

Natan Tibebu

Email: natiyoya@gmail.com



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**EXAMINING THE ROLE OF LABOR UNIONS IN PROTECTING WORKERS
INTEREST: THE CASE ETHIO TELECOM**

**By
Natan Tibebu**

**FEBRUARY 2021
ADDIS ABABA, ETHIOPIA**

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**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE
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APPROVED BY BOARD OF EXAMINERS

Dean, School of Business

Advisor

External Examiner

Internal Examiner

DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Professor Shoa Jemal. All sources of material used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institutions for the purpose of earning any degree.

Name

St. Mary's University, Addis Ababa

Signature

February 2021

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate studies for examination with my approval as a university advisor.

Shoa Jemal

Advisor

St. Mary's University, Addis Ababa

Signature

February 2021

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Abstract

This study examined the role of labor union in protecting workers interest in the case of ethio telecom Legehar branch. The existence of a strong and recognized labor union is a per-requisite to industrial peace. Decisions taken through the process of collective bargaining and negotiations between employer and unions are more influential. Labor unions play an important role and helpful in effective communication between the workers and the management. The objective of the research is to examine the role of labor union in protecting workers interest in ethio telecom Legehar branch. Descriptive research design with a qualitative approach is undertake by using in depth interviews. The research is based on the responses of the various levels of union members who are working in the corporation. The researcher interviewed twenty participants from ethio telecom legahar branch officers, trade union officials and workers. The finding shows that the general role of the labor union prevails in the corporation is moderately good. According to the union members response the involvement of labor union in employment affairs is originate at low level. Besides, the collective bargaining procedures implement in the corporation are found at very low level .Good part of the labor union in the corporation is that the union is committed to handle employee grievances which will minimize industry disputes and maintain peace. The study also confirmed that the trade union in ethio telecom overwhelmed with various problems. Among the many the major ones are the following: politicization of the union, small size and low membership, financial weakness, and lack of welfare facilities for the members, weak bargaining power, and dependence on outside leadership. This vicious circle has adversely affected their status and bargaining power of the union. In conclusion, the overall role of the labor union in maintaining employment conditions of the corporation is found at a low level which is not encouraging. Though, the role of the labor union in the corporation is moderately good, improvements in union involvement and collective bargaining procedures are prevalent.

CHAPTER ONE

INTRODUCTION

1.1.BACKGROUND OF THE STUDY

A trade union is a formal association of workers that promotes the interests of its members through collective action. Employees join unions with main objective of improving their work conditions, for this reason unions have been formed from organization level to national level up to international level.

The existence of a strong and recognized trade union is a prerequisite to industrial peace. Decisions taken through the process of collective bargaining and negotiations between employer and unions are more influential. (Craver 2020).In addition, Trade unions play an important role and are helpful in effective communication between the workers and the management. They provide the advice and support to ensure that the differences of opinion do not turn into major conflicts. The central function of a trade union is to represent people at work. But they also have a wider role in protecting their interests. They also play an important role in organizing courses for their members on a wide range of matters. Seeking a healthy and safe working environment is also prominent feature of the trade union.

Even though, Trade unions were established to protect the working life of workers. Currently they are facing varies challenges and hence weakening the unions. Some of the problems being faced by trade unions are globalization and unemployment, economic crisis, diverse workforce (Ndiritu 2015) revolution in production technologies and new management styles. Splintering, changing mentality, mismanagement of funds, lack of innovation and visionary leadership are a big handicap. Most unions are grappling with the democratization of social and political arena besides government interference. (Domhoff 2013)

Thus, the main purpose of this study is to assess the practices, challenges and prospects of trade union among other things in ethio telecom.

1.2.STATEMENT OF THE PROBLEM

The Universal declaration of human rights about work and trade unions states that:

1. Everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment.
2. Everyone, without any discrimination, has the right to equal pay for equal work
3. Everyone who works has the right to just and favorable remuneration ensuring for himself and his family an existing worthy of human dignity, and supplemented, if necessary, by other means of social protection.
4. Everyone has the right to form and to join trade unions for the protection of his interest. ”
(United Nation, 1948, article 23)

In addition, International labor organization sets different fundamental conventions like, Freedom of association and protection of the right to organize convention, 1948 (no. 87), right to organize and collective bargaining convention, 1949 (No.98), forced labor convention, 1930 (No. 29), Abolition of forced labor convention, 1957 (No. 105), equal remuneration convention, 1951 (No. 100), discrimination (employment and occupation) convention, 1958 (No. 111)

Furthermore, Ethiopia has ratified the eight core conventions of the International Labor Organization, and The Constitution of Federal Democratic Republic of Ethiopia (FDRE Constitution) on its article 55 (3) permits the Federal Legislature to make laws on Labour matters for the entire country. Accordingly, the Government has introduced Labour Proclamation (Proc No. 377/2003) with a view to attaining a number of objectives.

Even though the above legal instruments are available, there seems a troubling and increasing gap between international and national normative standards and their implementation in organizations. The Ethiopian labor law prohibited the unionization of civil servants and some other important section of the working class. Workers seem to face significant and complex working environment challenges owing to a range of environmental, social, organizational and individual factors.

Organizations have always been on their toes to offer solutions to employer employee relations. (Sisson 2008). Employees do not put up their best performance at work place when they are unhappy with management, government, or even their colleagues in different ineffectiveness or gaps of supervisory behaviors. Therefore, here a good labor management relation is vital and directly relates with organizational performance.

This study explored the role of trade unions on employ management relation and their contributions to solve the problem in working environment.

RESEARCH QUESTIONS

With the goal of illuminating the gaps which seems to exist on organization under investigation this study was addresses the following research questions.

1. What are the practices of trade union in ethio telecom?
2. What are contributions of trade union under study towards protecting the interest of both employer and employees?
3. What affect the performance of the trade union in ethio telecom?

1.3.OBJECTIVES OF THE STUDY

The aim of this study is to assess and explore the practices, challenges and prospects of trade union in ethio telecom. More specifically, the study has set the following specific objectives.

1. To assess the practice of trade union in ethio telecome.
2. To explore the factors that affect the performance of trade unions in ethio telecom
3. To weigh contributions of trade unions under study towards protect the interest of both employer and employees.

1.4.SIGNIFICANCE OF THE STUDY

This research results have the following significance

For ethio telecom to enhance practice of trade unions by understanding the needs of both employer and employees, they will be able to devise a mechanism to and improve workers productivity.

For decision makers (like, Ministry of Labor and Social Affairs of Federal Democratic Republic of Ethiopia, House of peoples representative and Ethiopian human right commission), it is a good stepping stone to design and implement appropriate policy to improve the performance of labor union.

For the researcher to enhance the existing theoretical knowledge concerning labor unionism in organization and its impact on workers productivity.

For interested individuals and researchers to lay ground to conduct a wide and in-depth study with respect to labor union in organization.

1.5.DELIMITATION OF THE STUDY

It is quite difficult to assess all labor unions dispersed over the country. Therefore, it is essential to delimit the study from the stand point of manageability. Considering time limit, lack of finance to overcome the distance factor, this research delimits itself on trade union in ethio telecom legahar branch. Furthermore, this research was mainly focus on issue related to trade union among other things.

1.6.LIMITATION OF THE STUDY

The researcher has faced serious obstacles related to the pandemic COVID 19 in due process of interviewing individuals and literatures as other study materials related to trade unions in Ethiopia. Especially shortage of such materials in Ethiopian context has limited the researcher to access to information related to the phenomenon under study. However, to fill the gaps literature from other countries as well as information downloaded from the internet was used.

1.7.DEFINITION OF KEY TERMS

Negotiation: negotiate the terms and conditions of a transaction

Unionism: the policies and practices of trade unions, particularly those concerned with protecting and furthering the rights of workers

Collective bargaining: process of negotiation between employers and a group of employees aimed at agreements to regulate working salaries, working conditions, benefits, and other aspects

Labor Union: organized association of workers, often in a trade or profession, formed to protect and further their rights and interests

1.8.ORGANIZATION OF THE STUDY

The study is organized in five chapters. The first chapter deals with background of the study, problem statement, objective, significance, delimitation, limitation and definition of terms respectively. Chapter two comprises review of related literature, chapter three briefs method of the study. The Fourth chapter includes presentation, analysis and discussion of the data, while the last chapter will bring the study to final, by presenting summary, conclusion and recommendations. The final chapters also attempt to give grounds for further research

CHAPTER TWO

REVIEW OF THE RELEVANT LITERATURES

2.1 CONCEPTS OF LABOR UNION

Based on the Ethiopian Labor Proclamation No 377/2003 article 113, workers and employers shall have the right to establish and form trade unions. Trade Union is defined in this proclamation as an organization formed by workers; Similarly, Decenzo and Robbins (2005) define Trade Union as an organization of workers acting collectively seeking to promote and protect its mutual interests through Collective Bargaining (Stephen P. Robbins 2005). From the above definitions it can be concluded that a trade union is an organization of employees that uses collective action to advance its member's interests in regard to wages and working conditions.

2.1.1 OBJECTIVES OF LABOR UNION

Labor unions are formed mainly to represent individual workers when they have a problem at work and to help sorting out the difficulty with the manager or employer. Following the representation come Negotiation where union representatives, discuss with management, the issues which affect people working in an organization. During the last few years Trade unions increased the range of services they offer their members beyond representation and negotiation and tend to focus more to provide training courses for their members on employment rights, health and safety and other issues. As well as offering legal advice on employment issues, one of the earliest functions of trade unions was to look after members who hit hard times. Some of the older unions offer financial help to their members when they are sick or unemployed. (van 2018)

2.2 CONCEPTS OF INDUSTRIAL RELATION

Industrial relations are a multidisciplinary field that studies the employment relationship. Industrial relations is increasingly being called employment relations or employee relations because of the importance of non-industrial employment relationships; this move is sometimes seen as further broadening of the human resource management trend. Indeed, some authors now define human resource management as synonymous with employee relations Other authors see employee

relations as dealing only with non-unionized workers, whereas labor relations is seen as dealing with unionized workers. Industrial relations studies examine various employment situations, not just ones with a unionized workforce. However, according to Bruce E. Kaufman ,2008,"To a large degree, most scholars regard trade unionism, collective bargaining and labor management relations, and the national labor policy and labor law within which they are embedded, as the core subjects of the field."

