

**IMPACT OF TRADE UNION ON IMPROVING EMPLOYEES WORKING
CONDITIONS: THE CASE OF COTWU AND TUGHE**

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF
REQUIREMENTS FOR THE AWARD OF DEGREE OF MASTER OF
BUSINESS ADMINISTRATION OF THE OPEN UNIVERSITY OF
TANZANIA**

2013

CERTIFICATON

The undersigned certifies that he has read and here by recommends for examination a Dissertation entitled “Impact of trade union on improving employees working conditions: The case study of COTWU and TUGHE” in partial fulfillment of the requirement for the award of the degree of Master of Business Administration of the Open University of Tanzania

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I, Ismail Mbwana Ibrahim, hereby declare this research report titled “The Impact of Trade Union on Improving Employees Working Conditions: The case of TUGHE and COTWU”. Is my own work to the best of my knowledge and effort and it has not been submitted for an award in other institution of higher learning.

Signature.....

Date.....

ACKNOWLEDGEMENTS

I thank the Almighty Allah that was enabled to accomplish all these achievements. I am heartily thankful to my supervisor Dr. William Pallangyo, whose encouragement guidance support from the initial to the Final level enabled me to develop on understanding of the subject and to make this project paper success. Lastly, I offer my regards and blessings to all of those who supported me in my aspect during the completion of the dissertation.

ABSTRACT

Labour Union are legal organizations that consist of a group workers who have banded together to bargain with employers on behalf of workers. The primary role of labour unions is to fight for better rights, working condition, wages, hours and benefits for workers. The aim objective of this study was to assess the impact of trade Union on improving employees working conditions. This objective was achieved by studying the roles of trade Unions and the problems faced employees in their working areas. Questionnaire, personal interview and examination of existing record was the basic research design used to gather the necessary data. The study was conducted at Tanzania Union of Government and Health Employees (TUGHE) and Communication and Transport Workers Union (COTWU) due to the fact that most head quarters of the trade unions, Organizations and business activities are located in Dar es Salaam. The study population of the organization selected the staff from middle, lower and operation level of management at TUGHE and COTWU and also to different workers from different organizations. The findings indicated that problems facing employees in their working areas are lack of enough salary, Trade unions to side with employers, and lack of formal contract and the roles of trade unions on improving employees working conditions are negotiating collective agreement, representing workers at disciplinary and grievance, informing and consulting, setting basic labour standards. The overall study concluded that to a certain extent labor union help to improve working conditions of the employees but still has to make a number of efforts to improve its activities including brand development, to adopt their working agenda, to follow the example of Sweden, should be more active in aiding unemployed.

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ABBREVIATION

TFL	:	Tanganyika Federation of Labour
TANU	:	Tanganyika African National Union
NUTA	:	National Union of Tanganyika Workers
FATU	:	Federation of Revolutionary Trade Union
JUWATA	:	Jumuiya ya Wafanyakazi Tanzania
OTTU	:	Organization of Tanzania Trade Union
TFTU	:	The federation of Free Trade Union
TUCTA	:	Trade Union Congress of Tanzania
ZATUC	:	Zanzibar Trade Union Congress
TUGHE	:	Tanzania Union of Government and Health Employees
COTWU	:	Communication and Transport Workers

CHAPTER ONE

1.0. INTRODUCTION

This chapter focuses on the back ground of the study, statement of the problem, the purpose of the study, objective of the study, significant and scope of the study.

The study concentrated on the impact of trade unions in improving employee working conditions. It was carried out at Union of Government and Health Employees (TUGHE) and Communication and Transport Workers Union (COTWU). The study explains what type of commitment the trade unions have towards employees, their contribution and how they help to improve the employee working conditions.

Trade Unions have to be involved in solving the employee's problems at their work places. Trade unions play important roles and are helpful in enhancing effective communication between the workers and the management. They advices workers and management to ensure that the differences of opinion do not turn in to major conflicts. The central function of a trade union is to represent workers; however they have a wider role of protecting the interests of workers.

