

# IMPROVING LABOUR STANDARDS IN A GLOBALIZING WORLD: TRADE UNIONS' ASPIRATIONS AND RESPONSE

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## Introduction

The achievement of full respect for the Core Labour Standards in accordance with the various ILO Conventions is the fundamental objective of the trade union movement. This is the fundamental challenge facing the trade union movement and the cause that we have continuously and will relentlessly pursue on behalf of workers.

## Trade Unions and Globalization

The trade union movement appreciates that economic and technological globalization does offer the potential for raising global living standards. However, we are against unrestrained globalization, driven by market expansion only. The present market driven global economy based on shareholders' value has lost its social soul. Intense competition for market share and investment capital in an increasingly globalized economy has forced countries to compete aggressively with one another by lowering wages, reduction in labour and environmental standards.

### ***Globalization without a social dimension is unsustainable***

Without a social dimension, the globalization process, based on the present strategy and agendas has failed working people around the globe. The various WTO and GATS Agreements in place, and those being negotiated, are increasingly seen by workers and their trade unions as promoting one-sided type of economic development – devoid of a human face. The social fault lines in today's economy are all too clear. Despite tremendous global growth, poverty and unemployment remain endemic. The wealth gap within and between nations is growing.

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There is already backlash against globalization necessitating a new approach. This will require a review of the framework of global governance for global markets. Such global framework if it is to be effective must be based on the principle of accountability and transparency reinforced by a democratic system of government and good governance. The new rules must reflect the collective aspirations of the working populace and designed to promote equitable and sustainable growth.

Governments cannot avoid their responsibility in this process; they cannot leave it to the market, nor can they justify the need for people to make sacrifice or compromise their rights and integrity by blaming it on increased competition and competitive pressures. The race to the bottom – where the globe is sourced for the cheapest and most exploitative labour must stop and be replaced by an enlightened race to the top. The spreading of wealth – not its concentration into fewer and fewer hands – must be the key objectives of national development and economic globalization.

Regional and international economic co-operation must aim not only to expand trade and services but also to enhance social development and peace. It must be rooted in a "people first" strategy aimed at improving the quality of life, job security, education and the health and welfare of working people. The other vital component must be respect for human rights including trade union rights based on the core ILO standards on workers' rights.

Towards this end, governments and inter-governmental organizations must engage in dialogue not only with employers but also with trade unions to build consensus for sustainable development strategy that will benefit all.

### **Improving Labour Standards**

The debate on linking workers' rights to the international trade system or more specifically the Social Clause at the WTO as propagated by various countries and organizations including the ICFTU and ITS is not a new initiative. The debate started in the early 1970s in response to the widespread abuses of workers operating in "export processing zones" created specifically by governments in developing countries to attract investments. Beside tax exemptions and other attractive incentives, these zones also exempt transnational corporations operating in such zone from adhering to local laws including those related to labour, employment and even environment.

The debate is continuing and the outcome, in my personal opinion, is that an alternative mechanism and/or instrument will evolve as a means to at best ensure respect and better still enforce workers' rights. The fact being that the extent of violations of workers' rights, as it is now, in various countries are not acceptable and if not restrained or better still stopped, will reach an intolerable level that will inevitably derail the globalization process, intensify social conflict and threaten peace and security.

***Respect for workers' rights – an essential ingredient for sustainable and just globalization***

Workers' rights are human rights. The right to form and join trade unions of their own choosing and bargaining collectively are two of the fundamental workers' rights. The trade union movement in this region, with rare exceptions, has been under pressure of various kinds, ranging from direct attack on workers' rights to form trade unions to restriction on collective bargaining by governments and employers and decline in influence due to falling membership.

These fundamental rights are provided for particularly in ILO Conventions Nos. 87 and 98. According to ILO: "The ratification record of these two very basic conventions is not very encouraging in the region compared to the world-wide position. Of the 26 economies in the Asia and Pacific region, only ten have ratified Convention No. 87, while 14 have ratified Convention no. 98."