2.2.1 IMPORTANCE OF INDUSTRIAL RELATION

Uninterrupted production the most important benefit of industrial relation is that this ensures continuity of production. This means continues employment for all from manager to workers. The resource is fully utilized, resulting in the maximum possible production There is uninterrupted flow income for all smooth running of an industry is importance for several other industries if the products are intermediaries, to exporters if these are goods to consumer and worker, if these are goods of consumption. Reduction in industrial dispute good industrial relation can reduce industrial dispute. Dispute is reflection of the failure basic human motivation to secure adequate satisfaction or expressions which are fully cured by good industrial relation. Strikes and lockout are reflection of industrial unrest which is resulting in production decline. High moral good industrial relation improves the morale of employees.

Unions have undoubtedly left their mark on the economy, and continue to be significant forces that shape the business and political environments. They exist in a wide variety of industries, from heavy manufacturing to the government, and assist workers in obtaining better wages and working conditions. (State-Run Economies: From Public to Private.)

2.3 ACTORS IN INDUSTRIAL RELATIONS

Initially, the management and the unions were considered the two main actors of industrial relations. However, the State's policy towards labor also began to influence industrial relations, particularly after independence, and, therefore, became the integral force in the industrial relations. It plays a dual role-one as the initiator of policy and the other as employer, or owner, by setting up an extremely large public sector. Again, employees have their organizations. Employers also have their associations. Thus, there are five parties involved in Industrial relations, namely, laborers,

trade unions, management, employers' group and the Government. The National Commission on Labor clearly mentioned the role of the actors as "the goal of labor management relations may be stated as maximum productivity leading to rapid economic development. Adequate understanding among employers, workers and Government of each other's role in industry, commitment to industry and to the individual way of life on the part of labor as well as management, sound unionism, efficient institutionalized mechanism for handling industrial disputes and willingness among parties to co-operate as partners in the industrial system." (C.B. Gupta, 2004.)

2. APPROACHES TO INDUSTRIAL RELATIONS

A large number of systematic attempts have been made by the industrial sociologists and industrial relations theorists to make theoretical Standing Labor Committee. International Labor Organization perspectives for analyzing industrial relations. They develop their own views and ways for explaining the complex phenomenon of industrial relations.

2.4.1 SYSTEMS APPROACH

The systems approach analyses industrial relations systems as a sub system of society. The core elements of the systems approach comprise actors, certain contexts, an ideology which binds the industrial relations system together and a body of rules created to govern the actors at the workplace. The significant aspects of the environment in which the actors interact are the technology, market constraints and relative distribution of power relations. The actors, in an environment context, establish rules for the workplace and the work community, including those governing the contracts among the actors in an industrial relations system. The network or web of rules consists of procedures for establishing rules, the substantive rules and the procedures for deciding their application to particular situations. The establishment of procedures and rules is the center of attention in an industrial relations system. The ideas and beliefs held by actors, which help bind or integrate the industrial relations system when consensus is reached. The Dunlop's system shows a definite preoccupation with rules and rule making and thus shows a concern for order and for containment of conflict. (S.A. Vaidya 1970)

2.4.2 PLURALIST APPROACH

Job regulation through collective bargaining becomes a Preoccupation. The entire thrust of this approach is oriented to the containment of conflict through institutionalization and regulation of the structure and process of union-management relations. Fox made a distinction between 'unitary' and 'pluralist' concepts of industrial organizations the former recognizing only one source of

legitimate authority whereas the latter concept accepts the reality of several interest groups invested with power. Fox recognized the unusual distribution of power within and outside the enterprise because unlike the pluralist, the radical does not see collective organization of employees into trade unions as resorting a balance of power. (S.A. Vaidya 1970)

2.4.3 HUMAN RELATIONS APPROACH/BEHAVIORAL APPROACH

These theories were contributed by behavioral scientists who were concerned with the patterns of human behavior in work situations. The human relations approach explains the behavior of individuals and groups at work and helps in modifying or utilizing such behavior towards the achievement of organizational objectives. Their attachment to work and morale can be improved by providing motives of security and participation. The relationship between workers and managers can be improved by providing adequate measures of understanding of personality differences, irrational behavior arising out of frustration and poor communication. This approach views industrial relations as their origin in the differences in the perceptions of management, unions and workers. These differences arise due to personalities, attitudes; motivation, leadership, group goals vs. individual goals, etc. are responsible for industrial conflicts. Human relation approach incorporates all knowledge drawn from multi-discipline areas like psychology, sociology, anthropology and political science. (A.D.Singh 1971)

2.4.5 SOCIAL ACTION APPROACH

This approach is made to analyses the impact of techno-economic and socio-political changes on various actors and also to analyses the power of various components of the industrial relations environment - Government, employees, trade unions and political parties. The social action model points out the reciprocal nature of the relationship between social structure and behavior. (S.A. Vaidya 1970)

2.4.6 GANDHIAN APPROACH

Gandhian approach to industrial relations is based on fundamental principles of trusteeship; there is no scope for conflict of interests between the capital and the labor. Workers can use noncooperation to have their grievances redressed. Gandhi accepted the worker's right to go on strike, but they should exercise this right in a peaceful and non-violent manner. Workers should resort to strike for a just cause and after the employers fail to respond to their moral appeals.

Gandhi urged the employer to show more magnanimity and an enlightened attitude towards their employees to ensure cordial employer-employee relations. He stood against exploitation of workmen, he asked workers to earn wage increases through corresponding increase in effort and production. Gandhian concept of industrial relations is much more relevant today than in the past. The earlier it is implemented the better it would be for the cause of industrial harmony and steady industrial growth. (S.A. Vaidya 1970)

2.4.7 GIRI APPROACH

According to V.V. Giri, 2004 the late President of India, collective bargaining and mutual negotiations between management and labor should be used to settle industrial disputes. He suggested that there should be bipartite machinery in every industry and every unit of the industry to settle differences from time to time with active encouragement of the Government. Outside interference should not encroach upon industrial peace. Geri's stress was on voluntary efforts of the management and the trade unions to wind up their difference, through voluntary arbitration. He was against compulsory adjudication which cuts at the very root of the trade union movement.

He advocated collective bargaining for securing industrial peace. The essence of this approach is internal settlement in preference to compulsion from outside and voluntary arbitration and collective bargaining rather than compulsory arbitration. 2.7.8 The Role of the Trade Unions

The trade unions should help to staff all the state business and administrative bodies connected with economies: nominate their candidates for them, stating their length of service, experience, and so forth. Right of decision lies solely with the business organizations, which also bear full responsibility for the activities of the respective organizations. The business organizations, however, must give careful consideration to the views on all candidates expressed by the trade unions concerned.

The trade unions must take a far greater part in the activities of all the planning bodies of the proletarian state. In drawing up economic plans and also programs of production and expenditure of stocks of material supplies for the workers, in selecting the factories that are to continue to receive state supplies, to be leased, or to be given out as concessions, etc. The trade unions should undertake no direct functions of controlling production in private and leased enterprises, but participate in the regulation of private capitalist production exclusively by sharing in the activities of the competent state bodies. In addition to participating in all cultural and educational activities

and in production propaganda. the trade unions must also, on an increasing scale, enlist the working class and the masses of the working people generally for all branches of the work of building up the state economy; they must make them familiar with all aspects of economic life and with all details of industrial operations from the procurement of raw materials to the marketing of the product; give them a more and more concrete understanding of the single state plan of socialist economy and the worker's and peasant's practical interest in its implementation.

This list of the major functions of the trade unions in the work of building up socialist economy should, of course, be drawn up in greater detail by the competent trade union and government bodies. Taking into account the experience of the enormous work accomplished by the unions in organizing the economy and its management, and also the mistakes which have caused no little harm and which resulted from direct, unqualified, incompetent and irresponsible interference in administrative matters, it is most important, in order to restore the economy and strengthen the Soviet system, deliberately and resolutely to start persevering practical activities calculated to extend over a long period of years and designed to give the workers and all working people generally practical training in the art of managing the economy of the whole country(Lenin's Collected Works).

2.5 MAIN FUNCTIONS PERFORMED BY TRADE UNION

Some of the most important functions of the trade union are as follows:

- i. Increasing Co-operation and Well-being among Workers
- ii. Securing Facilities for Workers
- iii. Establishing Contacts between the Workers and the Employers
- iv. Trade Unions working for the Progress of the Employees
- v. Safeguarding the Interests of the Workers
- vi. Provision of Labor Welfare.

2.5.1 INCREASING CO-OPERATION AND WELL-BEING AMONG WORKERS:

The modern industry is complex and demands specialization in jobs. This results in extreme division of labor, which leads to the growth of individualism and development of impersonal and formal relationships. There is no common unifying bond among the workers.

It is in this context that the trade unions come into the picture and they promote friendliness and unity among the workers. Besides this, the trade unions also discuss the problems, which are common to all the workers. It is a platform where workers come together and know each other. The trade unions also provide some kind of entertainment and relaxation to the workers. (Behrens, M, Hamann, 2005)

2.5.2 SECURING FACILITIES FOR WORKERS:

Most of the industrialists are not very keen on providing the facilities and proper working conditions to the workers. They are more interested in getting their work done to the maximum extent. In such conditions, trade unions fight on behalf of the workers and see that the facilities have been provided by the management. (Behrens, M, Hamann, 2005)

2.5.3 ESTABLISHING CONTACTS BETWEEN THE WORKERS AND THE EMPLOYERS:

According to Puja Mondal, 2004, Unions In present days, there are many industries, which have grown into giants. A single unit in a particular industry may employ hundreds of employees. Many times a worker or employee may not have a chance to see their managers. In this situation, the workers are not able to express their grievances before their employers, and even the management does not know the difficulties faced by the workers.

The trade unions play an important role in bringing to the notice of the employers the difficulties and grievances of the employees. They try to arrange face-to-face meetings and thus try to establish contacts between the employees and the employers.