Trade Unions in Tanzania have a membership of approximately 370,000 workers with the majority belonging to the Trade Union Congress of Tanzania (TUCTA), which is the national Trade Union centre, formed in 2000 after the dissolution of the Tanzania Federation of Free Trade Unions (Bebeiya, 2011). The Trade Union Act of 1998 allowed the Trade Unions to be Independent of the government. A Trade Union can be formed with twenty workers must be register with the registrar of

Trade Unions within six months of formation.

1.1 Background of the Study

Trade Unionism first arose in England, where industrial revolutionism first developed. And afterward it spread to other countries. In United States the abundance of free unoccupied land, open to settlers, made a shortage of workers in the towns and relatively high wages and good conditions. The American Federal of Labour become a power in the country, and generally was able to uphold a relatively high standard of living for the workers who were organized in its unions

It is clear that under such conditions the idea of overthrowing capitalism could not for a moment arise in the minds of workers. Capitalism offered them a sufficient and fairly secure living. They did not feel themselves a separate class whose interests were hostile to the existing order, they were part of it, they were conscious of part taking in all the possibilities of an ascending capitalism in a new continent. There was room for millions of people, coming mostly from Europe. For these increasing millions of farmers, a rapidly increasing industry was necessary, where with energy and good luck, workmen could rise to become free artisans, small business men, even rich capitalists. It is natural that here a true capitalist spirit prevailed in the working class(Pannekoek, 1936).

Labour Movement World Wide is struggling with the challenges posed by a global economy. Union bargaining power has eroded and workers' rights

mean more on paper than they do on the shop floor. But if trade union activists from far-flung countries could jointly grapple with the big question stopping what they perceive as the juggernaut of corporate power is one then they stand a chance of shaping a world that reflect the interest of workers and their families. And just what would those interests be? For starter, sustainable development, social justice, Democratic governance, and international solidarity.

Indeed, these are the four pillars around which the Cornell Global Labour Institute (GLI), based at ILR, is building its agenda. Since its inception in 2004, GLI has organized dozens of conferences, forums and seminars that focuses on the many ways the Changing global economy affects workers and unions. It has brought together American union leaders and colleagues from other parts of the world, hosted foreign political dignitaries and given four groups of Chinese labour leaders a crash course on unions in the American work place.

1.2 Trade Unions in Tanzania

The Tanzania have a total membership of approximately 370,000, 350,000 of these belong to the Trade Union Congress of Tanzania , another 15,000 to the Zanzibar Trade Union Congress, (1) and 2,400 are members of the Tanzania Fishing Crew and Allied Workers Union. The first Tanganyika trade union, the Motors Driver's Union, was founded in 1927, In 1937, Asian workers founded the Asiatic Labour Union, leading to the founding of numerous unions in the country. These early organization

were not, however, involved in many industrial conflicts, their primary activity being the organizing of mutual help among its members (Bebeiya, 2011).

The roots of the modern Tanzania labour movement reach back to the 1940s. By 1947, five unions had been registered with the authorities. The colonial government reacted to the creation of unions in Tanzania by enacting laws which allowed it to keep tabs on the movement – for example, the registration of unions became obligatory. Nonetheless, the labour movement grew, by 1956 there were 23 organizations with a total of nearly 13,000 members.

1.3 Statement of the Problem

Today there are more than 10 Trade Unions in Tanzania; some of them are in the public sectors and others in the private sectors. Recently about 27% of the formal workers are members of Trade Unions. Despite of being members in trade unions still workers are complaining about their poor working conditions. This study aimed to investigate the impact of Trade Unions in improving employees working conditions.

1.4 Objective of the Study

1.4.1 General Objectives

The general objective of this study was to assess the impact of Trade Unions in improving employees working conditions.

1.4.2 Specific Objectives

- 1.) To identify the problems faced employees in their working areas

- 2.) To assess the roles of Trade Unions in improving employees working conditions

1.4.3 Research Questions

- 1.) What are the problems faced employees in their working area
- 2.) What are the roles of Trade Unions in improving employees working conditions

1.4.5 Significance of the Study

Firstly the study will provide guidelines to Tanzanian the Trade Unions leaders, which will make them realize their weak points in dealing with employees affairs then so that leaders see how they can make some improvement. Secondly the study it will help the decision makers such as government to review the existing policy for efficient performance of trade union. Thirdly the study will provide secondary data for any one who will be interested to carry research on the impact of trade union on improving employees working conditions. And lastly this study will add more knowledge to the existing literatures on Trade Unions as well as equipping researchers with needed research skills.