Even then, the ILO has received complaints against some of the countries that have ratified the respective Conventions for non-observance and worse still, acting against the spirit and principles of the Conventions. These include:

- Restrictions on right to organize at, for instance, enterprise and national levels and workers in special designated economic zones;
- Restrictions on the right to strike;
- Denying the right to organize to public sector employees, including workers in state owned enterprises and certain category of employees such as part-time workers, contract workers and professional and managerial staff;
- Restrictions on collective bargaining in terms of scope of coverage and contents such as individual workplace agreement; and
- Restrictions on trade union activities.

Intense competition facilitated by excessive liberation has intensified pressures to deregulate labour market to achieve greater flexibility in the production system. The search for business flexibility has become a search for labor flexibility. Downsizing, outsourcing, hiring of casual and contract workers instead of regular workers and so on have become the norm in many industries. The drastic changes in work organization and methods are gradually eroding workers' terms and conditions of employment. They are now under more pressure and employment security is threatened.

Human resource management methods are continuously being adapted to discourage workers from joining trade unions and weaken the trade unions. In many countries, workers continue to be prevented from forming or joining trade unions by employers. Union members are discriminated and union leaders penalized.

The new employment relations and work organization have deprived many workers, especially the new workers and those on "a-typi-

cal" employment relations, including the increasing number of professional and managerial employees, from exercising their rights to form or join unions under outdated legislations.

In most countries, employers have taken advantage of law that prohibit professional and managerial staff to form union, by promoting employees to artificial managerial positions to prevent them from joining trade union. This has led to the situation, whereby in some establishments, in countries such as Pakistan and Bangladesh, there are only so-called managerial staff. Other employees, if there are any, are mostly contract employees or workers on atypical employment arrangement.

### ***Workers and their trade unions must be involved***

Social dialogue with workers and their trade unions is essential to reduce widespread fear of globalization and build consensus for sustainable development strategy.

There is also a need to strengthen international institutions, particularly the ILO to protect and support workers during this process. The trade union movement represented by ICFFU and the various ITSs including UNI is determined to develop its strength and influence to act as an effective counterweight to employers and the forces of capital to prevent socially unacceptable arrangement that institutionalize social divide as it is the globalization agenda today.

### **Responding to the challenges and capitalizing on the opportunities**

Some conservative forces believe that trade unions have become irrelevant in the new economy and, as such, will wither away. However, I must point out, that we should not make the mistake of confusing the difficulties facing unions in organizing the unorganized and the real need for such organization. The reality is that working people everywhere need the protection of strong democratic and independent trade unions, and that applies today as much, if not more, than it ever did.

Trade unions are unique organizations and their philosophy and values are of critical importance to the maintenance of a just society and respect for human rights and workers' dignity - valid in the past and still very much so in an interdependent world.

However, I will concede that the trade union movement must be revitalized. The business approach, as it is the practice of many unions, have isolated unions from society and even working people. Worst still, it has weakened the spirit of solidarity among working people, where members look upon joining trade union as another form of insurance to protect them in case of trouble rather as partners in a movement for social change. Unfortunately, such practices perpetuate individualistic ideology and reinforces anti-union tendency.

The new generation trade unions will have to be more than service organizations, concerned with just bread and butter issues, for their

members. They need to have a wider social vision and extend their agenda to include issues affecting workers outside the workplaces and of societal concern. It must become a movement for social change. Only in this way, can the trade union movement acquire the strength – derived from the committed support of all workers, to influence changes and manage the challenges.

Trade unions have to give serious consideration to what steps they are going to take to make a difference. The way forward is through the strengthening of their organizations. They must increase their membership, improve their public image, strengthen their position at the bargaining table, make the voices of workers heard, and develop and promote viable alternatives to structural adjustment.

In the new economic era, trade unions should undertake strategic adjustments to meet the globalization challenge. They must become truly global players, if they are to be more effective and influential.

