



WWJMRD2017; 3(10): 196-201
www.wwjmr.com
International Journal
Peer Reviewed Journal
Refereed Journal
Indexed Journal
UGC Approved Journal
Impact Factor MJIF: 4.25
e-ISSN: 2454-6615

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Role of Labour Unions to Increase the Facilities of Workers of Manufacturing Industries of Nepal

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Abstract

Union is power. Individual have to request for the benefit but union can order for their rights and benefits. Labours are empowered with the political change in nation so after established of democracy in Nepal in 1950s, labours started to establish the labour union to advocate on the rights and benefits of labours. After democracy, Nepal Trade Union Congress (NTUC) became active in the promotion of workers' rights to organize, express and struggle for their collective welfare. Now each individual worker is associated with some union. The study aims to identify the role of labour union to increase the facilities of workers in Nepalese context. The study was conducted among the 385 labours of different manufacturing industries of central region of Nepal. The result shows the satisfactory contribution of union to increase the wages, fringe benefit, ensure the job security, and establish the rules to pay the overtime of workers, improving the working condition and provision of health care of workers. There was no significant difference in support of labour union between the permanent and temporary workers to advocating in all types of facilities for workers so labours are found happy with the support of union. Though, organization should increase the facilities considering the retirement of workers to motivate the workers which can be beneficial for organization to increase the productivity and quality of products.

Keywords: Facilities, Labour Union, Manufacturing Industry, Nepal, Workers

Introduction

With the development of democracy system, the concept of unionization of different working people is growing. Peoples believe system is chaining from feeling of 'I' to 'We' in all developmental activities. In Nepal also after the democratic change of 1950, the freedom of association allowed the opportunities for many voluntary organizations in the country and the workers, too, felt the need to be united under one umbrella to fight against the exploitation of the management and the government. Labor union are in general agreement that gradual trends in the economy and the world of work, the global context of industry and the practice of outsourcing jobs to non-union workers and other countries, the decline of manufacturing, and growing political and ideological opposition to unions all contribute to diminished union membership (Aronowitz, 2005).

After the establishment of democracy in 1950 in Nepal, Nepal Trade Union Congress (NTUC) became active in the promotion of workers' rights to organize, express and struggle for their collective welfare. In 1960 with the dissolution of multi-party democracy in Nepal, trade unions were banned along with political parties for almost 30 years of Panchayat system. With the overthrow of Panchayat polity in 1990 following popular movement for the restoration of democracy, freedom of expression and organization became a part of national life. Nepal Trade Union Congress also revived its organization in 1990 and works closely with Nepali Congress party in general (FES-NEPAL, 2014). The previous literatures related to the issue of labour and labour union focused on the role of union in the wage dynamics (Cahuc, Postel-Vinay, & Robin, 2006; Dustmann & U. Schonberg, 2009), technology adoption (Lingens, 2003), growth (Fialov'a & Schneider, 2009), unemployment (Bentolila & Bertola, 1990), low labor mobility (Elias, 1994), wage compression (Freeman R. , 1986; Card D. , 1992; Card D. , 1996; DiNardo, Fortin, & Lemieux, 1996; Card D. , 1998; Card D. , 2001); (Card, Lemieux, & Riddell, 2003) and so on. Unions play a critical role in the

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enforcement and updating of safety policies, occurring through formal training and monitoring labour sites (i.e. the employees' working environments). A tendency exists for union representatives to exercise their right by inspecting these policies and procedures more often than non-union members (Weil, 1999). Managers at union sites are thereby encouraged to comply with occupational health and safety regulations and other additional safety practices (Ringel, Englund, Welch, Weeks, & Seegal, 1995; Masia & Pienaar, 2011). In a study conducted by Greenhalgh and Rosenblatt found that the role of the union is to minimize the feeling of helplessness when it comes to job insecurity; employees feel more secure because of the power and negotiating position in aiding them to retain their jobs (Greenhalgh & Rosenblatt, 1984).

