UNIT 13  ISSUES AND TRENDS IN COLLECTIVE BARGAINING

Objectives

After going through this unit, you should be able to:

- familiarise yourself with approaches and emerging issues in collective bargaining;
- examine collective bargaining in Indian context;
- discern the recent trend and special provisions in collective bargaining.

Structure

13.1 Introduction
13.2 Approaches to Collective Bargaining
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13.1 INTRODUCTION

Collective bargaining is concerned with the relations between management representatives and union representatives. Collective bargaining has been characterised as a form of industrial democracy and industrial government. It involves the process of negotiation, administration, and interpretation of collective agreements covering wages, hours of work, and other conditions of employment for a specific period of time. For some issues, collective bargaining occurs when one party’s goals conflict with those of the other party. The style and substance of the negotiations are affected by the legal requirement to bargain in good faith. The final product of negotiation process is a collective bargaining agreement. Effective administration of collective agreement is vital to the health of the union-management relationship. Successful administration of an agreement depends on mutual respect among employees, management and union. Collective bargaining today faces a crisis. Severe environmental pressures, particularly competition and technological change make it increasingly difficult for the parties to reach a mutually satisfactory settlement.
13.2 APPROACHES TO COLLECTIVE BARGAINING

The World Labour Report of ILO (1997-98) mentions that the collective bargaining is weak as the state intervention plays a crucial role. The system of social dialogue is centralised at the industry or national level and leaves little discretion at the enterprise level. However, a new pattern of unionisation has appeared due to the shift from organising workers in a region/industry to the formation of independent trade unions at the enterprise level. Accordingly, the focus of collective bargaining has shifted from the region/industry level to the enterprise or even plant level.

Industry Bargaining

The industry level collective bargaining is common in the case of core industries in public sector like coal, steel, cement, ports, banks and insurance. The collective bargaining on industry basis is practiced by traditional industry groups like textiles, plantations and engineering in the private sector. The recent trend in the field of collective bargaining in India has been a gradual shift from national/industry level to local level leadership; and enterprise/job level bargaining.

Enterprise Bargaining

The importance of enterprise is growing as a bargaining level as the industry-wide bargaining is losing ground. Even in case of industry-wide bargaining, sufficient scope is offered for enterprise level negotiations. Enterprise level agreements are steadily increasing in number and becoming a point of decision-making. In the industrialised countries, the trend is towards increasing autonomy of enterprises and individualisation of labour relations.

Concession Bargaining

Concession bargaining originated in USA as a temporary measure to save jobs in the period of economic depression. Concession bargaining was undertaken by the employers to face increased competition and cope up with higher productivity requirements. The trade unions preferred wage cuts or wage moderation to that of job losses and displacement. The trade unions indicated their readiness to accept other options to avoid labour redundancies. Apart from accepting wage reduction, other options considered under concession bargaining were: (a) shorter working hours; (b) freeze on fresh recruitment; (c) restriction on overtime; and (d) training and retraining of workers.

In USA the concession bargaining agreements included wage cuts in case of newly hired workers, curbing the cost of health insurance, and increased compensation for voluntary separation. In India, it has taken the form of downsizing of employees and offering of voluntary retirement schemes.

Composite Bargaining

The contents of conventional bargaining are mainly wages, allowances and benefits, and conditions of work and employment. The composite bargaining calls for a strategic shift from conventional bargaining to include issues like quality of work life, productivity improvement, enhancing of market share or even financial matters. Composite bargaining reflects a change in strategy from
confrontation to coordination between management and labour for the promotion of their common interest of survival and progress of enterprises.

13.3 EMERGING ISSUES IN COLLECTIVE BARGAINING

Union and management are going to face many substantive and procedural issues in collective bargaining. Some of the issues can probably be handled at the bargaining table by using existing structures and strategies. Some of the traditionally handled issues are as follows:

**Wage Bargaining**

Wages will remain at the centre stage of future contract negotiations because the size and security of income will continue to be of vital importance to workers.