The revival of trade unionism and revitalizing the trade union movement are the responsibilities of not only trade union leaders but of the existing members and workers. Union leaders must, by their action and through constructive union activities and services correct misconceptions about trade unions and restore the confidence of workers and society in trade unions.

### **The continuing struggle for Trade Union Rights**

The struggle for trade union rights must be the priority. Moreso, considering the fact that the large majority of workers in various countries in this region are still deprived of their rights either by legislations or by employers. These include the increasing number of professional and managerial staff and atypical employees including those working part-time, casual employees and contract employees.

The struggle for trade union rights is a global challenge that requires a global trade union response. The campaign for global respect for core labour standards must be intensified. National trade unions must assume greater responsibility by generating support for international trade union campaign for respect of workers' rights, now directed at ILO and various inter-governmental organizations such as WTO, IMF, World Bank and the ADB and regional economic co-operation bodies such as ASEAN, SAARC, APEC and ASEM.

These organizations, particularly ILO, IMF, World Bank, ADB and the WTO should work closely together to promote democracy and social justice and respect for core labour standards.

### **Social Dialogue – the Better Alternative**

Trade Unions in this region are ready to join in genuine efforts to build national solidarity programmes for recovery and nation building. A global economy requires global forums for social partnership. We want to build global partnership between unions and with employers and governments based on shared commitment to equity and justice and

respect for human and trade union rights. Together, we can build a better society where income, wealth and opportunities are equitably distributed.

The governments in this region can emulate the example of the development of social dialogue in the European Union countries.

The social dialogue and the introduction of European Workers Councils are important tools in the development of a Social Europe. They can be used to:

- Promote quality employment, job security and fairness at the place of work.
- Promote quality education, training and retraining and new form of work organization based on involvement and dialogue.
- Promote equality of opportunity and better employment chances for women and young workers.
- Promote better standards of health and safety at work.

Equally important, the process of social dialogue represent a major forum for strategic engagement across the total range of socio-economic spectrum to deal with the fundamental challenges facing the peoples in the country and region.

In today's interdependent world, there is a need for trade unions all over the world to be more united in the struggle for workers' right, social justice, democracy and a more equitable distribution of wealth that workers helped to create.

At the international level, UNI Apro in close co-operation with UNI, ICFTU and other International Trade Secretariats will continue to promote closer co-operations between the unions in the various countries grouped under intergovernmental organizations such as ASEAN, APEC and ASEM.

We will vigorously support these unions in their campaign for the inclusion of a social dimension to the ongoing regional economic integration process and for trade unions to be involved in the formulation of development strategy and policies of IFIs such as the IMF, World Bank and ADB.

The adoption of the ILO Declaration on Fundamental Principles and Rights at work and the follow-up mechanism adopted at the 1998 International Labour Conference is an encouraging development. It reflects the international consensus on the need to guarantee a harmonious balance between economic and social progress in a sharing, caring and democratic society.

UNI welcomes and supports the initiative of the UN Secretary General's Global Compact and is working closely with the UN to encourage corporations to act responsibly by respecting and putting into practice the nine principles that include the broad areas of human rights, workers' rights and environment. Though lacking in monitoring

and enforcement mechanisms, we can only hope that corporations that commit themselves to the Compact will abide by the principles in the most responsible way.

### **Collective Agreements - Bargain or Negotiate or Beg ?**

Collective bargaining is the basic function of all trade unions and a fundamental workers' right. As provided for in ILO Convention 97, unions must be free to bargain without constraint. Some unions, restrained by laws and constrained by circumstances are forced to resort to collective begging with employers. In the context of the present environment and expected development in the world of work, some trade unions are resorting to negotiation for collective agreements.

This is already the case in a number of countries where unions have accepted it as a strategic response to the new environment. The trends appear to be towards co-operation rather than confrontation reflecting the attitude and values of the new workforce, particularly the increasing number of white collar and service employees and middle class employees such as professional and managerial staff.