1.4.6 Scope of the Study

This study is concerned with the impact of Trade Union in improving employees working conditions. The study was conducted as a case study in some selected organization in Dar es salaam region, namely Tanzania union of government and health employees (TUGHE) and communication and transport workers union

(COTWU). The reason behind was that the site was conducive for researcher
interms of cost and time management.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

Trade Unions are voluntary employee organizations in work places. They protect the interests of the worker through joint action and look after their well being. Trade Unions have become an integral and powerful factor in the contemporary system of production and distribution of goods and services. A Trade Union is an organized group of workers. Its main goal is to protect and advance the interests of its members.

According to Cole (1938). A Trade Union is the association of workers in one or more professions an association carried on mainly for the purpose of protecting and advancing the members economic interests in connection with their daily work. According to Webb (1894). A Trade Union is a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives. There are several models discussed how the trade unions works these models include, Labour demand curve model, The efficient bargain model, and monopoly union model.

2.2 Labour Demand Curve Model

In this model union and employer negotiate the wage but employment is determined Unilaterally by the employer.

Given wage, employment will be where $MRP = W$.

But what will be the wage?

Consider extreme case where union has all the bargaining power.

Will choose point on labour demand curve that gives highest utility.

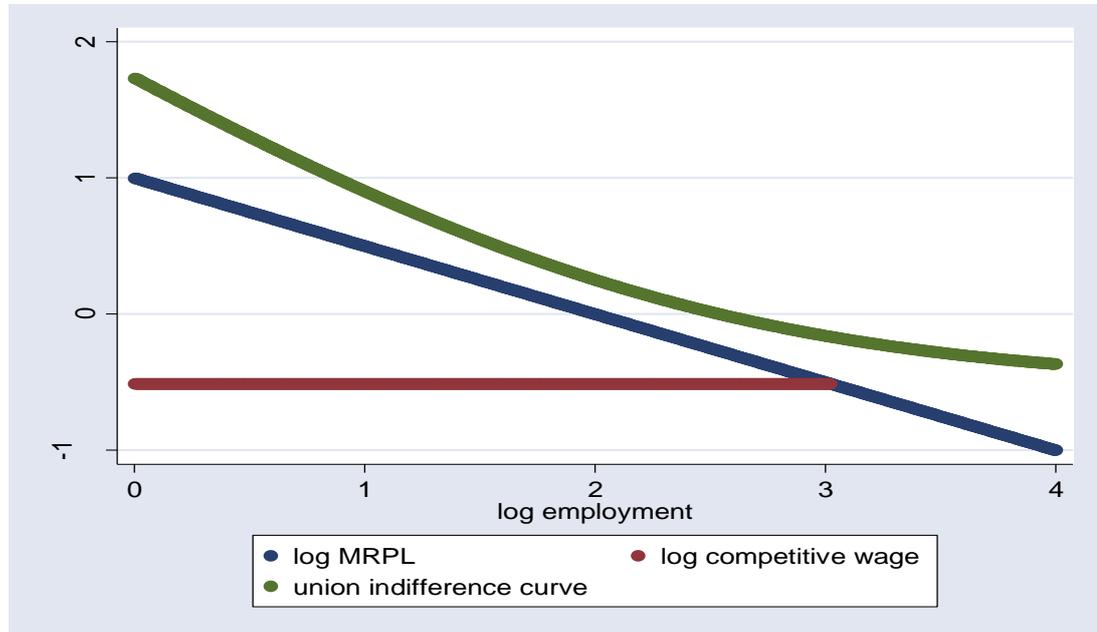


Figure 2.1: Labour Demand Curve Model

Source: Survey Data (2012)

i) What determine how high this wage will be?

One can show that the wage will be lower

The more sensitive is labour demand to the wage (the higher the wage elasticity of labour demand) a high elasticity makes tradeoff between wages and employment less attractive.

The more the union cares about employment relative to the wage.

Between the extremes

What happens if we have some distribution of bargaining power between union and employer between the two extreme we have discussed?