**Women’s Issues**

The explosive growth in the number of women employees may give rise to fresh challenges to both employers and unions to squarely face the particular concerns and problems of females on-the-job. That process has been going on for some time now but will probably accelerate in the future as women become firmly and permanently entrenched in the labour force and in the unions. Women issues are going to figure more and more in future collective bargaining.

**Job Security**

The potential loss of jobs due to technological change has always been a major concern for the unions. Use of automation and computers will expand as Indian companies attempt to increase productivity and remain competitive in domestic and international markets. This will continue in the future and may even accelerate the collective bargaining process.

**Productivity**

Time has come, according to many economists, for the unions to be vitally concerned with productivity and to realise that employee welfare is tied directly to the success of the enterprise and industry. At the same time, management must recognise that to obtain an increase in productivity, it must seek the cooperation of the employees and the union. In short, what is needed in collective bargaining is re-approachment between union and management that recognises the necessity of co-operating to raise productivity.

**Technological Change**

Management cannot expect workers and their unions to moderate their wage demands and attitude toward technological change unilaterally. As in every constructive collective bargaining situation, there must be a give and take. Further, the society cannot expect labour to bear the full cost of technological change. It is true that workers will ultimately benefit from a competitive product, but so will management, stockholders, and the consumer. It seems only equitable that all parties bear some of the cost. In Japan and some European countries, technological change is not normally opposed because jobs are guaranteed.
Quality of Work Life (QWL)

The issue of quality of work life is related to the need for organised labour and management to work co-operatively toward the goal of greater productivity. The attention now being paid to the QWL reflects the growing importance being attached to it. It is apparent that a substantial number of employees are unhappy with their jobs and are demanding more meaningful work. Employees are beginning to demand improvements in both economic and non-economic benefits from their jobs. The importance of non-economic rewards is increasing relative to the importance of economic ones, especially among white-collar and highly educated employees. People are demanding greater control and involvement in the jobs. They do not want to be treated as a cog in a wheel. QWL experiments will continue in the years ahead and may eventually provide some impetus to the collective bargaining across countries.

13.4 COLLECTIVE BARGAINING IN INDIAN CONTEXT

Like many other countries, in India, collective bargaining got some impetus from various statutory and voluntary provisions. The Trade Disputes Act 1929, the Bombay Industrial Relations Act 1946, the Industrial Disputes Act 1947, and the Madhya Pradesh Industrial Relations Act 1960, provided a machinery for consultation and paved the way for collective bargaining. Among the voluntary measures, mention may be made to the different tripartite conferences, joint consultative machineries, code of discipline, and Central and State Implementation and Evaluation Units.

In India, collective bargaining was not very popular till the end of the Second World War. However, there had been a few instances where wages and working conditions were regulated by collective agreements even earlier. The collective bargaining agreements have been concluded at three levels – at plant level, industry level, and national level.

Collective bargaining was traditionally conducted at the plant level as in the case of TISCO, Indian Aluminium Company, and Bata Shoe Company. In some industrial units, detailed grievance procedures have been laid down by mutual agreements. The collective agreement signed between the TISCO and the Tata Workers’ Union in 1956 embodies a provision for grievance procedure and closer association of employees with management. The Belur Report of 1958, which is a study by Subbiah Kannappan and his associates in the Indian Aluminium Company is one of the best published case studies on collective bargaining in India. It throws light on the factors responsible for creating a favourable bargaining relationship between the management and the union.

The best example of an industry level agreement is offered by the textile industry of Bombay and Ahmedabad. The agreement between the Ahmedabad Millowners’ Association and the Ahmedabad Textile Labour Association, which were signed on 27th June 1955, laid down the procedure to be followed for the grant of bonus and the voluntary settlement of industrial disputes. The practice of industry-wise bargaining continues to prevail in the cotton textile industry in Maharashtra, Gujarat, and Tamil Nadu; in Jute Textiles and in the plantation industry in Karnataka, Tamil Nadu, and West Bengal. In most other industries, particularly
in modern industry groups, collective agreements are entered into at the plant or enterprise level.