2.5.4 TRADE UNIONS WORKING FOR THE PROGRESS OF THE EMPLOYEES:

The trade unions try to improve the economic conditions of the workers by representing their cases to the employers and try to get adequate bonus to the workers. (Behrens, M, Hamann, 2005)

2.5.5 SAFEGUARDING THE INTERESTS OF THE WORKERS:

Most of the industries try to exploit the workers to the maximum. They do not provide any benefits such as increasing their wages, granting sick leaves, giving compensation in case of accidents, etc. The workers are not made permanent even after many years of service and in some cases they are removed from service summarily. The trade unions provide security to the employees in such situations. (Behrens, M, Hamann, 2005)

2.5.6 PROVISION OF LABOR WELFARE:

The economic conditions of the industrial workers in India are very poor. The standard of living is very low. A majority of industrial workers in India are illiterate or semi-literate. It is the responsibility of the trade unions to get them proper housing facilities and promote the socioeconomic welfare of the laborers. The trade unions also try to arrange educational facilities for the children of the workers. (Behrens, M, Hamann, 2005)

2.6 THE PROS AND CONS OF JOINING LABOR UNIONS

2.6.1 ADVANTAGES OF JOINING LABOR UNIONS

All workers benefit from unions because unions set pay standards and workplace protections. Union members benefit most from the union's collective bargaining power to negotiate with employers on their behalf. This basic right gives a union member more power than if they tried to negotiate as an individual. (unknown 1986) Some of the benefits of trade union membership are discussed below.

2.6.1.1 ACQUISITION OF BETTER WAGES

People would be given greater chances to have better wages depending on the type of work they have. This is very important since they would give them greater opportunities to supply their needs since they are earning better wages. (Ben Zipperer 2017)

2.6.1.2 ACCESSIBILITY TO BENEFITS

Workers who are going to join a labor union and fight for their right are always given the right to have their working benefits. This may include medical benefits and all others that is suited and really intended for them. (Ben Zipperer 2017)

2.6.1.3 SECURING JOBS

As part of the labor union, people are assured that their job would be secured whatever happens. This is very important since labor union are really making their best in order to make sure that all the people are given the chance to land for a permanent job. (Pay 2165175)

2.6.1.4 STRENGTH IN NUMBERS

If you are going to get involved with this labor union, you will be assured that you are going to get what you are aiming for. Since such a large number of people are involved in this movement, results are likely to be seen. (Pay 2165175)

2.6.2 DISADVANTAGES OF LABOR UNION

2.6.2.1 LOSS OF PERSONAL AUTONOMY

Since more workers are already relying on the labor union, they can no longer work individually. There are instances that you are no longer with the labor unions decisions but still you cannot work on your own since you are always bound in them.

2.6.2.2 UNION DUES

There are union dues implemented by labor union that need to be paid by the workers in order to be raised for their associations' improvement. But for workers who cannot pay for these dues, the labor union would be holding them and they will not be given the chance to be promoted to higher working positions as the payments for not paying the required dues they intend to pay.

2.6.2.3 JOB LOSS

Since there are also some labor unions which are not continuously improving, more workers would be exposed to unemployment since the association is already getting slow and declining.

Labor union plays an important role in people's life since they are giving the people the chance to land a job and at the same time fight for the valuable right that they deserve. Although there are some instances that this association are seen to be disadvantageous in some ways, more people are still joining the association since they are more of the benefits that these are providing to them. (Ben Zipperer 2017)

2.7 SOME CURRENT INDUSTRIAL RELATIONS ISSUES

Employers are now compelled to view industrial relations and human resource management from a strategic perspective; in other words, not only from the traditional viewpoint of negotiating terms and conditions of employment and performing a personnel and welfare function. Industrial relations and human resource management are directly relevant to competitiveness, and how they are managed will impact on enterprise performance e.g. its productivity and quality of goods and services, labor costs, quality of the workforce, motivation, prevention of disputes and not only their settlement, and aligning employee aspirations with enterprise objectives. (leaksmy 2016)

2.7.1 MINIMUM WAGES

In countries which have a legal minimum wage three concerns are evident. The first is that minimum wage levels sometimes tend to be fixed on extraneous considerations (e.g. political), or on inadequate data needed to define the level of wages. The second concern is that such instances have an adverse effect on competitiveness in the global market and on employment creation where the minimum wage is fixed above a certain level (much of the controversy relates to what that level is). Therefore many employers prefer to see the minimum wage, if there is to be one at all, as a 'safety net' measure to uplift those living below the poverty line. The third concern relates to increases in minimum wages not being matched by productivity gains which help to offset increased labor costs. (Almeida 2008)

2.7.2 FLEXIBLE/PERFORMANCE PAY

Many employers, and even some governments, have expressed a wish to review traditional criteria to determine pay levels such as the cost of living and seniority. Pay systems which are flexible (i.e. based on profitability or productivity) so as to be able to absorb business downturns and also reward performance, are receiving considerable attention. One major problem in this regard is how employees and their organizations can be persuaded to negotiate on pay reform. The objectives of pay reform will not be achieved unless reforms are the result of consensual agreement and are part of a larger human resource management strategy and change in human resource management systems. (productivity: linked wage system 2018)

2.7.3 CROSS-CULTURAL MANAGEMENT

Asia is a heterogeneous region, characterized by ethnic, cultural, linguistic and religious diversity. Due to substantial increases in investment in Asia from both Asian and Western investors, many employers and unions are dealing with workers and employers from backgrounds and cultures different to their own. Many of the resulting problems and issues (reflected for instance in the proliferation of disputes due to cross cultural 'mismanagement') fall within the concept of cross cultural management. The problems arise due to differences in industrial relations systems, attitudes to and of unions, work ethics, motivational systems and leadership styles, negotiating techniques, inappropriate communication, consultation and participation procedures and

mechanisms, values (the basic beliefs that underpin the way we think, feel and respond), expectations of workers and interpersonal relationships. (Dike 2013)

2.8 INDUSTRIAL DISCIPLINE

To maintain harmonious relations and promote industrial peace, a Code of Discipline has been laid down which applies to both public and private sector enterprises. According to the Calhoon Richard D. 2002, “discipline may be considered as a force that prompts individuals or groups to observe the rules, regulations and procedures which are deemed to be necessary for the effective functioning of an organization.” The maintenance of harmonious industrial relations within an industry depends on the extent of promotion and maintenance of discipline in the organizations. No organizations can grow and prosper without effective disciplinary system. Discipline on account of employees means complying with the predefined rules and regulations of the organization. (sirvastava 2020)

2.9 GRIEVANCE COMMITTEE

Based on Srigouri kosuri, 2004 Grievances generally arise out of the day-to-day working relations in an organization. An employee or a trade union protests against an act or policy of the management that they consider as violating employee’s rights. One of the effective ways of minimizing and eliminating the source of an employee’s grievance is by having an ‘open door policy’. Employers with the range of challenges associated with human resource/industrial relations management, from assistance with offer of employment letters, drafting of disciplinary/grievance procedure and schedule; to termination of employment and assistance with interpretation of the labor laws. (SRIGOURI KOSURI 2004)

2.10 LABOUR LAWS:

Labor Laws are the laws designed to ameliorate the conditions of labor, establish industrial peace and ensure increase in productivity by creating conditions leading to the efficiency of labor and to promote mutual understanding between labor and management. The inspiration is the recognition of the wider responsibilities which the state has undertaken to protect the economically weaker

sections. But here to regulate the relationship between employers and their associations in one hand and workers and their organizations are in other hand. Therefore, the laws enacted on this principle are Trade Union, Industrial Disputes and Industrial Employment (Standing Orders). These factors are guiding the human resource development in proper way. A good organizational environment built on mutual trust and confidence between the management and the workers would help in effective and success. Trade unions are also equally concerned about this and it is they who are required to play a symbiotic role in achieving the organizational goal. Hands off approach on that part of the unions will seriously undermine the basis of objective HRD. Moreover, HRD strategies must recognize the collective aspect of the workers. (SRIGOURI KOSURI 2004)

2.11 DISPUTE

“Labor Disputes” includes any controversy or matter concerning terms or conditions of employment or the association or representation of persons in negotiating, fixing, maintaining, changing or arranging the terms and conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee . Labor disputes are either individual or collective. (SRIGOURI KOSURI 2004)

Collective Agreement According to article 124 (1) of labor proclamation number 377/2003, collective agreement means an agreement concluded in writing between one or more representative of trade unions and one or more employers or agents or representatives of employers or organizations. Article 131 and 132 of the proclamation states that the parties shall send sufficient copies of the same to the Ministry for registration, and a collective agreement which has already been signed and registered may be acceded to by others respectively.

There are set procedures for negotiating a collective agreement and these must be complied with by all parties. The objective of collective bargaining is to establish or renew a collective employment agreement. This must comply with a number of legal requirements. (ILO, strategic collective bargaining n.d.) It must:

- be in writing
- be signed by the employer and the union that are parties to the agreement

- identify the work that the agreement covers (the collective agreement applies to employees carrying out that work who join the union)
- include a plain language explanation of the services available to sort out any future employment relations problems
- include a clause stating how the agreement can be changed.