These unions believe that the co-management methods, as part of collective representation and negotiation, is more effective to protect and promote their members' interests, especially to enhance job security and a fair share of productivity gains and possibly even to increase membership.

Other adaptations in this main function of trade unions include the decentralisation of negotiation and expansion of the scope of the contents of collective agreements. This include other non-monetary demands such as training and retraining, rights to full participation in decision-making relating to employment and related issues such as the introduction of new technology.

These trends will most likely spread and trade unions will have to be better prepared for these changes, new roles and responsibilities. Trade union officials especially those at company level, including shop stewards will have to be trained and retrained and be professional in skills and methods. Trade union organisational structure will have to be adopted and internal functions of trade union need to be redefined.

Obviously, traditional collective bargaining methods and strategies will also have to be adopted. Like the employers, especially the multinational employers, trade unions must be coordinated in their collective bargaining strategy and coherent in their policies and demands.

Our goal must be, in the long run, to be able to bargain with multinational employers on regional and international levels. Such regional or global agreements will cover broad areas such as employment policies, industrial relations practices and equitable standards

and conditions of employment and working conditions. It will also be an effective means to ensure respect for basic labour standards as outlined in ILO Conventions.

### **Countering the influence of Multinationals**

One of the obvious implications of globalization, driven by WTO GATS and facilitated by technological innovations, is the expansion of influence of multinationals in all spheres of life. They are providing the investments to create a global economy and facilitate the globalization process. The wave of mergers and acquisitions, especially in the finance, commerce and telecommunication sectors will further consolidate the power of a few super multinational companies and financial institutions. The concentration of investments of some Multinational Enterprises (MNEs) has enabled them to achieve monopolistic control over some sectors of economic activity.

They are definitely powerful and their influence can be felt by all in one way or another through the complex network of businesses spread strategically all over the world. These MNEs, especially those with huge financial-capital and those that control the financial markets have been known to use their financial clout to pressure governments and inter-governmental organizations to liberalize markets, privatize the public services and deregulate labour market.

These multinational companies have significant influence on industrial relations practices. Weak or ambiguous legislations have enabled multinational companies to dictate employee relations' policies that exclude trade unions. Developing countries desperate to retain and or to attract investments have been forced to make concessions that always include suppression of national labour standards.

Cross-border convergence of work organization facilitated by an organization structure that splits the corporation into a number of separate companies has been used by MNCs as mechanism for retaining tight and consistent control of operations to undermine legislations enacted to protect employees. Using their extensive network of branches or subsidiaries, they are able to transmit their industrial relations practices across national borders.

Their power and influence are directed not only at developing countries but are also felt by industrialized countries. These MNEs are increasingly using the threat that they will relocate their production facilities or outsource certain work processes to force trade unions to compromise, thus influencing the outcome of collective bargaining. Some unions also reported of attempts by MNEs to undermine the process of negotiation by withholding information and in extreme cases to de-recognize the trade unions.

There is obviously a need to scrutinize the power of multinational companies to keep them in check and ensure that workers' rights are fully protected and respected. National legislations need to be reviewed to make it more effective to deal with industrial relations practices in a global economy.

The influence of multinationals can only be matched by the united strength of the trade unions at the international level grouped under the various International trade secretariats such as UNI. Through global organizing and eventually global bargaining, we can make these multinationals more responsible, and respectful of international labour standards as outlined in the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the OECD Guidelines for Multinational Enterprises.

### ***Social dialogue with regional and/or global negotiation with Multinationals***

The trend towards regional and even global negotiation is already evolving as is the case now in countries of the European Union. The establishment of European Works Council for multinationals operating within the Europe Economic Area as mandated by the European Union Parliament has provided a genuine opportunity for workers and unions to gain greater influence over the international activities of multinational enterprises.