The agreements at the national level are generally bipartite agreements and are finalised at conferences of labour and management convened by the Government of India. The bonus agreement for plantation workers was concluded in January 1956 between the representatives of the Indian Tea Association and the India Tea Planters’ Association on the one hand, and the Hind Mazdoor Sabha (HMS) and the Indian National Trade Union Congress (INTUC) on the other. The agreement was about the payment of bonus to about one million plantation workers.

The Employer’s Federation of India (EFI) in a study of collective bargaining in its member organisations in the late sixties (published in a monograph in 1970) classified collective agreements into three categories: (i) agreements which have been drawn up after direct negotiations between the parties and are purely voluntary in character for the purpose of their implementation; (ii) agreements which combine the elements of voluntarism and compulsion, i.e., those negotiated by the parties and registered before a conciliator as settlements; and (iii) agreements which acquire legal status because of successful discussion between the parties when the matters in disputes were under reference to industrial tribunal/courts and could be considered sub judice, the agreements reached being recorded by the tribunals/courts as consent awards.

The EFI study covered 109 collective agreements, relating to 77 companies and 11 industrial associations. Results of the study show that the collective agreements have included all levels. Industry-wide agreements were concluded in engineering, textiles, and tea plantations, and plant-wide or company-wide agreements were the norm in most other industries.

The EFI study found “two categories of subjects (which) appear to have figured prominently in the collective agreements, one having a direct bearing on the pay packet and the other relating to leisure and leave.” Wages, dearness allowance, retirement benefits and bonus (appearing in a majority of agreements) are illustrations of the first category, and annual leave, paid holidays, and casual leave are (included in a smaller but substantial number of agreements) of the second.

Out of the 109 agreements analysed, 96 dealt with wages and 50 with bonus. As for the duration of the agreements as many as 49 (i.e. 45 percent) were for a period of 3 years, 18 were for a period of 5 years and only a small number were for a period of less than 2 years. There are 31 agreements, which dealt with the whole range of topics comprising wages, conditions of employment, and fringe benefits. The rest of them covered one or more specific subjects. The study makes the following concluding observations:

“Another notable feature of the agreements under reference, which is of considerable importance for the development and maintenance of harmonious industrial relations, is the recognition of their mutual rights and responsibilities by the representatives of management and employees. Under a number of agreements, the unions have recognised the right of the management among other things, to introduce new or improved methods of production, establish
production schedules and standards, and make rules for maintaining discipline and securing effective operation of the plant. The right of the management to discharge workers for just cause, including inefficiency and lack of work, has also been conceded. The managements on their part have recognised the unions as bargaining agents and pledged to desist from unfair labour practices such as interference with the right of the workman to organise and join a union and discrimination against them because of their membership of a union. In the same manner, the trade unions have agreed to follow the constitutional methods as laid down in the grievance procedure to redress the grievances of their members and to desist from indulging in or encouraging unfair labour practices.”

A significant development of the 1970s is the emergence of bipartite national industrial committees in certain key industrial sectors such as coalmining, textile, sugar, electrical machinery, steel and cement. These committees comprise representatives of all major trade unions and employers in a given industry, and operate under broad terms of reference, which include a revision of wage structure and conditions of employment. These negotiating committees have covered both public and private sectors. The development of joint negotiating committees is a clear indication of the preference of the parties for collective bargaining over other methods. Although a variety of industries have been covered under this approach, we would confine our examination to two of the most important ones, namely, steel and coal mine.

The new experiment, in the form of bipartite negotiating committees was first pioneered in the iron and steel industry in 1970. Early in that year a Joint Steel Wage Negotiating Committee [later on re-christened as National Joint Committee for the Steel Industry (NJCS)] was formed. The NJCS is composed of representatives of employers and employees. The employers’ side is represented by Indian Iron and Steel Company (IISCO) and Tata Iron and Steel Company (TISCO), and from all the public sector steel plants. On the employees’ side, there are three members each from the central trade union organisations, namely, the All India Trade Union Congress (AITUC), the Indian National Trade Union Congress (INTUC), Centre of Indian Trade Unions (CITU), and the Hind Mazdoor Sabha (HMS). Till now, the Committee has signed six agreements.