2.12. UNIONS AND COLLECTIVE BARGAINING ARRANGEMENTS

Characterizing the impacts of trade unions and collective bargaining rules is probably more complicated and perhaps more controversial than is the case with other labor market institutions. Unions and collective bargaining arrangements are social and political constructs that reflect the society in which they operate. For a number of reasons, this has implications for their effects on living standards, productivity, and social cohesion as well as for assessing those impacts. Unions can play a —politicalll role both as a player in the political process and as a voice in policy debates. Unions have historically contributed in important ways to the introduction of fundamental social and labor rights. In some developing countries, the political role of unions overshadows their role representing and bargaining for members. Through these political efforts, unions can influence social and economic policies; in some cases, this may have positive social returns while, in others, it may have aggregate efficiency costs or distributional effects in favor of their members at the expense of non-members. The impact of unions and the performance of collective bargaining systems can vary considerably from country to country. This could be due to differences with respect to the other social partners. (UN 2013)

2.13 COLLECTIVE BARGAINING

Where a union represents employees in workplace they may negotiate a collective agreement. Bargaining for a collective employment agreement can cover a range of issues, but it must include: the coverage of the agreement – either by the work performed or the workers involved – and the term of the agreement. The law recognizes that there is no one way to bargain. Every bargaining situation is different, and it is normal that parties have different views on how to proceed and what

is required for their circumstances. Bargaining parties do not have to reach a collective agreement if bargaining has become unnecessarily protracted and costly or if agreement is unlikely. However, employers will not be able to end bargaining or refuse to enter into a collective agreement simply because they object in principle to collective bargaining or collective agreements. Employers and employees must still bargain in good faith with each other. (S. R. de Silva Senior 2013)

2.13.1 ADVANTAGES OF COLLECTIVE BARGAINING

It is sometimes claimed that in non-industrialized countries settlement of wage issues through collective bargaining - especially on a national or industry wise basis - can be an obstacle to a wage policy to promote specific economic objectives because wage rates are not necessarily fixed on criteria designed to promote specific economic and social objectives (other than as compensation for cost of living increases), and that they often tend to reflect the bargaining strength of the parties or the supply and demand conditions of labour. With some exceptions (such as Japan) wage increases through collective bargaining in Asia pay little attention to productivity, individual or group performance and to skills. However, collective bargaining has many advantages which have been claimed for it as a means of resolving differences between management and employees, though it has made little positive contribution to higher productivity and higher earnings by linking pay to performance and skills. Collective bargaining agreements often institutionalize settlement through dialogue. For instance, a collective agreement may provide for methods by which disputes between the parties will be settled. This has the distinct advantage that the parties know beforehand that if they are in disagreement there is an agreed method by which such disagreement may be resolved. Collective bargaining is a form of participation. Both parties participate in deciding what proportion of the 'cake' is to be shared by the parties entitled to a share. At the end of an agreed term labour again insists on participating in deciding what share of the fruits of their labour should be apportioned to them. Collective bargaining is an essential feature in the concept of social partnership towards which Labour relations should strive. Collective bargaining has valuable by-products relevant to the relationship between the two parties. For instance, a long course of successful and bona fide dealings leads to the generation of trust. It contributes towards some measure of understanding by establishing a continuing relationship. Once the relationship of trust and understanding has been established, both

parties are more likely to attack problems together rather than each other. (S. R. de Silva Senior 2013)

2.13.2 FACTORS INFLUENCING THE COLLECTIVE BARGAINING

The collective bargaining process and the final agreement reached are influenced by many variables (Ivancevich 2008)

2.13.3 NATURE OF COLLECTIVE BARGAINING

The ILO Convention No. 98 (1949) relating to the Right to organize and to Bargain Collectively describes collective bargaining as: "Voluntary negotiation between employers or employers' organizations and workers' organizations, with a view to the regulation of terms and conditions of employment by collective agreements." There are several essential features of collective bargaining, all of which cannot be reflected in a single definition or description. They are as follows:

- i. It is not equivalent to collective agreements because collective bargaining refers to the process or means, and collective agreements to the possible result, of bargaining. There may therefore be collective bargaining without a collective agreement.
- ii. It is a method used by trade unions to improve the terms and conditions of employment of their members, often on the basis of equalizing them across industries.
- iii. It is a method which restores the unequal bargaining position as between employer and employee.
- iv. Where it leads to an agreement it modifies, rather than replaces, the individual contract of employment, because it does not create the employer-employee relationship.
- v. The process is bipartite, but in some developing countries the State plays a role in the form of a conciliator where disagreements occur, or may intervene more directly (e.g. by setting wage guidelines) where collective bargaining impinges on government policy.
- vi. Employers have in the past used collective bargaining to reduce competitive edge based on Labour costs.

According to an empirical research conducted by soclik, 2004 there is a considerable debate on the purposes and role of trade unions. The predominant view, however, is that the concerns of

trade unions extend beyond ‘bread and butter’ issues. Trade unions through industrial action (such as protests and strikes) and political action (influencing Government policy) establish minimum economic and legal conditions and restrain abuse of labor wherever the labor is organized. Trade unions are also seen as moral institutions, which will uplift the weak and downtrodden and render them the place, the dignity and justice they deserve. (ILO, The role trade unions in policy cycle 2004)

As Liou, Chih-Poung, 2008 conducted a research the role of trade unions in job creation to Taiwanese society has achieved high level of democracy, nonetheless, amendments of collective labor laws have been delayed and failed to come to place. The current collective labor laws inherit the system under the authoritarian regime, which basically upholding a suppressive policy towards the labor union. The enterprise unions organized under the small to-medium sized business structure tend to be small in scale, hence without much power entering into the collective labor. (Fairbrother 2008)

2.14 ESSENTIAL FEATURES OF TRADE/LABOR UNION

According to the famous Black’s law dictionary, a trade union is defined as an organization formed to negotiate with employers, on behalf of workers collectively, about job-related issues such as salary, benefits, working hours and conditions (Garner 1999) . In fact, this is a definition which seems to be all rounded and purpose oriented. All legal definitions, in all cases, are purpose oriented as they intend to achieve a specific objective. When analyzing this definition, a trade union is a separate entity/organization different from its members having its own legal personality and capacity. The other important feature of a trade union, according to the above definition, is its primary purpose. The purpose of any trade union, among other things, is to negotiate with employers and other entities on behalf of and for the exclusive interests of their members; i.e. the workers/employees. And thirdly, the main issues about which these unions are to negotiate with the workers by representing the workers are job-related issues, not other purely political or any other non-work-related matter. This is not to conclude that job-related matters will remain as purely socio-economic agendas always especially if they are not managed and settled properly and gently, there is a high probability that they could turn out to be political. Another definition is provided by Robins and DeCenzo that *a Trade Union is an organization of workers acting collectively, seeking to promote and protect its mutual interests through collective bargaining.*

(DeCenzo and Robbins 1996)) This definition by both scholars is not that much different from the above definition provided by the law dictionary that both literatures focused on three important points; i.e. organization, workers/employees and collective interest of the workers.

Pursuant to Monique Marks and Jenny Fleming, citing Burgmann and Burgmann (1998: 63), Trade unions are among the most democratic organizations in our society, certainly more democratic in general than corporations, parliamentary parties and governments. (Marks 2006) Here, both scholars are trying to argue in favor of the nature and process of trade union formation and their function as democratic because they are established, structured and empowered by the workers themselves.

Trade unions can be thought of as '*janus faced*' organizations. They have, not only the potential to advance social justice agendas, but also to be narrowly concerned with their own stakes. In recent decades, trade unions have displayed their vested interest face more often than they have revealed their social justice features. Bureaucratic conservatism has shaped much of the direction taken by the trade union movement in recent years. The challenge for the trade union movement in the 21st century is for unions to overcome this conservatism and to reinvigorate and 'redefine their role as a sword of justice'. Such a change is necessary and inevitable for two reasons (Marks 2006) first; engaging in more social justice issues provides unions with an opportunity for much needed revival. Second, through being involved in social justice issues, trade unions will increase their capacity to mobilize a broad range of civil society actors in pursuit of their public interest agendas. Some scholars suggest that the trade union movement offers a social democratic alternative to global neo liberalism. (Gay Seidman 2020) However, to be able to achieve these objectives, according to Margaret Levi, trade unions must be part of a major social movement in which organized labor plays a crucial role while acting as a reciprocal participant in a larger network of social activists. An increasing number of unions – although still too few – are democratizing internally, engaging in issues of economic and social justice for others as well as themselves. (Monique Marks 2006)

These authors are strongly arguing, by taking the current situation of the world and socio-economic realities of the workers, that the role of trade unions should be, to the extent possible, broadened and should be able to incorporate other socio-economic factors affecting the lives and wellbeing of the workers which they represent.

How unions identify themselves, what agendas they decide to promote and who they forge alliances with are all contingent on a number of factors. These include the political opportunity

structure at the local, national and global level; the characteristics of union members and supporters; the extent to which unions are viewed as valuable within networks of influence; the vision of union leaders; and, the frameworks of international regulatory organizations such as the International Labor Organization (ILO). (Marks 2006) According to Robins and DeCenzo, individual workers usually join union for the reasons of higher wages and benefits, greater job security and to have an influence on the work rules. (David A. DeCenzo 2005)

In spite of all the above unique features and expanding roles and importance of trade unions, there are still arguments by some entities in favor and against trade unions from different perspectives. The former groups strongly insist on the fact that trade unions are good for the society where as the latter disagree that trade unions harm society severely. The pro-trade union scholars list the following reasons to justify their stand. (Iqbal 2010)

Trade unions have the capacity of reducing both injustice and radical reactions to it. Before unions became fully legal, working people's life were frequently hellish. Unions were necessary responses to the industrial revolution, the introduction of large scale manufacturing that began in north-western Europe in the mid-18th century. Before unions were legalized, organized labor actions such as strikes were frequently treated as criminal offences. It took courage or an overwhelming strength in numbers for a powerless person like a factory worker to join a union.

- i. Horrible conditions still exist in industries and places where unions are difficult to form. For instance, there are continuing reports of labor abuses involving Asian immigrants to Saipan, a U.S. possession in the Northern Mariana Islands where many clothing companies have factories. In recent years there have also been terrible stories of child labor and near-slavery conditions among immigrant farm workers and guest workers in every part of the world.
- ii. Unions fight “the race to the bottom”. The term “race to the bottom” describes the harm done when businesses compete with each other to cut costs. In particular, manufacturing businesses tend to move jobs where workers can be paid the least—for example, to countries where it is illegal to join an independent union. When not restrained by law or contract, business owners may feel that competition forces them to move jobs in this way even if presumably they would rather not hurt their existing workers.
- iii. Unions make and maintain institutions that protect everyone. Some people claim that unions are unnecessary now as government agencies protect things like minimum wages, maximum hours, pensions, health insurance funds, and consumer and workplace safety.

Yet unions helped create those protective agencies and are needed to defend them. Some scholars say unions have been better at passing laws to protect the general public than at passing laws to protect their own right to organize.

Others strongly oppose the idea of having a trade union for the following reasons.

