

What methods should a trade union adopt to achieve its objectives?

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Contents

1	In what areas is the method of mutual insurance or welfare programme more appropriate?	1
2	When should the union engage in political action?	1
3	On what subjects would the method of collective bargaining be more appropriate?	2
4	What are the economic problems facing the members of the union?	3

Abstract

An iron and steel factory at Bokaro employ about 30,000 workers, of whom, about 25,000 are members of the Bokaro Iron & Steel Workers' Union, the only registered trade union operating in the factory. The existing trade union and industrial relations law of the country recognizes the right of the workers to organize into trade unions and confers upon registered trade unions the usual civil and criminal immunities. The law does not obstruct trade unions from bargaining collectively with their employers, nor does it prohibit their political activities. The management of the factory is not hostile to the union or its leadership. The union also does not face problems in the collection of subscription fees from its members. The union has been serious about solving the problems facing its members: low wages, hazardous working conditions, long hours of work, inadequate welfare amenities, unsatisfactory social security provisions, absence of educational and recreational facilities in their housing colonies, inadequate housing accommodation, absence of workers' education and job insecurity. The union has become very active and taken specific measures for solving these problems. It largely succeeds in achieving its objectives.

1 In what areas is the method of mutual insurance or welfare programme more appropriate?

In areas where trade unions are rich, they are in a better position to provide insurance and other benefits to their members. Poorer unions cannot provide much. Funds for mutual insurance may come from membership subscriptions, special levies and donations. However, the nature and scale of benefits provided varied considerably, depending on financial position of trade unions so that the workers can get more benefits.

2 On what subjects would the method of collective bargaining be more appropriate?

The method of collective Bargaining be more appropriate due to:

1. The method of collective bargaining came to be emphasized after trade unions secured recognition under the law and became free from the legal impediments they had had to suffer at their early stages. At that stage, collective action on the part of workers could be considered illegal, and individual workmen could be indicted on charges of breach of contract. A worker could then bargain with the employer only as an individual, and the decision to accept or refuse the conditions offered by the employer was made based on the worker's own strength or weakness as a bargainer. However, when trade unions gained sound footing, they widely adopted the method of collective bargaining.
2. Evolution of collective bargaining has not been uniform everywhere, and considerable variations can be seen in its area, subject matters covered, and nature of collective agreements reached. In countries where trade unions are in a highly developed stage, as in the United States and Great Britain, collective bargaining is extensively used.
3. In general, trade unions and employers engage in collective bargaining voluntarily. However, in some cases, they are under legal obligation to do so. Thus, in the United States, both trade unions and employers are obligated under the Labour Management Relation

Act, 1947, to engage in negotiations with each other. In many countries, again, certain issues with a bearing on collective bargaining have come to be regulated by law, for example, determination of the representative character of a trade union and its recognition for the purpose of bargaining, certification of collective agreements, control of certain unfair practices, and union security clauses and so on. These legal limitations are, for the most part, intended to ensure a healthy growth of collective bargaining rather than to impair it. The trade unions and the employers continue to enjoy considerable freedom at every stage of bargaining

4. A wide variety of subjects has come to be included in collective agreements. The most frequently covered items include: wages, hours of work, physical working conditions, apprenticeship, incentive payments, welfare amenities, promotions, bonuses, gratuity, superannuation and economic benefit plans. An important consequence of collective bargaining has been that trade unions are allowed to participate in important decision-making processes regarding wages, hours of work, working conditions, and so on. It has, therefore, succeeded in introducing an element of industrial democracy in the field of industrial and labour management.

3 When should the union engage in political action?

Unlike the other methods (collective bargaining and mutual insurance) used by the unions to achieve their objectives, political engagement is more universal in its approach i.e., it benefits all workers and not specifically one trade union's members.

Therefore, generally when the issues are more global and not just limited to a particular group, then the unions should engage in political action. In the given case, the law does not prohibit political activities of unions.

Some of the major reasons for the requirement of political action are:

- Unions are setting up labour parties trying to strengthen their control over the industry
- They are exerting pressure for protective or other pro-labour legislation and welfare amenities.

Trade unions develop political wings and links both for the purpose of securing reforms within the capitalist economic structure and for a fundamental reconstruction of the economic system. A country's political system whether it favours cooperation and multiparty coalitions or devolves into fiefdoms rife with competitive fragmentation can positively or negatively affect trade union membership and influence.