The coalmines in India were nationalised in 1973. There were agitations by the unions prior to 1973 because wage improvements sanctioned by the Coal Wage Board in 1967 had not been implemented by several (private) mine owners and operators. The government was not in favour of appointing another wage board for the industry and felt, instead, that wages and other matters in coalmining should be settled through negotiations and collective bargaining. With this end in view, a Joint Bipartite Committee for Coal Industry (JBCCI) was constituted on August 14, 1973 with union representatives from INTUC, AITUC and HMS, and management representatives from Coal Mines Authority, Tata Iron and Steel Company, and Indian Iron and Steel Company.

Subsequently, the committee has signed six bipartite settlements regarding wage revision, working conditions, and other issues relating to coal industry.

The National Commission on Labour (1966-69) reported the existence of collective agreements at all levels.
Most of the collective agreements have been at the plant level, though in the important textile centres like Bombay and Ahmedabad, industry-level agreements have been common. Such agreements are also to be found in the plantation industry in the South and in Assam, and in the coal industry. Apart from these, in new industries like chemicals, petroleum, oil refining and distribution, aluminium, manufacture of electrical and other equipment, and automobile repairing, arrangements of settlement of disputes through voluntary agreements have been common in recent years. In ports and docks, collective agreements have been the rule at individual centers. On certain matters affecting all ports, all India agreements have been reached. In the banking industry, after a series of awards, employers and unions are in recent years coming closer to reach collective agreements. On the whole, the record of reaching collective agreements has not been unsatisfactory, though its extension to a wider area is certainly desirable. For promotion of collective bargaining, the commission recommended, among other things, statutory recognition of representative union as the sole bargaining agent.

The following steps may be considered for promoting collective bargaining in our country:

1) Collective bargaining should be declared as an integral part of India’s national industrial relations policy. In order to give it a constitutional sanctity, it should be incorporated in the Directive Principles of State Policy.

2) The two relevant instruments setting international standards regarding collective bargaining, namely, Convention 98 concerning the application of principles of the right to organise and to bargain collectively adopted in 1949, and Recommendation 91 concerning collective agreements adopted in 1951, should be ratified/implemented.

3) Collective bargaining should be adopted as a part of the corporate personnel policy in all public sector enterprises, departmental undertakings, and in public utility services.

4) There should be drastic trade union reforms such as: (a) recognition of the majority union as a bargaining agent; (b) development of a trained and educated cadre of worker-leaders through strong, enlightened, responsible and democratic trade unions; and (c) gradual delinking of trade unions from political parties.

5) More emphasis should be given on mutual settlement of industrial disputes through collective bargaining rather than adjudication. A beginning has to be made in this direction by declaring that collective bargaining will acquire primacy in the procedure for settling industrial disputes.

13.5 PRODUCTIVITY BARGAINING

Productivity bargaining has been described as “an agreement in which advantages of one kind or another, such as higher wages or increased leisure, are given to workers in return for agreement on their part to accept changes in working practices or in methods or in organisation of work which will lead to more efficient working. The prime purpose of productivity bargaining is to raise labour productivity and lower unit labour costs. It aims at improving labour productivity,
not so much by requiring workers to make greater efforts, but by eliminating the impediments to higher productivity. Moreover, it is an exercise in problem solving and creating new gains for both management and labour.

Productivity bargaining is a complex process. It involves lengthy, detailed negotiations about the implementation of a variety of management techniques such as work-study and job evaluation. The content of negotiation is more or less comprehensive in the sense that it includes not only bargaining over earnings but bargaining over other related matters such as reduction in hours of work, introduction or extension of shift working, manning of machines, the introduction of new payment systems and re-allocation of job control. Productivity bargaining generally occurs at the level of the enterprise or company and covers almost all employees. It can be distinguished from conventional bargaining. The conventional bargaining tends to increase costs. Wage increases which are unaccompanied by productivity increase are inflationary. These wage increases are often reflected in the form of increased prices and in monopolistic industry the increased wage cost of the agreement is passed on to the consumers.