We envisage that these councils will evolve, in spite of the legal constraint, to include countries outside the present defined area. Such regional or global framework agreements to be negotiated by unions grouped under regional works council or even global works council for the respective multinationals will be qualitative in definition. It will cover broad areas such as employment policies, and basic principles for acceptable industrial relations practices and equitable standard of terms and conditions of employment and working conditions.

The concept of global framework agreement is not new. Many national trade unions together with their International Trade Secretariats including UNI have signed framework agreements with various multinationals on the implementation of trade union rights that are applicable to their international activities.

Nevertheless, such framework agreements are still ineffective for various reasons. Expanding the scope of coverage in terms of basic issues and extending its geographical coverage can further strengthen it. Mechanism for supervision of implementation will also need to be improved.

The progress towards global negotiation will be slow and gradual. UNI Apro is preparing the affiliates in the Asia and Pacific region for this new task and endeavors to speed up the process towards regional and/or global bargaining. Global bargaining with multinationals will strengthen the influence of trade unions and facilitate their participation in the process of globalization.

UNI had been successful in developing new levels of social dialogue between trade unions and employers at the international level covering sectors and individual multinational companies. These experiences could act as model for the evolution of social dialogue with multinationals at the regional level to negotiating at the global level.

### ***Laying the foundation for global negotiation***

At the outset, it must be noted that global negotiation is a complicated process. It will affect the concept of national industrial relations and redefine labour management relations. Therefore, it will require a new framework for trade union co-operation and mechanism for formulation of scope of coverage, negotiation and supervision of implementation of such global agreement. Among others, it will be necessary to establish a clear delineation of the distribution of powers and responsibilities between national trade unions representing the workers in the countries where their employer (the multinational) is located.

The other problems will be the difference in the country's legislations concerning employment and trade unions in particular and variation in the organizational structure of the trade unions involved. This is further complicated by the unequal development of the trade union movement in the various countries in the region. The problem of competing trade unions and the lack of unity as are the present situation in some countries will have to be considered.

Trade Unions representing the workers in the same multinationals must start a dialogue to find an amicable solution to the various problems and establish the principle for the framework for trade union co-operation aimed at global bargaining.

### ***Asian Regional Works Council***

The creation of Regional Works Council supplemented by Global Works Council in multinational companies is one of the main components of UNI's strategy to meet the challenges of the increasing influence of multinational companies in the global economy. Such Works Councils operating in close co-operation with similar Works Councils in other regions under UNI will strengthen the component unions' influence in dealing with their common employers. Most important of all, it seeks to ensure that these companies respect basic labour, environmental and social standards in their global operations.

### ***The Organising Challenge***

Restriction on workers' rights and discrimination against union members are two of the main factors that caused the decline in rate of unionization in many countries. The other factors are related to structural changes fuelled by technological innovations and intensive competition for market share in a global economy. Structural changes have altered the composition of the workforce significantly as exemplified by the large shift in employment of traditional "blue collar workers" to white collar or service employees. In nearly all countries, the service sector has displaced the manufacturing sector as the engine for employment.

Traditionally, most of the trade union movement in the region and for that matter all over the world, are focused or geared to represent the workers in the manufacturing sector and public sector. This shift in employment patterns has created serious problems for such

unions. The privatization of traditional public services further reduced the base of membership of the trade unions union movement in most countries. The high unemployment level is the other critical factor.

The traditional membership base of most trade union movement in various countries has shrunk – as employment in those sectors shrunk and new jobs if any, are replaced by new categories of workers, such as professional staff and increasing number of atypical employees. Changes in work organization, such as outsourcing, also further reduced the union membership base. This is further complicated by the changes in employment pattern - where workers are dispersed in numerous small and medium size enterprises.

The atypical employees and the large majority of the professional and managerial staff are generally not protected by legislation concerning employment and trade unions, thus they are prevented from forming or joining trade unions. This is in violation of the ILO Convention. Governments must review the existing related legislations to reflect the changes in the work environment including the definition of workers and employees.