- i. Unions slow economic growth. Unions are bad for business growth, and thus for the economy in general, even if they help individual members. According to Hirsch, an economist, There has been extensive study in recent years, particularly in the U.S., of the relationship of unionization to productivity, profitability, investment, and employment growth. The broad pattern that emerges from these studies is that unions significantly increase compensation for their members, but fail to increase productivity sufficiently to offset the cost increases from higher compensation. As a result, unions are associated with lower profitability, decreased investment in physical capital and research and development (R&D), and lower rates of employment and sales growth. (Hirsch 2004)
- ii. Unions are unnecessary. Employment rights have made progress over the past hundred years, and unions cannot claim all the credit. Employers have economic and moral reasons to treat employees well voluntarily. Good employers have been providing for employees for a long time. Some attempts to do so, such as company towns (entire communities centered around a factory or mine), have had undesirable effects, but there is a good side to welfare capitalism (the business practice of providing benefits such as medical care, pensions, and other perks) for the mutual benefit of employers and employees. (Hirsch 2004)

2.15 THE INTERNATIONAL, REGIONAL AND DOMESTIC LEGAL AND INSTITUTIONAL FRAMEWORKS ON TRADE UNIONS

Several international, regional and local legal regimes have attempted to address this issue from the perspective of rights and freedoms. For instance, the ILO (International Labor Organization) was successful in convincing the international community to adopt legally binding instruments with regard to the fundamental rights to establish trade unions. These are the 1948 freedom of association and protection of the right to organize convention No. 87 containing 21 articles all of which are devoted to the listing out the rights of not only workers, but also even employers to

establish associations/unions and in imposing obligations on the public authorities from intervening in the whole process. The other international legal instrument is the 1949 right to organize and collective bargaining convention No. 98 containing 16 provisions with the purpose of governing the issue of the power of trade unions to collective bargaining by representing their members.

There are also the International Bill of Rights (the Universal Declaration of Human Rights of 1948 (UDHR), the International Covenant on Civil and Political Rights of 1966 (ICCPR), and the International Covenant on Economic, Social and Cultural Rights of 1966 (ICESCR)). For instance, when we look at the UDHR, art. 20 clearly states that everyone has the right to freedom of peaceful assembly and association and no one may be compelled to belong to an association. In a very detailed manner, the ICCPR, under arts. 21 and 22 has also dealt with this issue. Especially, art. 22(1) states that everyone shall have the right to freedom of association with others including the right to form and join trade unions for the protection of his/her interests. (Emphasis mine). In a very similar fashion, the ICESCR of 1966, under art. 8, recognized the right to form trade unions and become the member there of by imposing an obligation on the state parties to ensure, among other things, the right to everyone to form trade unions and join the trade union of his/her choice, subject only to the rules of the organization concerned for the promotion and protection of his/her economic and social interests.

Other than these basic international legal set ups, regional human rights systems have also recognized this fundamental issue. For instance, one of the most effective regional human rights arrangements, the European system gave a full recognition and protection for this right under art. 11 of the 1950 European convention for the protection of human rights and fundamental freedoms, moreover, the European social charter of 1961 and the revised charter of 1996 under arts. 5 and 6 recognize the right to organize and the right to bargain collectively. The other regional human rights system currently functional is the Inter-American system. Under this arrangement, we have the American Declaration on the rights and duties of Man of 1948, the American convention on Human Rights of 1969 and its additional protocol of 1988 in the area of economic, social and cultural rights. The declaration and the 1969 human rights convention under arts. 22 and 16 respectively mention about the fundamental rights of association in general and the right to form a trade union in particular. The additional protocol of 1988, on the other hand, under art. 8, elaborates this right in a very detailed manner than the previous instruments of the system. Similarly, the African charter on human and people's rights of 1981, which forms the main part of

the African human rights system, under 10 gives a full recognition this right by simply stating the fact that every individual has the right to free association provided that he/she abides by the law.

Coming to the institutional set up, each and every international and regional human rights instrument that we have assessed has their own institutional mechanisms established for the purpose of following up the progress made by the state parties to enforce the rights contained thereof and comply with their international legal obligations. Other than these, we have the ILO. The International Labor Organization (ILO), founded in 1919, was formed through the negotiations of the Treaty of Versailles, and was initially an agency of the League of Nations. It became a member of the UN system after the demise of the League and the formation of the UN at the end of World War II. There are currently 175 members of the ILO. Its headquarters are in Geneva, Switzerland (BOWETT 2003) Its Constitution, as amended to date, includes the Declaration of Philadelphia (1944) on the aims and purposes of the Organization. As well-known, ILO is a specialized agency of the United Nations that deals with labor issues. The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. In working towards this goal, the organization seeks to promote employment creation, strengthen fundamental principles and rights at work - workers' rights, improve social protection, and promote social dialogue as well as provide relevant information, training and technical assistance. At present, the ILO's work is organized into four thematic groupings or sectors: (1) Standards and fundamental principles and rights at work; (2) Employment; (3) Social Protection; and (4) Social Dialogue. (BOWETT 2003)

One of the principal functions of the ILO involves setting international labor standards through the adoption of Conventions and Recommendations covering a broad spectrum of labor-related subjects and which, together, are sometimes referred to as the International Labor Code. Adoption of a Convention by the International Labor Conference allows governments to ratify it, and the Convention then becomes a treaty in international law when a specified number of governments have ratified it. All adopted ILO Conventions are considered international labor standards regardless of how many national governments have ratified them. The topics covered by them cover a wide range of issues, from freedom of association to health and safety at work, working conditions in the maritime sector, night work, discrimination, child labor and forced labor. The coming into force of a Convention results in a legal obligation to apply its provisions by the nations that have ratified it. Ratification of a Convention is voluntary. Conventions that have not

been ratified by member states have the same legal force as Recommendations. (United Nations Treaty Collection 1998)

Recommendations do not have the binding force of Conventions, and are not subject to ratification by member countries. Recommendations may be adopted at the same time as Conventions to supplement the latter with additional or more detailed provisions. The intent of these recommendations is often to more precisely detail the principles of related Conventions. In other cases, Recommendations may be adopted separately and address issues not covered by, or unrelated to any particular Convention. The ILO hosts the International Labor Conference in Geneva every year in June. At the Conference, Conventions and Recommendations are crafted and adopted by majority decision. The Conference also makes decisions on the ILO's general policy, work program and budget. Each member state is represented at the International Labor Conference by four delegates: two government delegates, an employer delegate and a worker delegate. All delegates have individual voting rights, and all votes are equal, regardless of the population of the delegate's member state. The employer and worker delegates are normally chosen in agreement with the most representative national organizations of employers and workers. Usually, the workers' delegates coordinate their voting, as do the employers' delegates. (United Nations Treaty Collection 1998)

Coming to the context of our country, trade unions emerged as cooperative societies in Ethiopia as Idir and Equb¹ and in 1963 G/C (1942 E/C), the first law on trade unions was adopted. in spite of this fact, however, there were many instances of attempting to form a kind of labor union at different enterprises in Ethiopia. one of which is the *Chemin de fer* incident which was the strike of the workers of the Franco-Ethiopian Railway company in 1947. (Daniel 2018) After the adoption of the Ethiopian civil code of 1960, certain provisions have been inserted to govern this matter and currently, this fundamental right of association is protected by the FDRE (Federal Democratic Republic of Ethiopia) constitution of 1995. If we look at art. 30 of this constitution, it tries to guarantee the freedom of association in general that every person has the right to freedom of association for any cause or purpose. Therefore, it is possible to conclude that forming trade unions to safe guard the interest of the staffs is one of these legitimate causes having a

constitutional protection of such kind. More specifically, under art. 42(1)/a/, factory and service workers, farmers, farm laborers, other rural workers and government employees whose work compatibility allows for it and who are below a certain level of responsibility have the right to form an association to improve their conditions of employment and economic well-being. The provision further went to use the term and states that such a right includes the right to form trade unions and other associations to bargain collectively with employers or other organizations that affect their interests. This constitutional provision gives a full recognition and guarantees its protection though it puts some qualifications such as employees below certain levels of responsibilities. The other interesting point to note here is, in spite of the full constitutional protection of this right, it may not be applicable to civil servants (government employees) until a special law is going to be enacted (Art. 42(1)/c/ of the FDRE constitution). Government employees are employees of different Ministries, Commissions, Agencies, and Authorities other than public enterprises, to our knowledge, such a law promised by the constitution is not yet enacted and the reason for this, according to the late Ato Daniel Haile, is mere ideological.

Equally important with the constitution, the Labor proclamation of 2003 is the other domestic legal regime governing labor/industrial relations in general and trade unions in particular. One of the primary purposes of Procl. # 377/2003 (the currently applicable labor proclamation) which is clearly set in the Preambular part of the proclamation is to guarantee the right of workers and employers to form their respective associations and to engage, through their lawful elected representatives, in collective bargaining and to lay down the procedure for expeditious settlement of labor disputes, which arise between workers and employers. To this end, art. 113 and the following provisions of the proclamation lay down the detail matters concerning the formation process, function, registration, dissolution, personality and judicial review system of trade unions. Art. 113(1) tries to re-confirm what has been guaranteed by the constitution; i.e. the right to form organizations. The other important point worthy of mentioning here is that the law allows the formation of more than one trade union and if this is applied, then a federation will be formed (Art. 113(2)/c/ of the proclamation). Putting all other things aside, the overall purpose of every trade union is to facilitate the smoothness of the industrial relations and ensure industrial peace.

To come to the conclusion part of this chapter of the paper, all literatures that have been reviewed have backed up the idea of trade unions as effective mechanisms of channeling the voices of their members and ensuring industrial peace if managed properly. Having this as a back ground, international, regional and domestic laws have also given wide protection of these fundamental rights from different possible violations.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. RESEARCH DESIGN

The assessment of the practice of trade unions needs effective research methods for studying and addressing it in line with COVID 19 protection protocols. To make things moved on, the researcher was applying multiple sources of evidence approach which seems to be relevant with regard to the Nature and Scope of the study. To this end, the research design employ was qualitative research approach and descriptive design. Qualitative research involves collecting and analyzing non-numerical data (e.g., video or audio) to understand concepts, opinions, or experiences. It can be used to gather in-depth insights into a problem or generate new ideas for research. (Bhandari. 2020) While descriptive research aims to accurately and systematically describe a population, situation or phenomenon. It can answer *what, where, when* and *how* questions, but not *why* questions. (Bhandari. 2020)

3.1.1 DATA SOURCE

The study used both primary and secondary source of data and information. The primary data will rely mainly on three groups of respondents in ethio telecom legahar branch; officers, trade union officials and workers. Secondary sources also were intensively use which includes: proclamation, labor union strategy, statistics and annual report.