The significance of productivity bargaining is three-fold. First, it seems to be more successful in tightening of the pay-productivity link within organisations. Second, it is argued that it opens a whole new source of untapped productivity potential within an enterprise. Third, it provides potential opportunity for improving the climate of negotiation between management and trade union at company or organisational level. Effective productivity bargaining necessitates openness and trust between the parties in the negotiating process. It is one of the most important methods to increase the level of industrial efficiency.

The productivity agreements, which are generally developed by the management and internal union of office bearers and shop floor representatives, leave no meaningful role for the outside union officials. The success of productivity agreement will depend upon how well the workers understand the principles and objectives of the company. There should, therefore, be a communication structure whereby this understanding and cooperation are secure. There should be departmental and plant-wide productivity committees to review the overall progress of production, and make suggestions for removing the hurdles for achieving higher efficiency.

**Productivity Agreements**

There are a number of industries in India, which have signed productivity agreements. Many agreements begin with opening paragraphs about productivity, work culture, and the role to be played by the union and the management.

The productivity-linked wages settlement by Southern India Textile Association is a unique example of joint agreement of systematic assessment of workloads and the principle of sharing by workers of 50 percent of the savings by the total category of basic workers. Thirty mills were party to the agreement.

The agreement that Bajaj Auto entered into is as follows:

“The Union and the Company agree that in view of the increased competitive environment in the domestic and global markets, the company can survive, let alone prosper, only by gaining competitiveness and improving levels of
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production, productivity and ensuring better quality in all its operations and activities by means of maximum utilisation of plant, machinery, equipment, human and other resources at its disposal. Therefore, both the parties agree to achieve higher output and man/machine utilisation by continuously reducing cycle time, work simplification, up-to-date maintenance, upkeep of machines and tools, gauges, fixtures, reduction in consumption of consumables and energy, and by use of improved and latest technology. The Union and the Company also agree to ensure continuous improvement in productivity and quality in all the operations of the company.”

“The Union agrees that the Company will continue to conduct time studies to decide the rate of production (output rates) and all workmen shall give the production as per the output rates fixed by the Company. The Union also agrees that these output rates may change from time to time, depending on changes in work methods, raw material, jigs, fixtures, etc.”

Similar provisions, as shown below, can be found in many productivity agreements signed recently:

“In view of the globalisation of the economy leading to a competitive environment the union and the company recognised the need to improve production and productivity.”

“Workers shall extend wholehearted cooperation for optimising performance of the company at all levels.”

“Purpose of the agreement is to increase the level of productivity and to improve it further.”

“Purpose is to become more versatile, more flexible and more innovative so that the company can be more competitive.”

“All the above provisions indicate that both managements and workers are aware of the changed economic environment and the need for working together to enhance productivity.” (Report of the Second National Commission on Labour, pp. 1404 - 1406)