In general, labour union has main objective to establish the right of labour. They always advocate with government, non-government organization and management of industry to implement the policy of labour right for the betterment of labours. In Nepalese context, more unskilled people are engaged in the private job. Many industries have provided the employment opportunities to illiterate people to graduate skilled people. But, unskilled, illiterate and minority group cannot discuss with the management of industry or with the government representative for their rights and benefit. So in such situation, union is important which can discuss with concerned people or organization to solve the issue of labours. In this connection, the study aims to identify the role of labour union to increase the facilities of workers in Nepal.

Materials & Method

The study is based on the descriptive analysis focusing on the exploration of union roles to increase the wages, fringe benefit, job security, leaves, payment of overtime, improvement of working condition and health care of

workers. Structured questionnaire survey was used to collect the data from the labour of manufacturing industries functioning in Central region of Nepal. The data was collected from the 385 labour by using the simple random sampling technique. Only those labours were selected who were member of labour union at least since last 3 years. Written consent was taken from the individual respondent before starting the interview. The instruments were already pre-tested to ensure the reliability and validity of research instruments. The collected data was edited and cleaned and analyzed from the statistical software (SPSS). The data are presented in the tabular form under the result & discussion section. Simple frequency table having with the result of Pearson Chi-Square test are used to analyze the data.

Result & Discussion

Unions play an important role in the workplace. Some of the key roles include being able to resolve workplace issues by being a voice for employees and acting as a bargaining representative during bargaining negotiations.

Union efforts to Increase workers 'Wages'

Unions are always works for the right and welfare of union members. Their main objective is to establish the right of labour from the regular advocacy with government and non-government organization. Labour union plays the significant roles in political change of country also; they support those parties who are in favor of labour. In the Nepalese context, basically primary demand of labour is to increase in their basic wages because economic benefit is the main motivation of labour.

The table below shows the effort done by the union in order to increase the workers' wages. 84.6% said that the union effort seems to be effective for increasing their wages contrary to this 11.6% said that it seems to be untrue.

Table 1: Union efforts to Increase workers 'Wages'

			Job Nature		Total
			Permanent	Temporary	
Increase wages	Yes	Count	280	38	318
		% within q11	84.6%	88.4%	85.0%
	No	Count	51	5	56
		% within q11	15.4%	11.6%	15.0%
Total		Count	331	43	374
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
			Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square			.427 ^a	1	.513

Source: Field Survey, 2017

The statistical result of Pearson Chi-Square test shows that there is no significant association between Permanent and Temporary workers regarding the increase of wages from the lobbying of labour union because the $P = .513$ which is greater than .05 significant level.

The Quality of Employment Survey, a national survey conducted by the U.S. Department of Labor, Kochan found that job dissatisfaction is strongly correlated to support for unionization. White-collar workers, when dissatisfied with their jobs, are more likely to be unhappy with the nature of their work compared with concrete concerns, such as salary, benefits, and pension plans. Kochan found that although job dissatisfaction may be a precondition of

joining a union, not all workers who are dissatisfied with their work support unionization as a vehicle for improving their situation (Kochan T., 1979). Barth, in examining the relatively low wages for social workers, concluded that one factor contributing to low wages is that social workers are drawn to the profession not for the money, but rather for altruistic ideals of helping others (Barth, 2003).

Union efforts for Fringe Benefit of workers like Bonus

The established big companies have developed the system of bonus distribution to all workers on the basis of their annual benefit. The strategy plays the significant role to motivate the workers for their best use of knowledge and

active involvement in organizational performances. This is the human nature that people spend their time and effort to gain something; either cash or in kind.

The table below shows the effort done by the union for the bonus of the workers. The study had asked the question to both types of jobholders i.e. permanent and temporary. In permanent job 76.6% of the respondents agreed in the

statement that the union has helped them but 23.4% denied. Similarly, talking about temporary job 79.1% of respondents said 'yes' but remaining 20.9% clearly denied. By looking at the table we can also see that, in temporary job more number of respondents said that they were able to get the bonus only with the help of the unions.