It should not be hard to see that we will have some outcome on the labour

demand curve between the extremes and that the wage will be lower.

In the labour demand curve model

Unions raise wages.

Unions reduce employment.

Unions reduce profits.

In a model with capital they would also reduce investment (Andrew, 1985).

2.3 The Efficient Bargaining Model

In this model union and employer negotiate both the wage and the employment.

The labor demand curve model is based on a realistic set of assumptions.

The criticism is that the outcome has unexploited gains from trade.

2.3.1 Implications

At the monopoly union outcome, the firm is iso-profit curves and union indifference curves are not tangential. Both parties could be made better-off by swapping a reduction in the wage for some increase in employment away from the labour demand curve. The efficient bargaining model makes both wages and employment the subject of bargaining. Leads to an outcome in which all gains from trade are exploited and union indifference curve and firm iso-profit curve are tangential. There are many such points differing in the distribution of resource between employer and union (Wallace & Hendricks, 1999).

2.4 Objective of Trade Unions

Trade Unions are formed to protect and promote the interests of their members.

Their primary function is to protect the interests of works against discrimination and

unfair labor practices. Trade unions are formed to achieve the following objectives.

2.4.1 Representation

Trade Unions represent individual works when they have a problem at work. If an employee feels he did not being unfairly treated, he can ask the union representative to help sort out difficulty with the manager or employer, Unions also offer their members legal representation. Normally this is to help people get financial compensation for work related injuries or to assist people who have to take their employer to court.

2.4.2 Negotiation

Negotiation is where union representatives, discuss with management, the issues which after people working in an organization. There may be a difference of opinion between management and union members. Trade Unions negotiate with the employers to find out a solution to these differences. Pay, working hours, holidays and changes to working practices are the sorts of issues that are negotiated. In many workplaces there is a formal agreement between the union and the company which states that the union has the right to negotiate with the employer. In these organizations, unions are said to be recognized for collective bargaining purposes.

2.4.3 Voice in Decisions Affecting Workers

The economic security of employees is determined not only by level of wages and duration of their employment, but also by the management's personal policies which include selection of employees for layoffs, retrenchment, promotion and transfer. These policies directly affect workers. The evaluation criteria for such

decisions may not be fair. So, the intervention of unions in such decision making is a way through which workers can have their say in the decision making to safeguard their interests.

2.4.4 Education and Training

Most unions run training courses for their members on employment rights, health and safety and other issues. Some unions also help members who have left school with little education by offering courses on basic skills and courses leading to professional qualifications.

2.4.5 Legal Assistance

As well as offering legal advice on employment issues, some unions give help with personal matters, like housing, wills and debt.

2.4.6 Financial Discounts

People can get discounts on mortgages, insurance and loans from unions.

2.4.7 Welfare Benefits

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 (David, 2009).

2.5 Functions of Trade Unions

Trade Unions perform a number of functions in order to achieve the objectives. These functions can be broadly classified into three categories, Militant function, Fraternal Function, and Social Function.

2.5.1 Militant Function

One set of activities performed by trade unions leads to the betterment of the position of their members in relation to their employment. The aim of such activities is to ensure adequate wages secure better conditions of work and employment get better treatment from employers, etc. When the unions fail to accomplish these aims by the method of collective bargaining and negotiations, they adopt an approach and put a fight with the management in the form of go-slow tactics, strike, boycott, etc. Hence, these functions of the trade unions are known as militant or fighting. Thus, the militant functions of trade of trade unions can be summed up as: To achieve higher wages and better working conditions ,to raise the status of workers as a part of industry and to protect labors against victimization and injustice (Robert, 2001).

2.5.2 Fraternal Function

Another set of activities performed by trade unions aims at rendering help to its members in time of need, and improving their efficiency. Trade unions try to foster a spirit of cooperation and promote friendly industrial relations and diffuse education and culture among their members. They take up welfare measures for improving the morale of workers and generate self confidence among them. They also arrange for legal assistance to its members, if necessary. Besides, these, they undertake many welfare measures for their members, e.g., school for the education of children, library, reading-rooms, in-door and out-door games, and other recreational facilities. Some trade unions even undertake publication of some magazine or journal. These activities, which may be called fraternal functions, depend on the availability of the funds, which the unions raise by subscription from members and donations from

outsiders, and also on their competent and enlightened leadership. Thus, the fraternal functions of trade unions can be summed up as, to take up welfare measures for improving the morale of workers, to generate self confidence among workers, to encourage sincerity and discipline among workers to provide opportunities for promotion and growth, and to protect women workers against discrimination ((Robert, 2001).