13.6 COLLECTIVE BARGAINING IN PUBLIC SECTOR

In all literature on industrial relations, collective bargaining is considered as a central place around which other topics comprising industrial relations seem to revolve. There is hardly any qualitative difference between the collective bargaining techniques adopted by the workers in the public sector enterprises and their counterparts in the private sector. But the crux of the problem in the public sector is that with whom do the trade unions negotiate with? The owner of the enterprise is the government. The manager is as much as an employee as any worker and bound by a whole set of rules and regulations and unable to take any decision in the area of industrial relations. Further, the accumulation of unattended individual grievances fouls up the atmosphere for collective bargaining.
In the public sector, the issues taken up for collective bargaining include revision of wages and pay scales, dearness allowance, house rent and other allowances, loans and advances, medical and residential facilities, welfare measures and service conditions. Prior to negotiations, preparations are made in advance, at least a year ahead of the date of expiry of wage agreement. Exercises are carried out to collect voluminous data from within the organisation and many other undertakings. Hike in annual expenditure on account of increase in pay, dearness and other allowances, and fringe benefits are assessed. The organisation’s prospects and financial positions are reviewed. Thereafter, a tentative allocation of resources for the ensuing wage revision is made and modalities of extending the benefits are worked out. Attention is then paid to plan the overall strategy and tactics to be employed in conducting the negotiations. In the course of collective bargaining various pressures develop and sometimes, powerful external forces intervene. The negotiations drag on and there is a compulsion to compromise in order to settle the issues by a deadline. The demand for higher wages is seldom made on the basis of higher productivity.

The following features characterise the collective bargaining scenario in public sector:

1) The Government created a special body called the Bureau of Public Enterprises (BPE), which issues guidelines to enterprise managements on a host of matters concerning the management of an enterprise including all aspects of personnel and industrial relations. It also provides guidelines on financial commitments arising out of collective agreements. Invariably, draft agreements between management and union(s) have to be sent to the BPE for approval with or without modifications. Obviously, the delays in processing collective agreements through the BPE undermined the role of enterprise management in collective bargaining.

2) Core sector industries like steel, coal, and ports and docks are characterised by nation-cum-industry-wide bargaining. The steel agreement also covers the Tata Iron and Steel Company, a private sector unit. There is one National Joint Committee for the Steel Industry (NJCS), which enters into an agreement once in three or four years with respective unions of the plants.

3) Public sector is engaged in a wide variety of economic, industrial and trading activities. Some are high-tech and capital intensive (for e.g. computers, electronics, and petrochemicals), while others are labour intensive (coal for instance). Yet, over the years the government has been insistent upon a measure of uniformity in base wage/salary levels and fringe benefits in the entire public sector, irrespective of the nature of industry.

4) Earlier in the public sector, the emphasis was on greater parity across sectors and reducing the gap between the lowest and the highest paid employees. Now the gap is widening. Over 100 out of about 240 public sector companies have not had pay revision since 1992. There is also a trend towards decentralisation of collective bargaining in key sectors, which tends to reduce the power of unions, but makes pay more aligned to enterprise performance.
13.7 **SPECIAL PROVISIONS IN COLLECTIVE BARGAINING**

Collective bargaining provisions in wage agreements have come to provide an element of contingency based on individual/group/organisational performance. They are manifested in one way or more of the following ways (Second NCL p. 1406):

a) managerial discretion in setting new norms of production/productivity;
b) proportionate deductions if standard output is not achieved;
c) two-tier wage agreements;
d) linking dearness allowance to cost of production rather than to cost of living;
e) wage cuts/freezes in sick enterprises;
f) arbitration.

13.8 **CASE**

**General Electric’s “Boulwarism”**

The approach to collective bargaining developed by the General Electric Company after World War II provides an example of a creative collective bargaining in contrast to traditional way of bargaining.

“Boulwarism” takes its name from Lemuel R. Boulware, who was made head of employee and plant community relations. In the spring of 1947, when GE was negotiating with allegedly communist-dominated United Electrical, Radio and Machine Workers of America (UE), Mr. Wilson, President, and Executive Vice-President Cordiner supposedly sent for Boulware and admonished him, in effect, that the company did not act the same way in the labour field as it did in other fields. It had no plans, no policies, and no programmes.

They went on to point out that the GE employees did not seem to have the same confidence in the company that the customers and stockholders did. The company was not only to be a good employer – it was to be known as a good employer.

Boulware is said to have thought about it over the weekend and, calling upon his background in marketing, he framed a plan for presentation to Wilson and Cordiner, which in effect consisted of “marketing jobs”. The company was to approach labour relations as it did product planning. It would do market research to find out what the people really wanted. The plan would call for job planning and salesmanship in employee relations.