Table 2: Union efforts for Fringe Benefit of workers like Bonus

			Job Nature		Total
			Permanent	Temporary	
Fringe Benefit	Yes	Count	249	34	283
		% within q11	76.6%	79.1%	76.9%
	No	Count	76	9	85
		% within q11	23.4%	20.9%	23.1%
Total		Count	325	43	368
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
		Value	df	Asymp. Sig. (2-sided)	
Pearson Chi-Square		.129 ^a	1	.720	

Source: Field Survey, 2017

The study explored the association between the Permanent and Temporary workers through Pearson Chi-Square test which shows that there is no significant association because $P = .720$ which is greater than .05 significant levels.

Union efforts for workers Job Security

Job security has always been a key benefit to being part of a union, as unions typically work with employers to preserve jobs, especially during hard times when a layoff may be necessary. Unions protect workers from arbitrary employer actions and provide them with legal support in the event of a workplace issue that could result in discipline

or dismissal, such as sexual harassment or a customer complaint.

The table shows the union expert efforts for workers job security were, there are permanent and temporary job. 76.2% in permanent and 69% on temporary job holder said that the union had done a lot of effort in order to provide them the job security. Contrary to this, 23.8% of permanent and 31% of temporary job holder said the union has not done any kind of effort for them.

Similarly, we can also see that the more number of permanent job holder agree with the union effort than temporary.

Table 3: Union efforts for workers Job Security

			Job Nature		Total
			Permanent	Temporary	
Job security	Yes	Count	246	29	275
		% within q11	76.2%	69.0%	75.3%
	No	Count	77	13	90
		% within q11	23.8%	31.0%	24.7%
Total		Count	323	42	365
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
		Value	df	Asymp. Sig. (2-sided)	
Pearson Chi-Square		1.012 ^a	1	.314	

Source: Field Survey, 2017

The result of Pearson Chi-Square test shows that there is no significant relation between Permanent and Temporary workers regarding the effort of labour union for job security of workers because $P = .314$ which is greater than .05 significant levels.

A previous study examined the sense of belonging to union, the role of pro-union values, and the degree to which unions are viewed as effective addressing employment-related concerns. The sample consisted of BSW- and MSW-level social workers, all of whom belonged to a large health care union representing private employees in New York City. The findings suggest that social worker union members have a strong ideological identification with organized labor; they view themselves as an important part of their union and feel a strong sense of belonging to their

union. However, respondents were significantly less likely to view union as able to improve their working conditions, particularly with respect to job security and wages, unions' traditional purview (Ehrenreich, 1985); (Reich & Andrews, 2001); (Walkowitz, 1999).

Union efforts to increase workers' Leaves

In the most of the private industry it is very difficult for the employees to get the leave for even 1 or 2 days. In most of the cases the head of the industry think that giving leave to its workers may decrease the productivity of their product and which directly affect their profit section. Union plays a vital role to protect the worker from such circumstances.

The table below depicts that 75.1% of permanent and 81.4% of temporary job holder agreed with the effort done

by the union in order to provide them the leave facilities.
Contrary to this, 24.9% of permanent and 18.6% of

temporary job holder disagreed with the given statement.

Table 4: Union efforts to increase workers' Leaves

			Job Nature		Total
			Permanent	Temporary	
Workers' leaves	Yes	Count	247	35	282
		% within q11	75.1%	81.4%	75.8%
	No	Count	82	8	90
		% within q11	24.9%	18.6%	24.2%
Total		Count	329	43	372
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
		Value	df	Asymp. Sig. (2-sided)	
Pearson Chi-Square		.828 ^a	1	.363	

Source: Field Survey, 2017

The statistical result of Pearson Chi-Square test shows that there is no significant relation between Permanent and Temporary workers regarding the effort of labour union to increase the leaves of workers because $P = .363$ which is greater than .05 significant levels.

Union efforts for payment of Overtime for workers

The facilities of overtime should be available in every

industry so, that the workers may get the chance to earn more income and make their economic life better.

The table illustrates that 72.4% of permanent and 77.3% of temporary job holder said they can clearly see the efforts done by the union to provide them the overtime facilities. Similarly, 27.6% of permanent and 22.7% of temporary job holder clearly denied on that.