The large majority of trade unions, constrained by history, tradition and lacking experience are unable to effectively organize the large potential membership, thus unable to stop the decline in union membership.

The trade union movement must make greater effort to organize this large potential membership into trade unions. This will entail a review of organising strategy and adaptation to better represent and service the membership. In this connection, special consideration will have to be given to organize the women, young workers and the large majority of professional and managerial staff.

Trade unions must organise, organise, organise. Unions today must build a membership that can exert collective power over employers, as well as the political power to effect real change for themselves and society as a whole.

### ***Global Corporate Organising Campaign***

The co-operation of trade union beyond national boundary in the organising campaign is critical, particularly in organising workers in multinational enterprises and the overall struggle for workers' rights. Global bargaining is possible only when the large majority of the employees, especially those employed by multinational enterprise, are organized into trade unions.

Many unions have used corporate campaigns for a variety of purposes, including organising. The strategy of such campaign involved exerting pressure on the employers through the customers, community, stockholders, board of directors and politicians. This is an effective alternative to strikes that many unions are increasingly reluctant to use or unable to use due to legal or practical constraints. It is particularly effective in dealing with multinationals, especially in a global economy.

### ***Organising and representing professional and managerial staff***

Professional and managerial staff constitutes the large potential membership for trade unions all over the world. Like all other employees, they are suffering the consequences and negative effects of globalization of the economy, regional integration, technological change and rationalization. New management methods are threatening their job security and career prospect.

They need trade unions as much as trade unions need them. Trade Unions should support them in their struggle for trade union rights and actively encourage professional and managerial staff to take up union membership.

UNI and its affiliates' experiences in organizing the professional and managerial staff (PMS) revealed that the problem is more complex than just legislative constraints. Firstly, it must be recognized that PMS are different from other employees or traditional union members. Most of them are better educated and their expectations and aspirations are different, thus their demands cannot be met by traditional unions and attracted by standard services and activities.

The integration of professional and managerial staff into the mainstream of the trade union movement will require a change in the mind set of these employees and traditional unions, by accepting and recognizing they are, by all definition, employees. And that their interests can best be protected by trade unions and secured by collective agreements.

### **The Equality Challenge**

Women now account for at least three out of every ten employees in this region and the ratio is higher in certain countries and expected to increase in the future. They can now be found in all forms of employment and jobs, but most of them are working in the service sector on part-time or temporary basis and an increasing number of women are employed on other atypical arrangement such as telework.

They constitute the large potential membership that the trade unions in most countries are still trying to organize into their unions. The difficulty in organizing them can be attributed to many factors. Firstly, women, especially those who are in "transition employment" are generally less enthusiastic about trade unions and their cause. Those in regular and "careered" employment, especially married women with children have difficulties coping with dual responsibilities, thus unwilling to take on more responsibility - more so if these responsibilities do not contribute or facilitate their career development.

The organizing challenge is further complicated by the fact that men dominate most unions. Thus, most unions' work methods, activities, services and overall policies, by design or habit and sometime for lack of consideration, are not conducive and relevant to attract women into trade unions. Towards this end, trade unions must overcome prejudices and be prepared to make wide-ranging changes including attitude towards issues of equality and ensure that its policies reflect their needs.

Organising strategies will have to be adopted to attract women into trade unions and activities must be redesigned to facilitate women participation at all levels. Most important of all, there must be conscious and deliberate effort to promote and achieve equality of opportunity and treatment between women and men at work and in society. The trade union movement must express in the clearest way, its commitment to this goal by ensuring that women members are accorded equality in all aspects of trade union work.

### **The Challenge of Youth**

Recruiting young workers that are entering the labour force has to be the priority for all trade unions. Obviously, they are the future of the trade union movement. Like other workers, the changed environment has influenced the attitude of youth towards trade unions.

Some unions attributed the difficulties in organizing them to the equivalent of a widening generation gap between the unions, its leaders and the young workers. Young workers, in general and young women in particular, are more passive towards trade unions. They have different attitude and have problems identifying with the trade unions.