2.5.3 Social Function

Besides the main economic functions consisting basically of organizing unions and improving their terms and condition of employment to enable workers to meet their physical needs, some unions have no started undertaking and organizing welfare activities and also proving variety services to their members and sometimes to the community of which they are a part, which may be grouped under following. Welfare activities, education, scheme and procedure for redressing their grievances, publications and research.

Welfare activities provided to improve the quality of work life including organization of mutual fund, cooperative credit societies for proving housing, cooperative stores, cultural programmes, banking and medical facilities and training for women in various crafts to help them supplement their family income.

Education; Education of members in all aspects of their working life including improving their civic life, awareness in the environment around them, enhancement of their knowledge particularly in regard to issues that concern them, their statutory and other rights and responsibilities, workers, participation in management.

Scheme and procedure for redressing their grievances. Some central union organizations are also assisting the Government in implementing the Worker's Education Scheme. Publication of periodicals, newsletters or magazines for establishing communication with their members, making the latter aware of union policy and stand on certain principal issues and personnel matters concerning members, such as births, deaths, marriages, promotion and achievements.

Research; Of late, this is gaining importance and is intended mainly to provide updated information to union negotiators at the bargaining table. Such research is to be more practical than academic, concerning problems relating to day-to day affairs of the union and its activities and union and management relations. Some of the research activities are, collection and analysis of wage data including fringe benefits, and other benefits and services through surveys of comparative practices, data on working conditions and welfare activities, preparation of background notes for court cases and also position papers for union officials, collection and analysis of macro data relating to the economy, industry sectors etc. All the above mentioned activities and services are considered normal activities of unions in the Trade Unions Act which stipulates the objectives on which general funds of the union can be spent (Sufrin, 1961).

2.5.4 Political Function

These functions include affiliating the union with a political party, helping the political party in enrolling members, collecting donations, seeking the help of political parties during the periods of strikes and lockouts (Prasad, 2009).

2.6 The Importance of Trade Unions

The important forces that make the employees join a union are as follows:

2.6.1 Greater Bargaining Power

The individual employee possesses very little bargaining power as compared to that of his employer. If he is not satisfied with the wage and other conditions of employment, he can leave the job. It is not practicable a great financial and emotional burden upon the worker. The better course he is to join unions that take concerted action against the employer. The threat or actuality of a strike by a union is a powerful tool that often causes the employer to accept the demands of the workers for better condition of employment.

2.6.2 Minimize Discrimination

The decisions regarding pay, work, transfer, promotion, etc. are highly subjective in nature. The personal relationship existing between the supervisor and each of his subordinates may influence the management. Thus, there are chances of favoritisms and discriminations. A trade union can compel the management to formulate personnel polities that press for equality of treatment to the workers. All be labour decision of the management are under scrutiny of the labour union. This has the effect of minimizing favoritism and discrimination.

2.6.3 Sense of Security

The employees may join unions because of their belief that it is an effective way to secure adequate protection from various types of hazards and income insecurity such as accident, injury, illness, unemployment, etc. The trade union secure retirement

benefits of the workers and compel the management to invest in welfare services for the benefit of the workers.

2.6.4 Sense of Participation

The employees can participate in management of matters affecting their interests only if they join trade unions. They can influence the decisions that are taken as a result of collective bargaining between the union and the management.

2.6.5 Sense of Belongingness

Many employees join a union because their co-workers are the members of the union. At times an employee joins a union under group pressure; if he does not, he often has a very difficult time at work. On the other hand, those who are members of a union feel that they gain respect in the eyes of their fellow workers. They can also discuss their problem with the trade union leaders.

2.6.6 Platform for Self Expression

The desire for self-expression is a fundamental human drive for most people. All of us wish to share our feelings, ideas and opinions with others. Similarly the workers also want the management to listen to them. A Trade Union provides such a forum where the feelings, ideas and opinions of the workers could be discussed. It can also transmit the feelings, ideas, opinions and complaints of the workers to the management. The collective voice of the workers is heard by the management and give due consideration while taking policy decisions by the management.