3.2. SAMPLING PROCEDURE AND SAMPLE SIZE

The researcher was used non probability sampling technique (method) to select his samples for the research. This sampling technique selected because the researcher couldn't find any documented data on the number of trade unions in Ethiopia. So the researcher believed that using probability

sampling technique under such circumstances would result in sampling error. Thus, trade union in ethio telecom was selected through judgmental sampling technique.

In addition, one respondent from Ministry of Labor and Social Affairs, three from staff members of the aforementioned organization will be selected purposely.

3.3. DATA GATHERING INSTRUMENT

Interview, will be the main data gathering instrument. This is employed to collect data from the officers, officials and workers of the branch under study, labor union officials and workers. The researcher used semi-structured interview so as to make conducive atmosphere for the respondents to express themselves freely and undoubtedly. It also provides qualitative depth by allowing officials, and workers to talk about their work experiences, difficulties they experienced and for the same time enabled the researcher to ask follow up questions that target to obtain certain important information which are important to the study.

Before conducting interviews, the researcher was contacted and asks permission of participants in person to voluntarily participate in the study or decline not to participate. As the permission was granted the researcher was given description of the research to each of them. Twenty interviews will carry out with participants. Interviews was conducted face to face in the participants area, which enabled the researcher to jot down and write the context in which interviews will take place as well as non-verbal gestures made by interviewees.

The second data gathering instrument was a document that was made by the researcher to collect data regarding to the implementation of labor proclamation in the organization.

3.4. DATA ORGANIZATION AND ANALYSIS

Qualitative methods were used to organize and analyze the data. The researcher started with, tallying the data collected through questionnaire and transcribing interviews into organized data. Transcribing was together with interpretations of statements made by interviews to bring real meaning that they intended to give to the researcher. The researcher continued to sort out core

categories then form themes that are related to ascertained research questions. Consequently, themes were analyzed in detail in the analysis section to bring meaningful study results.

3.5. ETHICAL CONSIDERATION

Ethical choices are also present in the study .it is believed that when Researchers deal with such categories of people need to be value neutral. Equally, in this study, however, the researcher was maintaining ethical issues throughout the process. Hence, respondents need kind of assurance as well as protection. Therefore, the following ethical elements were vividly adhering to:

(A) INFORMED CONSENT

The researcher before conducting interviews was informed respondents about the objectives of the study and that participation is voluntary. Furthermore, respondents informed to decline participation or not to answer questions if they like to do so.

(B) CONFIDENTIALITY AND PRIVACY

Privacy means having control over the extent, timing, and circumstances of sharing oneself (physically, behaviorally, or intellectually) with others. confidentiality — treatment of information that an individual has disclosed in a relationship of trust with the expectation that it will not be divulged to others in ways that are inconsistent with the understanding of the original disclosure without permission.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

This section is marked out to analyze different data in order to find answer for the basic questions of the study through different documents and interview from officers. A total of 15 participants were involved in the study.

4.1: THE STATUS AND PRACTICES OF TRADE UNIONS IN ETHIO TELECOM

4.1.1. COLLECTIVE AGREEMENT IN ETHIO TELECOM

Trade unions are established with the aim of regulating the relations between workers and employers or among the workers themselves so as to improve the working environment. They negotiate with employers, on behalf of union members, on wide ranging issues including ensuring security of workers, obtaining better economic returns, medical benefits, working hours and other terms and conditions of employment.

Thus, to achieve these objectives and enable trade unions to function successfully in organizations, legal instruments will have significant impact. To this end, a question was raised to check whether there is collective agreement (concluded in writing) between representatives of trade unions and employers or agents or representatives of employers' organizations in ethio-telecom.

Consequently, Respondents revealed that The Federal Democratic Republic of Ethiopia Constitution has several articles pertaining to matters of decent work in general and safety and health and working environment in particular. The labor proclamation No 377/2006 is one of the comprehensive labor laws which are being applied in order to address all aspects of ensuring labor relation to be governed with basic fundamental rights and obligation focusing on industrial peace in all work places. Based on the above major document, there is a collective agreement in ethio telecom which contains issues ranging from wages, working hours, benefits, job grading, promotions and dispute settlement, among others.

4.1.2 FUNCTIONS OF THE TRADE UNION IN ETHIO TELECOM

There are different functions carried out by trade union in ethio telecom. These include observing the conditions of work and fulfill the obligations set forth in the Labor Proclamation; respecting the rights and interests of members; representing members in collective negotiations and labor disputes before tribunals which are formed to handle such dispute, when they are requested or delegated to do so.

The union is also mandated to ensure that laws, regulations, directives and statements are known to, observed and implemented by members; initiate laws and regulations pertaining to employers and workers; participate actively during their preparations and amendments; and discharge other functions specified in their constitutions.

4.1.3 COLLECTIVE BARGAINING

Collective bargaining is the framework under which the negotiation of the collective agreement takes place. It is a process in which a trade union and an employer negotiate, in good faith, the rights and obligations of a first collective agreement or the renewal of a previous collective agreement. In this process, the parties usually focus on such issues as wages, working conditions, grievance procedures and fringe benefits.

In Ethiopia, the labor proclamation regulates the mechanism of collective bargaining. The law allows only a single collective agreement to be negotiated at national, sectoral and company levels, which should cover all employees from the bargaining unit. The law also stipulates the requirements which should be fulfilled by the parties to be allowed to negotiate the single collective agreement at a particular level. Additionally, it indicates the minimal scope of a collective agreement and the fact that provisions included in collective agreements at lower levels have to be similar or more favorable for employees than those agreed at higher levels. Thus, company collective agreement is very likely to be the most important, while the legislation ensures a minimum coherence between different levels.

In collective bargaining, trade unions will have the right to negotiate a collective agreement with one or more employers or their organizations on issues provided for in section 128 of the labor proclamation. Similarly, employers or employer associations have the right to bargain a collective agreement with their workers organized in a trade union.

4.1.3.1 REPRESENTATION

Regarding the right to represent workers during collective bargaining, the leaders of the union, if there is one, are empowered to represent the workers in such negotiations. If there is a general trade union, the union's leaders who are authorized in accordance with the constitution of the union will represent workers during collective bargaining. On the part of employers, the employers themselves or those delegated by one or more employers' association shall negotiate in collective bargaining.

4.1.3.2 ADVISERS

Any negotiating party to a collective agreement can seek assistance from advisers who provide *expert advice during the negotiation*.

4.1.3.3 SUBJECT MATTER OF A COLLECTIVE AGREEMENT

Matters concerning employment relationships and conditions of work as well as relations of employers and their organizations with workers' organizations can be determined by collective agreement.

4.1.3.4 CONTENTS

Issues determined by collective agreement include matters left by the provisions of Ethiopian labor Proclamation or other laws to be regulated by collective agreement; the conditions for protection of occupational safety and health and the manner of improving social services; as well as workers' participation, especially, in matters regarding promotion, wages, transfer, reduction and discipline.

Additionally, issues including conditions of work, the procedure for making work rules and grievance procedures; arrangement of working hours and interval break times; and parties covered

by the collective agreement and its duration of validity, are also among the matters determined by collective agreement.

Interviewees also revealed that the main issues negotiated were wages, social benefits, working conditions, job security, working hours, holiday, facilities for trade union activities and disciplinary and grievances procedures. All provisions are based on the conditions stipulated in the sectoral collective agreement. Respondents indicated that wages and social benefits were the most common issues on which compromises were made. As the legislation leaves little room to modify working time, wages are the main issue on which compromises can be made. In ethio telecom, the wage was negotiated during collective bargaining. Remuneration clauses referred in principle to the basic wage based on qualification, bonuses for special conditions and individual bonuses based on seniority rights

4.1.3.5 PROCEDURE FOR COLLECTIVE BARGAINING

Concerning the procedure for collective bargaining, first of all a party who wants to conclude a collective bargaining can request the other party in writing. It will also prepare and submit a draft necessary for the negotiation. Then the requested party will appear for collective bargaining within five days of receiving the request. Before commencing collective bargaining, the parties will draw up the rules of procedure. Each party will also have the duty to bargain in good faith. If the parties fail to reach agreement by negotiation in good faith on some issues, then those issues will be will be submitted to the competent labor disputes settlement tribunal.

4.1.3.6 REGISTRATION OF COLLECTIVE AGREEMENT

When executing a collective agreement, the parties will deliver enough copies of the same to the Ministry for registration.

4.1.3.7 ACCESSION

A collective agreement which has already been signed and registered may be agreed to by others as well.

To this end, Interviewees revealed that the legislative framework for the collective bargaining mechanism was negotiated between the government and trade unions. Both parties have achieved

certain advantages. For the government, the establishment of (more or less) free collective bargaining was part of the democratization process that enhanced their legitimacy. For (representative) trade unions, it guaranteed that each employer or representative employers' association is obliged to negotiate with them. The fees collected from union members are given to the unions, to support the collective bargaining process. Therefore, the mechanism of collective bargaining appears to be in favor of trade unions, but in practice individual employers (or top managers) are often in a stronger position

4.2. CONTRIBUTION OF TRADE UNION IN ETHIO TELECOM

The existence of robust and vibrant trade unions is a key ingredient to ensure industrial peace. Respondents stipulated that the Trade Union is workers' tool for collective bargaining as they facilitate smooth discussion and negotiation between employers and employees resulting in a win-win situation for both. The union negotiates with employers for better terms and conditions of employment and for healthy workplace standards. Better medical facilities, welfare schemes, annual leave, insurance and other benefits are the results of successful collective bargaining through the trade union. The Union also helps ensure more job security for members.

The Trade union serves as intermediaries for smooth communication between management and staff of organizations/enterprises. It consults both the management and employees to ensure that disagreements do not turn into major conflicts.

