

## The Need of Trade Unions in Emerging Sectors

### Why in news?

With a greater number of layoffs happening across the major economies, there comes a debate on the need for labor unions in emerging sectors.

### What are trade unions?

- A trade union is an association of workers formed for the purpose of protecting the rights of the workers and improving their economic conditions.
- It is a voluntary organization of workers formed to promote and protect their interests by collective action.

*The Madras Labour Union was the first organised trade union in India that was created in 1918.*

### Need for Trade Unions

- **Better wages** - To improve the economic level of workers by securing them better wages.
- **Stability** - To ensure stable employment for workers and resist the scheme of management which reduce employment opportunities.
- **Protection** - To protect the jobs of labour against retrenchment and layoffs, etc.,
- **Legal assistance** - To provide legal assistance to workers in connection with disputes regarding work and payments.
- **Benefits** - To ensure that workers get as per rules Provident Fund, Pension and other benefits.
- **Self-improvement** - To inculcate discipline, self-respect and dignity among workers.
- **Improving productivity** - To generate a committed industrial work force for improving organizational efficiency and high productivity of the system.

### What are the benefits of trade union?

- **Opportunity** - Union provides a worker an opportunity to achieve the objectives with the support of fellow colleagues.
- **Negotiation** - Union organize negotiation between workers and management and for settlement of disputes
- **Participation in Management** - Workers get an opportunity to take part in the management to place their opinions and oppose any decision which adversely affects them.
- **Beneficial to Employer** - Union organizes the workers under one banner and

encourages them to follow peaceful means for getting their demands accepted.

- **Collective action** - To overcome the weak bargaining power of an individual worker.

### What are the current issues?

- **Problems for Startups** - Startups hardly have trade unions in their facilities and so retrenchments in these companies go uncontested.
- **Struggle for Emerging Sector** - Compared to conventional industries and financial sectors, forming unions in modern and emerging sectors is more difficult.
- **Union for IT sector** - As unions are associated with manual labour, IT employees are associated with elitism and professionalism and believed that they don't need unions.
- The existing unions in IT sector have to deal with both Indian and Western managements which is a huge ask.
- **Rights over duties** - One of the major defects of India's trade unions is that their members are more concerned with their rights than their duties.

### Laws Governing Trade Unions In India

- **Article 19(1) (c)** of the Constitution guarantees citizens the right to create associations or unions, including trade unions.
- **The Trade Unions Act of 1926** governs the establishment and registration of trade unions, as well as the law governing registered trade unions.
- **The Industrial Disputes Act, 1947** oversees the rights of employers and employees in the investigation and settlement of industrial disputes, which includes trade unions.

### References

1. [The Hindu|The role of labour unions in emerging sectors](#)
2. [The Hindu|Mass layoffs shake up the tech sector](#)
3. [Legal Service India|Laws Governing Trade Unions In India](#)