Most of these young workers are better educated and they are looking for higher human needs. Some attributed it to the image of trade union and in the context of new management methods, some even found trade unions irrelevant.

Unions must address these serious problems if they are to be successful in organizing and integrating young workers into trade unions. Providing services and organizing activities relevant to their needs and interests may help to attract them to the trade unions. But it will not integrate them into the movement.

They must be persuaded. More effective ways must be found including ways and means to restore their confidence in trade unionism and instill pride to be trade union members. They have to be engaged and made to feel that they are part of the movement. Trade unions must endeavor to attract the bright and young workers and tap their idealism to strengthen the trade union movement. Unions will have to retool themselves to win these young workers over.

### **Adapting the Trade Union Organizational Structure**

Inevitably, new trade union organizational structure must also be adopted to make it more relevant to a changed work environment and to cater to the interests of the new group of workers.

Traditional union structures are increasingly outdated and unions must make conscious and deliberate effort to involve them to meet the needs of the new environment, as characterized by the following:

- the development of the global economy;
- the rapid expansion of science and technology;
- the revolution in communications and media;

- the restructuring and concentration of business;
- the blurring of sectoral and professional boundaries;
- the impact of market forces.

The four International Trade Secretariats, namely FIET, CI, MEI and IGF that came together to establish the new ITS, Union Network International or UNI that I represent is a classic example of pragmatic response to the challenges.

The Union Network International, launched on 1<sup>st</sup>. January 2000 is able to:

- Provide solidarity support across sectors and across frontiers, with a better chance of dealing effectively with the activities of multinationals;
- Avoid wasteful competition for members and duplication of effort in overlapping sectors;
- Use its resources to provide for effective support and assistance to affiliates in recruiting and organizing.
- Widen and strengthen regional structures which could speak with greater authority in their relations with regional and national institutions and attract new members in all sectors;
- Utilize its limited resources in a more effective way by rationalizing overlapping structures and the sharing of skills, experiences and networks.

The four ITS's decision to merge is not unique. During the past years, there have been a number of mergers of unions in various countries. Some of the unions were forced to merge under pressure by various factors, including declining membership and resource constraints. But a large majority of the mergers or planned mergers were the results of anticipated needs, as is the case of the merger of the four ITSs.

A number of unions have also taken steps to adapt their organizational structure, as part of the comprehensive strategy to meet old and anticipated challenges and changes in industrial structures and work organization.

These include structural changes and administrative measures to:

- Strengthen and expand their influence
- Expand their scope of representation
- Cope with the expansion of services and activities and to deliver quality services
- Improve representation of members; and
- Further facilitate membership participation and reinforce solidarity

These unions have adapted their structure beyond the traditional definition to be more relevant and effective. For example, downsizing, through technological innovations and sub-contracting including outsourcing of work have reduced the number of core employees in a company, thus putting into question the viability of enterprise unions. Thus, some enterprise unions have been, or are trying to restructure themselves to represent workers, beyond a single enterprise but a group of enterprises.

The shift from blue-collar employment to white collar or service employment has spurred traditional unions representing blue-collar workers to expand their scope of representation. These are positive developments, but the pace of adaptation must be intensified if the trade union movement is to succeed in not only forestalling the decline in membership but in reclaiming its influence as well.

### **Workers Solidarity – blending traditional value to new concept**

Traditionally, unions derived their power by using strike and industrial actions to withhold services or to stop production to achieve their demands. The fact that there was then very limited alternative services or substitute for some goods further strengthened workers' power and unions' leverage in the bargaining process. This power has been diluted by the structural and technological changes, whereby work organization and production process are consciously designed and made capable of providing alternative or substitute products or goods or services.