The Union also provides legal support to employees when they face legal tussles.

Organizations/factories where there is trade union have better chance of ensuring workplace safety.

This is due to the pressure the union exerts on employers to ensure better safety standards.

Trade union also protects workers against physical and mental abuses and exploitation by employers and provides personal protective equipment as needed.

Workers' individual rights are also likely to be protected better by organizations/enterprises where employees are unionized. Trade union also helps protect women employees against sexual harassment.

The union builds the capacity of employees on different matters. It also raises employees' awareness on healthy and safe workplace so as to ensure the wellbeing of workers.

Since trade unions protect and promote the interests of workers, employees are likely to be motivated as their economic and social wellbeing are taken care of.

New recruits who join an organization with diverse backgrounds may find it hard to adjust themselves to the new working environment. In such situations, the union may step in and help the employees get accustomed to the new environment fast enough.

Trade union also help catalyze economic development in many ways including by helping in the recruitment and selection of workers; instilling discipline among the workforce; and enabling smooth settlement of industrial disputes, among others.

The Union also discharge social responsibilities including:
promoting and maintaining national integration by reducing the number of industrial disputes
incorporating a sense of corporate social responsibility in workers, and
Achieving industrial peace at the national level through the organized efforts under a confederation of similar trade unions in the country.

4.2.1. DUTIES AND RESPONSIBILITIES OF EMPLOYEE REPRESENTATIVES IN ETHIO TELECOM

The main duties and responsibilities of employee representatives include representing members fairly and effectively regarding matters arising within the undertaking or establishment in which they work and which concern employment and related conditions. Participating in negotiation and grievance procedures as provided for in employer/trade union agreements or in line with recognized custom and practice in the undertaking in which they work. As well as co-operating with the management of the undertaking in ensuring the proper implementation and observance of employer/trade union agreements. the use of agreed dispute and grievance procedures and the avoidance of any action, especially unofficial action, which would be contrary to such agreements or procedures and which would affect the continuity of operations or services.

Moreover, employee representatives have the duties and responsibilities of acting in accordance with existing laws and regulations, the rules of the union and good industrial relations practice; liaising with and seeking advice and assistance from the appropriate full-time trade union official; and being conscious of the safe and efficient operation of the undertaking at all times.

Depending on any other arrangements made between an employer and a trade union, employee representatives also conform to the same job performance standards, company rules, disciplinary conditions and other conditions of employment as comparable employees in the company.

4.2.2 THE LABOUR RELATIONS BOARD

The Labour Relations Board is an independent administrative tribunal established under the *Labour proclamation* with the authority to administer the provisions. It is the Board's responsibility to decide all matters covered by the proclamation.

4.2.2.1 ESTABLISHMENT

According to the Labor Proclamation, one or more Labor Relations Boards can be established in each National/Regional Self-Government. Each Board will be under the local authority responsible for the implementation of labor laws.

4.2.2.2 COMPOSITION

Regarding the composition of the Board, it consists of a chairman appointed by the Minister, four members, of whom two represent the trade unions and two represent employer's associations and also two alternate members, one from the workers' side and one from the employers' side. Employers' representatives will be appointed from the most representative of employers' associations. Likewise, workers' representatives shall be appointed from the most representatives of trade unions.

The Proclamation also states that the Minister assigns a secretary and other necessary staff to the Board. Members and alternate members of the Board will serve on part-time basis without payment despite the fact that the Minister may fix standard fees for attendances at meetings of the Board.

Members and alternate members of the Board are appointed for a term of three years; however, in making the initial appointments, the terms of one, two and three years, respectively, shall be specified. This is done to make sure that in each subsequent year the terms of not more than one-third of the members and alternate members then serving will expire in any one calendar year. According to the Proclamation, the Minister can fire a member in case of negligence of duty or

wrongdoing while in office, and will arrange for the appointment of a substitute for the remaining term.

4.2.2.3 MEETINGS

In the absence of the Chairman during Board meetings, a Board member designated by him as Acting Chairman will chair the meetings. If there is no such as designated member, the most senior Board member will serve as Acting Chairman. If a member is absent at a Board meeting, the Chairman can designate an alternate member to replace the absent member at such meetings. An alternate member designated in such meetings will be considered as a member for the meeting.

At least three Board members are required to be present for such meetings to take place. However, a minimum of one member representing workers and one member representing employers should be among those present. The Board passes decisions by a majority vote of those present. If a tie occurs, the Chairman will have a casting vote.

Each decision of the Board will be signed by all members present. After approval by the Board, the minutes of meetings will be certified by the secretary. The signed minutes will then be the official record of the meetings.

4.2.2.4 POWER OF THE BOARD

In order for the Board to conduct an effective investigation into complaints under the proclamation, it has been granted a number of powers by the Legislature. According to the Proclamation, the Board will have the power to hear labor disputes on matters specified in subsection (1) of section 142, to reconcile the parties and to give any orders and decisions. To hear cases submitted to it by one of the disputing parties after they fail to reach an agreement in accordance with subsection (3) of section 142; and to hear cases on prohibited actions referred to in section 160. It is also mandated to require any person or organization to submit information and documents required by the Board to carryout of its duties. to require parties and witnesses to appear and testify at hearings; to administer oaths or take affirmations of persons appearing before the Board and examine any such persons upon such oath or affirmation; to enter the premises of any working place during working hours in order to obtain relevant information, hear witnesses or to require the submission of documents or other articles for inspection from any person in the premises.

While such visits are planned, the person in charge of the premises will be given reasonable advance notice, except in cases of emergency. The orders and decisions of the Board are considered as those decided by civil courts of law.

4.2.2.5 RULES OF PROCEDURE

The Board is mandated to issue its own rules of evidence and procedure.

4.2.2.6 FILING AN APPLICATION OR COMPLAINT

The Labour Relations Board Rules require that every proceeding before the Board be commenced by the filing of an application or complaint in writing. This application or complaint should outline the nature of the case and the remedy that is being requested from the Board.

Once an application or complaint is received, the Board will make sure all parties affected are notified and invited to make submissions.

Depending on the nature of the specific application, the Board may appoint a committee to investigate the application or complaint. Once the committee has completed the investigation, a detailed report is filed with the Board. These reports are made available to involved parties unless they contain information about whether or not a person is a member of a union. Such information is confidential.

Since the Board may make its decision on the basis of the submissions of the parties and the officer's report, that report is a valuable tool in the Board's decision-making process. For that reason, the cooperation of the parties in providing the officer with all relevant information is of great assistance to the Board in the resolution of disputes.

4.2.2.7 HEARINGS

Concerning hearings, the Board shall notify the parties involved and afford them an opportunity to be heard before giving decisions. The parties involved will be given at least three days advance notice of hearing. The notice will include details about the date, hour and place of the

hearing. The Board can proceed with the hearing even though any of the parties or any other person properly summoned to appear at a hearing fails to appear at the fixed time and place.

The Board will make all hearings public unless the Chairman prohibits it for a good cause. The nature of the application and evidence will determine if an oral hearing is needed. If the Board feels an oral hearing is necessary, it will notify all concerned parties of the time and place for the hearing. Hearings are usually held at the Board's offices but, a hearing can also be held at some other location closer to the matter under consideration.

If the failure to appear was not the fault of the person involved, the Board will give the person a second opportunity to appear before it. As long as the Board's decision is given in accordance with subsection (2), appeals on the ruling may not be accepted.

Parties notified to appear at the hearing including trade unions, employers' associations and others can be represented by their authorized representatives or appointed legal counsel. The Board has the right to limit the number of such representatives who may actively participate in a hearing on behalf of any single party.

4.2.2.8 CONSIDERATION OF MATTERS

The Board will try to settle labor disputes submitted to it, through agreement. To achieve that, it will use all appropriate means of reconciliation. In appropriate circumstances, the Board can also consider not only the interest of the parties immediately concerned but also the interest of the community to which they belong. It can also consider the national interest and economy as well, and hence it may call on the Government to intervene by as *amicus curiae*. In reaching any decision, the Board will take the substantial merits of the case into consideration, and may not need to follow the principles of substantive law followed by civil court.

4.2.2.9 DECISIONS

Regarding decisions, the Board shall give its ruling within 30 days from the date on which the claim is lodged. Decisions of the Board will be made in writing and will be signed by the Board members who agree with the decision. Opposing opinions will also be made in writing and signed by the member who disagrees.

Any judgment of the Board will contain the issue or controversy submitted for decision. The substance and source of relevant testimony and evidence received during the proceedings; the findings and the evaluation of the evidence which leads the Board to make such findings; the determination of each issue or dispute; and the action to be taken on the basis of such determination. The parties involved will receive a copy of the Board's decision within five days from the date of the ruling.

4.2.2.10 EFFECT OF DECISIONS

Depending on article 154 of the Labor Proclamation, each decision of the Board will have immediate effect. If the decision of the Board is related to working conditions, it shall be a term of the contract of employment between the employer and the worker concerned. Hence, the terms and conditions of employment to be observed and the contract will be adjusted according to its provisions.

4.2.2.11 FINALITY OF THE BOARD'S FINDINGS OF FACT

All findings of facts made by the Board will be final and conclusive.

4.2.2.12 APPEAL

In any labor dispute case, an appeal may be taken to the Central High Court by an upset party, within thirty days after the party has been informed of the decision, if the party has issues on a law materially affecting a final board decision.

If the court receives an appeal and determines that the Board made a mistake on a question of law and that the error materially affected the Board's decision, the court shall send the matter to the Board for further action with or without detailed court directions. However, the court will not itself reverse, modify or amend the Board's decision. The court will decide on the matter and remand the case to the Board within thirty days from the date of the appeal lodged in accordance with subsection 2 of the section on appeal.

4.2.2.13 OFFENCES AGAINST THE BOARD

Anyone who degrades, ridicules, threatens or disturbs the Board or any of its members during the course of the Board's inquiry will face a punishment of simple imprisonment not exceeding six months, or with a fine not more than 1,000Birr. If the offence is not committed openly or during open hearing, the punishment shall be a fine of not more than 500Birr, except in more serious cases.

