

# HISTORY OF THE DEVELOPMENT OF TRADE UNIONS

PRESENTER:

MR. DENNIS DE PEIZA

Regional Management Services Inc.

# Base Factors

## Social Unrest:

- Poverty – Economic hardships
- Physical hardships
- Poor health and sanitation – malnutrition / disease
- Inequalities - Limited education
- Labour's resistance to authoritarian leadership

# ROYAL COMMISSION- MOYNE COMMISSION (1938)

- To promote industrial peace
- To regulate relations between workers, trade unions and employers
- To assist and advice trade unions and employers
- To protect the interest of workers

# MOYNE COMMISSION AND STATUS OF TRADE UNIONS

- It allowed for third party involvement through
  - a) collaboration
  - b) negotiation
  - c) mediation/ conciliation
  - d) arbitration
- Created the basis for the legal establishment of trade unions 1919-1950 – voting rights



# TRADE UNION DEVELOPMENT IN BRITAIN

- Trade unions originated in Britain during the nineteenth century as organizations of generally skilled craft-workers who sought to use their collective power to maintain control over pay and labour conditions.
- Early trade unions in Britain did not represent a workforce that had been increasingly exploited labour under capitalism.
- Union organization developed in the 1880's as a means of maintaining craft control, and of regulating the terms and conditions of the trade - primarily associations of internal contractors
- A major function of these early trade unions was to provide their skilled craft-worker members with 'friendly benefits' such as unemployment and sick pay.
- These workers aimed to defend and maintain their customary working practices and pay rates- to remove unilateral regulation of their conditions of employment

# TRADE UNION DEVELOPMENT IN BRITAIN

- From the 1860s onwards, trade unionism began to take root in industries such as coal mining and the railways.
- 1880s, and 1910s, influential / prominent leaders with a socialist outlook, led to increasing numbers of semi- and unskilled workers becoming organized.
- 1880 – 1920 saw major expansion of trade unionism in Britain with the development of 'general' unions, in industries such as the docks, transport, and gas
- Trade union membership declined markedly between 1920s and 1930s as a direct result of Economic recession, that led to mass unemployment.
- Union power and influence was eroded by assertive anti-unionism characteristic of many employers.

# DIFFERENCES BETWEEN IR AND HR

- IR is essentially collectivist and pluralist in outlook - deals with relations between employers and unions, unions / employers / State, which predicates that the outcomes are standardized rules and procedures.
- Central features of an IR system - freedom of association, collective bargaining, right to strike, trade unionism, dispute settlement and worker participation in management through union participation.
- Central features of HRM:
  - a) Does not encompass a third party (the State)
  - b) Is bipartite - essentially individual focused - selection and recruitment, induction, appraisal, development and training, leadership and motivation, retention of staff through intrinsic and extrinsic rewards.



# DIFFERENCES BETWEEN IR AND HR

1. HRM appears to have little to do with industrial relations; rather it is the pursuit of competitive advantage in the market place
  - Provision high quality goods and services
  - Productivity
  - Research and Development
- 2 HRM policies and practices, would appear to be essentially unitary and individualistic in contrast to the more pluralist and collective values of traditional industrial relations.
- 3 IR consists of a large component of rules set by the State through laws, by the parties involved through negotiated agreements, or by courts or tribunals.
- 4 HRM deals less with rules than with policies and practices designed to maximize organizational integration, employee commitment, flexibility and quality of work.



# DIFFERENCES BETWEEN IR AND HR

- 5 HRM is the management of human resources rather than collective relations, and is therefore enterprise focused.
- 6 HRM involves the individualization of the employment relationship, whereas participation in IR involves unions rather than individuals directly.
  - Potential point of conflict between employers and unions and between HRM and IR - is the employee loyalty and commitment
- 7 The individualization thrust of HRM is more suited to the aspirations of knowledge workers rather than the rule-bound,
  - Part-time, home workers, contract workers - do not fit the traditional IR models developed in an age of mass production.

# SUMMARY

- IR considers the mass rather than the individual
- In IR pay determination has traditionally been on criteria different to objectives sought to be achieved by HRM
- IR seeks to reconcile conflict; HRM to match goals
- In IR communication with employees is through unions; in HRM it is not necessarily so.
- IR has traditionally promoted standardization, whereas HRM is more concerned with flexibility