Since trade unions consists of many workers, they are supported by political parties to show sympathy toward weaker section of society and by doing so they try to gather huge mandate and try to attract particular section of voters toward themselves.

Some of the objectives expected to be achieved through political engagement include:

- **Working time and weekly rest:** government can fix humane working timings so that workers are not exploited.
- **Safety regulations:** safety is a prime issue. Industries should provide suitable and safe working conditions. This can be enforced via legislative laws. Political engagement can help push the government to make solid laws for this.

- **Employment of children and women:** there should be restrictions on employment of children in the industries as child labour is an offense. Also, participation of women in any industry where they are qualified to work should not be hindered due to gender discrimination.
- **Compensation against work injuries:** In case of work injuries, the employer should take responsibility and provide genuine compensation. If the injuries were a result of negligence on their part, they should be subjected to trials and be punished accordingly. This can be achieved when laws are reinforced properly.
- **Protection of wages**
- **Educational and housing facilities:** education and housing are two primary needs, especially for children. Proper educational facilities should be provided. This would help in breaking the cycle of poverty for those who can't afford to study at the expense of working due to lack of financial resources also, this would help strengthen the future of the nation.

The above stated examples are common to almost every group and hence with the help of political engagement, efficient and sustainable changes can be made for the benefit of all. All unions wish to influence institutions that regulate labour relations and to determine the price of labour. They would prefer the election into office of public office bearers that believe in their cause. In order to gain this influence, unions either enter into alliances with political parties or deploy their representatives to serve in the leadership structures of political parties, especially governing parties.

This method has its own challenges. The links between the trade unions, on one side, and the guild socialists, syndicalists, socialists and communists, on the other, are well known. The state control and ownership of the means of production has all along been one of the important planks of trade unions in many countries.

Yet, maintaining political influence while at the same time retaining independence is a test many unions seldom pass. The independence of unions from political manipulation is a crucial ingredient in the maintenance of union legitimacy. Union leaders who sacrifice their members' interests on the altar of political expedience risk eroding the legitimacy of their unions.

4 What are the economic problems facing the members of the union?

- **No mutual insurance**

There's no provision of any compensation and insurance against the certain risk and mishap in the workplace which makes their life miserable.

- **Aggregate Bargaining**

It is where worker's organizations and the agents of the board sit together and resolve their debates or arrange a concurrence with the administration and different advantages. This technique has been utilized by the worker's guilds everywhere on the world.

- **Poor Finance**

Small size of unions has its direct bearing on its financial health. Total income and total expenditure of 9,073 trade unions with a membership of 57.4 lakhs were Rs. 3,238 lakhs and Rs. 2,532 lakhs respectively in 1992. The per member income and expenditure, thus, come to Rs. 56.4 and

Rs. 44.1 respectively”. These are, by all means, very low. It is the small size of trade unions accompanied by small subscriptions; the trade unions cannot undertake welfare activities

- **Job Stability**

One of the most fundamental issues for union leaders and members is long-term job stability. Unions believe that companies have a duty to retain hard-working employees and fight layoffs and terminations. In many cases, they argue for job stability in a community, fighting against company plans to reduce the number of employees, even through attrition. Company management often argues that this prevents the organization from keeping pace with technology, which reduces the reliance on certain employees, making them less competitive. They also feel that the protection of jobs at all costs prevents the company from getting rid of poor performers.

- **Pension Protection**

Unions have become increasingly interested in protecting the pension plans offered to its members as part of their compensation plan. Pension plans that were badly managed by employers, to the detriment of the staff, have brought the issue to the forefront. Unions fight hard for appropriate oversight of the funds, which they believe are rightfully owned by their members. Company executives feel that as the contributors to the funds, they have the right to manage them as part of the corporate portfolio, benefiting from tax reductions and credits. They argue that a few high-profile failures do not constitute a pattern of mismanagement.

- **Collective Bargaining**

The power of trade unions lies in their ability to negotiate with management on behalf of the entire unionized workforce. Their strongest weapon is their right to stop work, should the negotiations fail. They use collective bargaining to fight for higher wages, better benefits and safer work conditions. Company executives don’t always agree with collective bargaining because it treats the entire workforce as equals and does not recognize the difference between workers who excel and thrive and those who perform poorly. They argue that compensating employees on performance is better for the company than compensating the collective.