2.6.7 Betterment of Relationships

Another reason for employee joining unions is that employees feel that unions can fulfill the important need for adequate machinery for proper maintenance of employer – employee relations. Unions help in betterment of industrial relations among management and workers by solving the problems peacefully.

Working conditions refers to the working environment and aspects of an employee's terms and conditions of employment. This covers such matters as: the organization of work and work activities; training, skills and employability; health, safety and well being and working time and work-life balance. Pay is also an important aspect of working conditions, although Article 153 of the Treaty on the Functioning of the European Union (TFEU) excludes pay from the scope of its actions in the area of working condition (Macaray, 2008).

2.7 Theoretical Review

There is no one theory of Trade Unionism, but many contributors to these theories are revolutionaries like Marx and Engels, Civil servants like Sydney Webb, academic like Common and Hoxie and labour leader like Mitchall. Important theories of trade unionism are as follows.

2.7.1 Political Revolutionary Theory of Labour Movement of Marx and Engels

This theory is bases on Adam Smith's theory of labour value. Its short run purpose is to eliminate competition among labour, and the ultimate purpose is to overthrow

capitalist businessman. Trade union is pure simple a class struggle, and proletarians have nothing to lose but their chains and they a world to win. (Ashenfelter,1969).

2.7.2 Webbs Theory of Industry Democracy

Webb's book 'Industry democracy' is the Bible of trade unionism. According to Webb, trade unionism is an extension of democracy from political sphere to industrial. Webb agreed with Marx that trade unionism is a class struggle and modern capitalist is a transitional phase which will lead to democratic socialism. He considered collective bargaining as the process which strengthens labour. Cole's Theory of Union Control of Industry: Cole's views are given in his book "World of Labour" 1913. His views are somewhere in between Webb and Marx. He agrees that unionism in class struggle and the ultimate is the control of industry by labour and revolution as predicted by Marx.

2.7.3 Common's Environment Theory

He was skeptical of generalizations and believed only that which could be proved by evidence. He agreed that collective bargaining was an instrument of class struggle, but he summarized that ultimately there will be partnership between employers and employees (Prasad, 2009).

2.8 The State of Trade Union in the World

Trade unions are unique organizations whose role is variously interpreted and understood by different interest groups in the society. Traditionally trade unions role has been to protect jobs and real earnings, secure better conditions of work and life and fight against exploitation and arbitrariness to ensure fairness and equity in

employment contexts. In the wake of a long history of union movement and accumulated benefits under collective agreements, a plethora of legislation and industrial jurisprudence, growing literacy and awareness among the employees and the spread of a variety of social institutions including consumer and public interest groups the protective role must have undergone, a qualitative change. It can be said that the protective role of trade unions remains in form, but varies in substance (socklic2004).

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 (socklik, 2004).

2.8.1 The Changing Environment of Trade Unions

Trade unions came of age during the second and third quarters of the twentieth century when they became significant forces influencing the course and content of economic progress among the industrial economies of the West. During that period, the unions built strong organizations to represent the interests of workers and they guided the development of numerous social institutions governing labor markets. In the process they delivered major outcomes through improved living standards, equity and justice to workers all over the world (Rubbery,2003).

The benefits which unions have gained for labor are embodied in the regulatory instruments and institutions of the industrial relations system that governs labor markets. Salient features of the system in the industrialized countries were, full-time employment, governed by an open-ended contract, collectively negotiated wage structure, social benefits to workers and their dependents distributed through the main income earner, control over working time and safety standards; Job security for a majority of workers(Jose,2002).

The institution of industrial relations has not been limited to the developed countries. Some variants emerged in the developing countries too. Where industrial workers in their capacity as pioneers among the ranks of an economically powerful middle class could claim numerous benefits including higher wages, better working conditions and social security benefits. They were politically important allies of the state, and were represented through unions active in regulated industries and public sector enterprises. The benefits they derived from employment were embedded in a “social pact” which set the terms of compromise between capital, organized labor and the state in sharing the national product.