Table 5: Union efforts for payment of Overtime for workers

			Job Nature		Total
			Permanent	Temporary	
payment of Overtime	Yes	Count	239	34	273
		% within q11	72.4%	77.3%	73.0%
	No	Count	91	10	101
		% within q11	27.6%	22.7%	27.0%
Total		Count	330	44	374
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
		Value	Df	Asymp. Sig. (2-sided)	
Pearson Chi-Square		.463 ^a	1	.496	

Source: Field Survey, 2017

The statistical result of Pearson Chi-Square test shows that there is no significant relation between Permanent and Temporary workers regarding the payment of overtime for workers because the $P = .496$ which is greater than .05 significant levels.

Union efforts to improve Working Conditions and provide facilities

The table illustrates the efforts done by the union to improve the working condition and provide them the facilities which they

should get. 71.2% of permanent, 84.1% of temporary job holder said that the union has done many efforts in order to improve their working condition and provide them different types of facilities. Moreover, 28.8% of permanent and 15.9% of temporary job holder totally denied on it.

Table 6: Union efforts to improve Working Conditions and provide facilities

			Job Nature		Total
			Permanent	Temporary	
Working Conditions	Yes	Count	235	37	272
		% within q11	71.2%	84.1%	72.7%
	No	Count	95	7	102
		% within q11	28.8%	15.9%	27.3%
Total		Count	330	44	374
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
			Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square			3.247 ^a	1	.072

Source: Field Survey, 2017

The result of Pearson Chi-Square test shows that there is no significant relation between Permanent and Temporary workers regarding the effort of improving the work condition and facilities of workers because $P = .072$ which is greater than .05 significant levels.

Union efforts for Health care of workers

We all know that "Health is Wealth" which is applicable to all the human being around the world. Health is an important factor for all which must be given the first

priority among all other factors. If the health of the workers is good then his efficiency towards the work also increases. The union helps to take care of the health of the workers and help them to stay healthy and happy in his working life. The table below shows that 74% of permanent and 79.5% of temporary job holder said that they have seen the effort done by the union to provide them the health facilities. In addition, 26% of permanent and 20.5% of temporary job holder respondents told that it is not true.

Table 7: Union efforts for Health care of workers

			Job Nature		Total
			Permanent	Temporary	
Health care of workers	Yes	Count	245	35	280
		% within q11	74.0%	79.5%	74.7%
	No	Count	86	9	95
		% within q11	26.0%	20.5%	25.3%
Total		Count	331	44	375
		% within q11	100.0%	100.0%	100.0%
Chi-Square Tests					
		Value	df	Asymp. Sig. (2-sided)	
Pearson Chi-Square		.627 ^a	1	.428	

Source: Field Survey, 2017

The statistical result of Pearson Chi-Square test shows that there is not significant relation between Permanent and Temporary workers regarding the effort of labour union of health care of workers because $P = .428$ which is greater than .05 significant levels.

Conclusion

The study found that in total more than 70% labour felt that labour union has supported to establish the rights of labours and increased the facilities. Union has significantly contributed in the increase of wages of workers and also contributed to establish the system of fringe benefit. There are permanent and temporary types of job of workers when permanent workers feel more security of job than temporary but labour union has advocated for the job security of temporary workers also. Leaves facilities is one important motivational factor of workers which is also advocated by labour union. Payment of overtime is beneficial for laborious workers from the economic perspective. Labour can earn additional income from overtime duty. Temporary workers are more benefited than permanent workers from the overtime payment. Labour union also advocated improving the working condition by providing the basic drinking facilities in work place like infrastructure, safe drinking water; sanitary unit's etc. 74.7% labour reported that they had got the health care facilities also from the lobbying of laour union. First aid kit box is managed by the management, life insurance and support in treatment of workers. Increased incentives of workers can be beneficial for the organization also to increase the productivity and performance of organization from the high motivation of workers so union should discuss with management to manage the retirement fund for labour.

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