Managers were to become salesmen and foremen were to become retail salesmen. He saw wages as pricing problems in industrial relations that were similar to the pricing problems met in marketing a product.

Boulware decided that the company should study the situation carefully, come up with what it thought was “right”, and offer that at the beginning. This was to be what the company was prepared to give and beyond which it was unwilling to go unless the union could add facts that would change the basis on which GE
had reached its decision. Boulware’s first bargaining session was in 1948. Since 1948, the company has continued yearly negotiations on the Boulware basis.

The Boulware concept includes the following major ideas:

1) Management feels that it is in the best position to allocate the resources of the business and to determine employees’ needs. It should carefully research and study all the facts surrounding a negotiation and then make an offer of what it intends to give.

2) The management’s offer will be changed only on the basis of new information supplied by the unions.

3) An original tenet of Boulverism was that the unions should have a time limit within which to accept the offer or they would have to accept something less desirable.

4) Extremely important to the GE approach is direct communication with the workers. The management consciously divides the parties in labour relations into three instead of two: management, the GE employees, and the union leaders. Because of the worry that union leaders will not convey management proposals and view points accurately to its membership and to the general public, GE expends a great deal of effort and large sums of money to tell its story through courses on company time, employee newspapers, and letters to the homes.

The GE approach has a distinct appeal to many management people. It has the specific advantage of making management realise its responsibility for its employees and of fostering careful research and long-range planning in its conduct of labour relations.

However, such planning is strictly unilateral and does not include the union. It deprives the union leader of any satisfaction at the bargaining table. He can claim no victories nor win concessions because GE is careful to take all the credit, and hence the union leader suffers in the eyes of his membership. In addition, the GE attitude destroys any feeling of joint responsibility for the contract drawn up. It becomes a management document and one for which management has sole responsibility. General Electric has not, however, made it a practice to take advantage of its position to force an unreasonable settlement upon its employees.

Discussion Questions:

1) What is “Boulwarism”?

2) Do you think that Boulwarism concept has practical application today in Indian collective bargaining scenario?

13.9 SUMMARY

Collective bargaining is a dynamic concept. Various types of collective bargaining have been successfully used by both labour and management to respond effectively to the changing demands of workplace functioning and market pressures. Central
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to the functioning of collective bargaining is the concept of power. At present, there is a definite trend in favour of enterprise bargaining or even workplace bargaining rather than for industry-wide bargaining. The main issue of collective bargaining in India is (a) the mode of ascertaining the majority status of a trade union; and (b) grant of exclusive bargaining rights to the majority union. The labour movement is facing the impact of globalisation, automation, and changing demand patterns as the nation moves toward a service-oriented economy. Such forces have reduced the number of blue-collar, semi-skilled and unskilled workers and increased the number of white-collar, technical, and professional employees. The labour movement must devise organising and bargaining strategies that appeal to these expanding groups. So far unions have generally been unsuccessful in this endeavour. Additionally, the labour movement has to face the growing management opposition to the unions and collective bargaining. To remain competitive in domestic and international market, many companies are taking actions that will either reduce union influence at the workplace or even eliminate the need to deal with a union. However, union co-operation is absolutely essential in all efforts to increase productivity and ensure industrial peace and harmony.

13.10 SELF-ASSESSMENT QUESTIONS

1) What are the issues in collective bargaining?
2) What is the recent trend of collective bargaining in India?
3) What are the central issues in productivity bargaining?
4) What are the special features of collective bargaining in India?
5) Collective bargaining in India got some impetus from the various statutory and voluntary measures. Discuss.

13.11 CHECK YOUR PROGRESS

State whether the following statements are True or False:

1) Productivity bargaining in India is a compulsory bipartite process between the management and the unions.
2) In India, collective bargaining got some impetus from various statutory and voluntary measures.
3) Productivity agreements are not different from conventional collective agreements in any respect.
4) Productivity agreement will act as an obstacle in creating a better team work among managers and high commitment on the part of the workers.

Answers:

13.12 FURTHER READINGS