Until the 1970s trade unions functioned in industrial societies within a framework mainly marked by the following feature; stable employment relations, a significant public sector, organized social actors, and common values shared by all the social partners. Following globalization, the above features underwent significant alteration during the pace of change may be listed as follows, technological progress and accompanying changes in the composition of the workforce, an increased supply

of new entrants into labor markets particularly women, the adoption of liberal economic policies by governments, and the practice of flexible labor market policies (jose,2002).

Technological changes made it possible to reshape production through new forms of industrial organization and the relocation of production platforms. They led to the disintegration of large work places and the rise of small, geographically dispersed units of productions. The changes also set in motion a polarization of the workforce into two distinct categories, traditionally less represented by the unions. At the higher end of the scale, workers tend to be better educated, career minded, individualistic and less motivated by class interests and solidarity. At the lower end are workers with fewer skills, who are marginalized, scattered and prone to exploitation. There has also been a significant increase in the supply of workers in urban labor markets, mostly on account of demographic changes. A large proportion of the new incumbents are women or migrants. The influx of women workers has mostly been into insecure and poorly paid work on export platforms and production chains, thereby accentuating inequalities within labor markets (Richarson, 2002).

Competitive pressures generated by globalization have led to a decline in the capacity of the state for resource mobilization and a government retreat from Keynesian approaches to full employment and expansionary economic policies. Besides, the historical alliance between the labor movement and social democratic regimes seems to have weakened over time. The new emphasis is on privatization and downsizing of public sector enterprises and on liberal economic policies to

encourage private enterprises in areas traditionally reserved for the public sector, (Danford, 2002).

Liberal economic policies coupled with supply side pressures have resulted in a widespread adoption of flexible labor market policies. Practices such as subcontracting, outsourcing and the hiring of temporary and part-time workers, long considered as atypical work, are becoming more common especially at the lower end of the labor market. The changes in the composition of the workforce and the adoption of flexible labor market policies have called into question the viability of several labor institutions upon which the unions have always relied. In the past, labor legislation and collective agreements embodying job security, wages and non-wage benefits have taken into account the requirements of a relatively homogeneous workforce that conformed to the post-war construct of a “normal employment pattern” characterized by full-time jobs and stable career trajectories. It became increasingly difficult for unions to defend these institutions as they come under attack by market forces (Jose, 2002).

New entrants at the higher end of the labor market are not necessarily inclined to support the normal employment pattern introduced by unions. At the lower end of the market, excess supply is reflected in the widespread use of non-standard employment relations including subcontracting, part-time, temperate and home-based work. The end result may have been rising wage inequality, eroding job-ladders, and in some countries, falling rates of health care coverage and declining value of social security benefits (Herezenberg,1998). As we see environment has

changed considerably and Trade unions should adjust their work agenda according to the changes. They should meet the new challenges of flexible work force, new entrants on the labor market (especially woman), government liberal economic policies etc.

2.8.2 Image and Level of Unionization of Trade Unions in the World

Public opinion is hostile to trade unions in most countries. The public is not against unionism in principle. It is against the way unions and union leaders function. The public image of union leaders is that they are autocratic, corrupt and indifferent to the public interest? Too much power, too little morality' sums up the public's assessment of unions. There have been many opinion surveys especially in the United States, which bring out the poor public image of trade unions.

In surveys which rank the confidence of the American public in fourteen institutions (as for example the army, church, Supreme Court, stock market, legal profession, industrialists, newspapers etc.) Trade unions have been consistently placed at the bottom of the list (Wood, 1998). There is a serious decline in union membership in most industrialized nations. There are two possible ways of looking at union membership figures. The first method is to simply add up all union members in a factory, office or country. This gives overall membership position. In the second method, the density of membership is calculated. Density is the percentage of union members in relation to total employment, for example, if unions have 50 members in a factory employing 100, the density is 50 percent. When the reference is to entire country, density is measured by comparing union members against total employment in all sectors. Density is generally accepted as a better indicator because it shows

not only how many are members but also how many are not.