Proceedings of the Board will be considered "quasi-judicial proceedings", meaning like judicial proceedings, and the Board will be considered as "a competent judicial tribunal" for the purpose of section 442 of the Penal Code. So, violations which are related to this will be punishable as specified in the Penal Code. The Board is also mandated to summarily punish any person who committed any offence described in this section.

4.2.2.14 ANNUAL REPORT

Concerning annual reports, the Board shall submit reports, which explain its activities, to the Minister.

4.2.3 THE CONFEDERATION OF ETHIOPIAN TRADE UNION(CETU)

The CETU was mentioned by all interviewees, indicating its strong presence in Ethiopian labor relations. It is explained that the CETU was originally created to defend Ethiopian workers, whose rights and working conditions had been compromised under constitution, but according to interviewees it changed its priorities, became political, and weakened its commitment to defending all workers and representing state interests.

The respondents indicated that the close ties between the CETU and the government were one of the sources of their mistrust of the CETU: The CETU ... they are an entity of the government and not independent. They have people who belong to the union and also work for the government. The fact that CETU leaders are appointed by the government seemed to alienate the independent trade unionists from the organization. They felt there was no transparency in the organization. They considered the CETU members as untrustworthy and corrupt.

The interview results suggest the consequent permeation of skepticism and mistrust of government initiatives and the CETU among Ethiopian workers.

4.2.4 THE UNION IN ETHIO TELECOM AND THE GOVERNMENT

The interviewees interviewed in this study experienced their relationship with the government as problematic. They believed the government was using the law for its own interests and making it difficult for independent trade unions.

The interviewees also mentioned some problematic areas in their relationship with the government, such as an incident of the governments' interference in union affairs, trying to influence union leader selection. They pointed out that such interference was forbidden by law and the Constitution. They also expressed their strong mistrust as they felt the government negotiated only superficially with the union. They felt that they were sidelined by the government.

Political influence on trade unions is greater than trade unions' influence on political processes. This is according to interviewees, who stated that having a trade union whose leaders are supportive of a government can undermine workers' fundamental rights, as that union may not oppose government decisions which may impact workers' lives.

In spite of the fact that Ethiopia has ratified the eight core conventions of the International Labor Organization, there are problems in implementing these conventions. The Ethiopian labor law prohibited the unionization of civil servants and some other important section of the working class. Besides, the task of organizing workers who are eligible to form union is also the difficult one. In some cases, the law enforcement bodies are not able to do prompt justice.

4.3 ISSUES THAT AFFECT THE PERFORMANCE OF TRADE UNIONS IN ETHIO TELECOM

The Trade union under study face challenges as it carries out its day-to-day activities to ensure healthy and mutually beneficial relationship between employees and employers. Respondents stipulated that the challenges range from finance to low membership, and from heterogeneity of

the workforce to lack of members' interest, among others. Some of those issues have been explained below.

Finance

Financial capacity is a key for the effective functioning of trade unions due to the fact that the unions perform a variety of functions and organize programs which require enormous financial commitments. Hence, it is crucial for trade unions to strengthen their financial position.

However, the trade union in Ethio telecom, struggle financially as a result of expenditure which is unbalanced with their income. This weak financial position is affecting the functioning of the unions, besides curtailing their potentials. In relation to this, some hold the opinion that trade unions could be more effective if they focus on boosting the capacity of their organizations and building their financial stature.

Membership fee is the main source of income for the union in ethio telecom. Donations, sale of periodicals, etc also help the unions get additional income. On the other hand, the unions' expenditure covers a wide span of items including allowances to office bearers, salaries to office, annual meeting expenses, rents, stationery, printing, etc.

From the above, it is evident that the unions in Ethio telecom have weak balance sheets. The problem is worsened by the low rate of membership, which is explained further below.

Low membership

The average membership figure of union is low compared to the number of employees working in the enterprises/organization. Many employees either don't see the benefit of joining the trade union in the company, or they have no interest at all to be members of the union. Low membership rate affects not only the financial stature of the unions, but it also deprives them of the pool of expertise and creative ideas they could source from a broad membership base.

Heterogeneous nature of labor

Employees of a given organization come from all walks of life with different backgrounds, experiences and social status. Bringing such heterogeneous workforce together in case of trouble is a daunting task for union. This also creates a favorable situation for the employers to exploit the workers and divide them along ethnic, and racial, among others.

Lack of Interest

Unfortunately, these days many employees are not interested in uniting under trade union and work for the common good. They usually don't see the benefits of joining the unions and playing active role to ensure their wellbeing. Even those who are members of trade unions do not show enough enthusiasm to act as union members. Such indifference could create a situation which can be exploited by members with self-serving interests or outside actors who want to influence the trade unions to their advantage.

Absence of paid office bearers

Due to limited financial capacity, the union does not have full-time staffs who handle the day-to-day activities of the union. Those who serve the union on a part-time basis do not have enough vigor to advance the causes of the union diligently. This obviously affects the effectiveness of the unions in fulfilling the mission they are established for.

Illiteracy

Some illiterate workers, such as laborers, do not fully understand the implications and benefits of organizing under trade unions. Their illiteracy together with the resulting unawareness and indifference pave the way for the erosion of their rights, which in turn exposes them for exploitation.

CHAPTER FIVE

FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1. SUMMARY OF MAJOR FINDINGS

The aim of this study is to assess and explore the practices, challenges and prospects of trade union in ethio telecom. To meet this objective in detail, the following research questions were raised.

1. What are the practices of trade union in ethio telecom?
2. What are the contributions of trade union under study towards protect the interest of both employer and employees?
3. What affect the performance of trade unions in ethio telecom?

The study employed descriptive research and conducted in ethio telecom in legahar branch. Accordingly, the branch was selected through judgmental sampling technique employees through availability sampling, officials through purposive sampling. Thus, the subjects of the study were an official from trade union, 15 staffs from the aforementioned organization.

Interviews and Document analysis were used to obtain data from respondents. The data obtained through interview and document analysis were analyzed. consequently; the following major findings were obtained from the results of the data analysis.

5.2. CONCLUSIONS

Based on the findings of the study the following conclusions were drawn.

As far as practices of trade unions in ethio telecom is concerned, so far, much effort has been done by the government to develop a policy towards trade unions. Availability of such legal instrument helps the continuous development and support for the practice of trade unions in the company under study.

The union in ethio telecom aimed at fulfilling a common goal of promoting and sustaining welfare of its members to securing fair wages to workers, safeguarding security of tenure and improves conditions of service, enlarging opportunities for promotion and training, improving working and living conditions, providing for educational, cultural and recreational facilities, among other things.

The most important factor that motivates non-union members to become union member is whether his or her colleagues at the workplace are members of a trade union. Other reasons included job security, better wages and better welfare facilities and to minimizing grievances. But Union members looked up to the union in times of distress but gave very little of its time for union activities.

The study confirmed that the trade union in ethio telecom overwhelmed with various problems. Among the many the major ones are the following: politicization of the union, small size and low membership, financial weakness, and lack of welfare facilities for the members, weak bargaining power, and dependence on outside leadership. This vicious circle has adversely affected their status and bargaining power of the union.

5.3. RECOMMENDATIONS

Based on the findings obtained and the conclusions drawn the following suggestions

The government should improve financial and organizational capacity, collective negotiating and bargaining power of the trade union and improve the unions' mobilizing capacity and influence. In addition, accept advice from the trade union. In doing so the welfare of the employee will be improved and there will be improvement on work performance for growth and sustainability of the company.

In addition, reforming regulatory framework of employment and labor relation in order to increase independent functioning of trade unions since some of the trade union leaders are the political appointees.

The trade unions should frequently provide education and training to the employees about their working rights and their rights from being a member of a union. This will prepare them enough for good grounds for demanding where their rights have been denied by their employers. There should be strong trade unions that can resist policies and programmers that seek directly or indirectly to reduce their power in order to constantly help members to prosper.

Trade unions should explore ways to increase their income and address the financial problem they are grappling with. The unions should pay prime attention to this issue as finance is a key determinant of their success. They should see if there are ways for them to invest their savings in areas where they can enjoy maximum financial gains. For instance, they can engage in offering café and restaurant services to workers within the premises of the organization/enterprise. Other similar investment opportunities with promising returns should also be explored to generate more income for the trade union.

Trade unions should also make efforts to increase their membership base and hence enjoy better prospect of growth and fulfillment of their goals. To achieve this, they should do aggressive campaigns among employees, highlighting the benefits employees will gain as they work together for the common good. The unions should also raise employees' awareness regarding the benefits of unity and also provide incentives to attract more members. With more members, the unions will stand better chance of success as they strive to meet their goals.

Trade unions should also instill a sense of unity among employees by focusing on the attributes that they share in common. Such efforts will help the unions to rally their members behind a common cause and ultimately achieve better benefits for the employees and ensure sustainable industrial peace.

Trade unions should also engage in welfare measures for the members and contribute their share in discharging social responsibilities. The social responsibility initiatives should go beyond the limited constituencies of the unions as much as possible.

Employees should actively participate in trade union and always present their problem to the union as soon as possible in order to avoid unnecessary delay of solutions. Workers should actively involve in election and appointment of committed leaders to their union who could stand for the interests of members.

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ANNEX I

Interview Questions for management bodies

1. What are the major legal instruments for trade unions in our country?
2. Is there collective agreement in your company?
3. What are the functions of the union?
4. Explain the Collective bargaining Representation, Advisers in the corporation?
5. What is the Subject matter of a collective agreement and the Contents?
6. Explain the Procedure for collective bargaining?
7. Explain the Registration of collective agreement and the Accession?

ANNEX II

Interview Questions for employees

8. What is the Contribution of trade unions in your company?
9. What are the duties and responsibilities of employee representatives?
10. How do you evaluate The Confederation of trade union?
11. How do you evaluate the union in ethio telecom and the government?
12. What are the Issues that affect the performance of trade unions in the company?

ANNEX III

Interview questions for officials of the trade union

13. explain the labor relations board
14. How it is established, it's Composition and it's Meetings?
15. Explain Power of the Board, Rules of procedure, hearings?
16. Explain Consideration of matters, decision, and effect of decision?
17. Explain Finality of the Board's findings of fact and Appeal?
18. Explain Offences against the Board and Annual report?