For example, outsourcing of work has made enterprises less vulnerable to the threat of strike, thus substantially diluting the trade unions' bargaining power. Increasingly, companies are now outsourcing their key operations such as accounting and even the entire computer system to specialized company or subsidiaries located in other country. The aim is not only to reduce cost, but also to have better control over the production process. Some employers, especially of organized company used this method to weaken their employees' trade union by shifting employment to unorganized company or sector. Other new human resource management methods also further dilute unions' influence at the workplace and shifted the power balance in industrial relations to favour the employers.

It is clear; unions can no longer depend solely on the leverage of power over an industry or services for its strength. It has to refocus effort to build solidarity of workers as the primary source of strength for the trade union movement.

Representing the large majority of workers within an enterprise, an industry and nationally is critical for representativeness. Thus, organizing the largest majority of workers into trade unions must continue to be the priority for all unions. But a trade union or the trade union movement as a whole can only be strong and influential if supported by a committed membership, members who are actively involved in the

decision-making process and consciously committed to the union's policies and goals. Therefore the challenges facing the trade unions is to mobilize them.

Trade unions must make deliberate effort to strengthen workers' commitment to and identification with unions. The provision of services, such as collective bargaining and grievance handling, and other material benefits such as discounts, are necessary to attract workers to trade unions and must be made as part of the organizing strategy. But such service by itself is inadequate. Members attracted to trade unions on this basis lack the spirit of solidarity and are less supportive of trade unions. Thus, they cannot be depended upon, especially when the very source of strength of trade union is dependent on the collective spirit of workers.

They have to be convinced and converted to become active and committed trade union members. Thus, the importance of ongoing trade union education for workers and members to inform, clarify and inculcate in them a better appreciation of trade unionism. They must be encouraged to participate actively in the trade unions.

Trade unions must also strengthen their communication with members, potential members and between members and with the public. Effective and regular communications, by use of the mass media and other modern communications methods and tools will not only keep the members informed and involved but also reinforce the close relations between unions and workers and the society.

### **Trade Union Education – the other core trade union activity**

Trade union education is an essential and effective tool to develop trade unions into strong and self-reliant organisations. An effective trade union education programme systematically implemented will improve the quality of trade union work, stimulate workers participation in trade unions and reinforce their commitment to trade unions. Such educational activities will also contribute to the development of harmonious labour management relations and enable trade unions to play a constructive role in the national development process. Regardless of its stage of development, trade union education must be the core activity for all trade unions.

Trade unions are continuously confronted by changes and have to be prepared to deal with new developments and challenges. Thus training should be a continuous process if trade unions are to be able to sustain their capability and capacity to deal with on-going and new challenges. It should be planned and implemented on a systematic basis and designed to meet the training needs of workers, members, union leaders and officials. It must be supported by an organisational structure and provided with adequate resources, including funding.

In the context of a global economy, it will be necessary for union members and leaders to be familiar and aware of the consequences

and implications of globalization for workers and the challenges for trade unions. Therefore, trade union education should be closely linked with organising and other economic, political and social campaigns. Course contents will have to be expanded to include international issues such as trade unionism and human rights, economic and political developments, equality issues, youth issues, child labour, environment and sustainable developments. Research activities will have to be intensified and more focused and made an integral part of trade union activities.

### **The future of the trade union movement**

The economic and social problems facing workers in most countries as well as the pain and sufferings they have experienced have awakened workers and will unite them. A new unified, powerful and issue-based proactive movement of workers has already emerged in some countries and will spread to others.

The trade union movement must move forward inspite and despite all difficulties. Trade unions must be united to promote the growth and influence of trade union movement as an instrument to:

- protect and advance human and democratic rights for all people;
- defend workers' rights and their inequality;
- eliminate poverty and inequality;
- social and economic justice for all within and among nations;
- equal opportunity for all people; and
- peace and prosperity within a nation and the interdependent world.

UNI and UNI Apro have a vital role in fostering a strong spirit of international solidarity, developing the capacity and capability of trade unions and restoring its influence at all levels to achieve our common aspirations.