for organising their struggles and at the same time for securing gains in wages.

In 1948, the Minimum Wages Act was passed. With the shortcomings and drawbacks inherent in the Act and the further hindrances created by the way in which state governments have behaved, despite all the opposition and sabotage indulged in by the employers, the impact of the TU movement could not be kept out of the results obtained through the wage fixation under this Act. Though the levels of wages fixed remain very low, though no DA is generally granted*, though the incremental scales are seldom fixed and though all the problems of proper fitment

* Recently in Punjab and Haryana, minimum wages fixed under this Act have, in some industries, been linked with price indices.

remain unsolved, over the years, the working of this Act has tended to create in each state a minimum wage which is more or less common to all industries. To this extent, the unitwise differences inside each industry are levelled within each state and the differences as between one industry and another narrowed.

The unification of the railway system covering the entire length and breadth of the country and employing above two million workers, led to the evolution of a uniform wage structure for the workers in the entire country. The recommendations of the pay commissions, enforcing uniformity of wage structure nationally for the lakhs of industrial workers in the Post and Telegraphs, defence and other establishments, and for the lakhs of administrative and office workers in government service, however unsatisfactory the level of wages might be, also constitute a big advance in this direction. Some wage boards have laid down a national or regional wage structure for the concerned industries. Above all, the national, industrial settlements in banking, insurance, steel and coal mining have resulted in standardising wages in these sectors over the country as a whole.

The establishment of the public sector, in which many undertakings have several units in different states of India, has also tended to work in the same direction. In each of these undertakings, wages paid in different units have been standardised, as a result of struggles and settlements.

Thus large sections of the white collar office employees and of the industrial workers have succeeded in establishing uniform rates for their labour power.

Today the capitalist mode of production is penetrating agriculture. However, the agricultural worker is by and large still unorganised and there are vast regional and local differences in the level of wages paid to them. The hiatus between the wages of these rural proletarians and of the organised industrial proletariat remains wide.

The question of wages stands in the centre of trade union activities. Wages constitute the price of the labour power which the worker sells to the capitalist. Through intensi-

fication of labour and new productivity techniques, the employers have succeeded in increasing the value added by manufacture, and decreasing the percentage of wages in the total cost of production. Thus the share of the workers in the total product produced by their labour has gone down while the surplus value added by their labour has increased. This shows how exploitation has been intensified. Manipulation of prices by monopolists has further accentuated this.

Hence a movement for recasting the wages and salary map of India, securing a need-based national minimum wage, fixation of proper differentials and a system of DA guaranteeing full neutralisation at all level of wages is urgently called for.

The development of the capitalist system has led to growth of monopoly. The octopus grip of monopoly capital has tightened on our economy. The establishment and growth of public sector which could have had an anti-monopoly edge has not been able to achieve this because of the policies pursued by the government and the widespread sabotage by bureaucrats and agents of monopolists who control it. Even bank nationalisation has not led to an anti-monopoly direction in the credit policies for the same reasons.

Recent events have heightened and sharpened the anti-imperialist consciousness of our people. Our working class has a glorious anti-imperialist heritage. The new developments place added responsibilities on the workers and in the fight for self-reliance which is anti-imperialist in content, workers have an important role. This role can be discharged by increasing the efficiency of the public sector. This will help not only in the fight against imperialism, but also against monopoly.

Therefore, the importance of enforcing a complete and democratic scheme of workers' participation in the management of public sector enterprises. This today acquires particular emphasis in the fight against monopoly, against imperialism, for self-reliance and in imparting a new dimension to the workers' fight for structural changes in the management of production in the given context of our national development.

The fight for wages, and for workers' all-level participation in the management of the public sector can be won only if the basic trade union rights are preserved and enlarged.

It is only in this context that one can properly evaluate the importance of the efforts made by the AIFUC and other trade union organisations for evolving a democratic system of industrial relations which eliminates interference by the State and bases itself on direct bilateral collective bargaining. Collective bargaining pre-supposes the right to strike and a method through which the genuine and really representative union of workers can be recognised.

Hence, the crucial importance of a new and democratic system of industrial relations and the necessity to win it.

In the fight for wages, for a democratic system of industrial relations and for TU and democratic rights what is needed most of all is the unity of the working class.

The bourgeoisie does not relish this. As a matter of fact, it has been active here, as elsewhere, not only in keeping wages low, in attacking the fundamental trade union rights, but in order to facilitate its attack and to weaken the working class it has been continuously active in instigating, fomenting, propagating and furthering splits and disunity. However, just as the development of capitalism creates conditions for overcoming the anarchy in wages which it itself created, so also by the contradictions inherent in capitalist development we have reached a stage in our country where sections of the bourgeoisie have come to a position where they would like to have some unity among the trade unions. Experience has taught them that the very multiplicity and rivalry amongst trade unions which helped them in the past, is increasingly becoming an obstacle in their way in achieving stable industrial relationship essential for production and profits.

Simultaneously, the working class, through its own experience of division and the havoc which it inflicts on them, and of unity in action and the gains which it has brought them, is coming more and more to a position of united actions and of organisational unity.

As noted above, the very genesis of the rival organisations was political and they continue to be divided because

of the divergent political ideologies or affiliations of each. While efforts are being made to achieve a consolidation of the democratic progressive trends in the trade union movement, it is clear that political developments will continue to have a direct and in fact decisive bearing on these.

Trade unions are organs of class struggle. Their activities in defence of the economic, social and other rights and interests of the workers cannot be devoid of political content nor can they abjure politics and political ideology. However, if the class is to be unified, as it must be unified in its confrontation with the bourgeoisie and particularly the monopolists, then the political issues also have to find a common platform of action.

In this background the efforts to form a National Council of Trade Unions has to be evaluated as a serious attempt to unify the working class in his vital field of organisation—the Trade Union. In this background too, we have to evaluate the attempts to forge even wider unity in action on various issues.



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