Membership has dropped sharply in many European countries. In France, which is the worst hit, the density of union membership is now estimated to be a miserable 10 percent. In Holland, which is also badly affected, density is estimated at around 25 percent. In England the density of union membership is 44 percent. The picture is not very different outside Europe. In the United States, density has dropped to 16 percent. In Japan, it has dropped to 25 percent. In Indian, union density has been of a very low order i.e., 10 percent.

There are, however, some exceptions to this depressing trend. Trade union density in Sweden, the highest in the world, stands at an extremely impressive 91 percent the working population. (Figures are today actually a little bit lower, which will be further mentioned when analyzing Sweden) Trade unions in Sweden are most respected. They seek social, political and economic democracy. They participate at all levels of decision-making, national and local, and share in the administration of laws. The density in Denmark is 82 percent, and in Norway 63 percent, both very high by world standards (Socklic, 2004).

There are some 164 million trade-union members' world-wide making trade unions the world's largest 'social movement' by far. Even so, it represents little more than 1-in-20 of the World's 3 billion-plus workers. The rest often go underrepresented. There are wide variations in 'density'-the proportion of trade-union members to the labor force as a whole. Membership is usually concentrated in urban-industrial centers. In some countries where rural populations are large, like South Africa or

Brazil, trade-union density in industry is relatively high; in others, like India, it is low.

The principle trade unions rely on is the right of workers to pool their strength when negotiating with employers – ‘collective bargaining’. Many more people are covered by collective-bargaining agreements than belong to trade unions. In France 90% of employees are covered, though less than 10% belong to trade unions. This can cause resentment among trade-union members, who feel that non-members benefit from their efforts without taking any of the risks – or paying union dues.

In most of the rich countries – and particularly in Europe, when unions have been established longest – membership of trade unions has until quite recently been falling fast. But it has increased in the newly industrializing countries particularly in Asia, where most of the world’s manufacturing labor forces now work.

In the 1970s and 1980s unions were ‘militant’; strikes and lock-outs (when workers are refused entry to their workplace) were common. Since then, as corporate globalization has gathered pace and union membership has fallen, strikes and lock-outs have become much less frequent.

The decline of trade-union membership has accompanied massive – and largely unacknowledged – increases in unemployment. Official figures are notoriously ‘massaged’. They claim that in Canada, the UK and the US unemployment actually fell. Many ‘new jobs’ here are, however, poorly paid, part-time or casual – and many people are excluded from official unemployment registers. In the UK, for

example, there has been a massive increase in ‘incapacity’, which does not register as unemployment.

Table 2.1: Trade Union membership by Region in (1995) , (Ojqp, 2001).

Union members	(Millions)
Sub – Saharan Africa	10.0
North Africa & Middle East	7.3
North America	20.5
Central America	11.0
South America	22.4
Oceania	2.8
East and Southeast Asia	23.9
South Asia	10.5
Northern Europe	7.5
Western Europe	23.7
Southern Europe	10.1
Central and Eastern Europe	14
TOTAL	163.9

Source: Survey Data (2012)

Trade unions are the world’s largest organization, but it faces a serious decline in level of unionization. The decline is mostly present in developed countries, where new management practice of employers and new working environment has already been introduced. There is an increase in not developed or factor driven countries, where the old agenda of Trade unions still works. I believe the decline is mainly the

result of inability of Trade unions to adapt to new changes in the environment. Bad image is also a product of bad management of Trade unions and a result of bad brand building, which is by my opinion a neglected issue not only in Tanzania but world-wide. Nordic countries are the only developed countries that have a considerably high level of unionization, but even they are facing a decline in the recent years.

The study decided to analyze Japan, USA and Sweden Trade unions their work agenda, level of unionization and organization, because these three countries have different history, work practice and organization of Trade unions and are therefore they are the most suited for research.

2.9 Organization and Work of Trade Unions in USA

2.9.1 Organization of Trade Unions in USA

The American labor movement is organized rather liberally in contrast with union systems in other developed countries, for example Sweden or Japan. The American Federation of Labor – Congress of Industrial Organizations (AFL-CIO) is a central federation that consists of national unions and unites between 85 and 90 per cent of union members in the country. ‘The AFL-CIO serves as the chief political and public relations voice for the American labor movement, settles jurisdictional disputes among its members, enforces practices and policies against racial and sex discrimination, and is American labor’s main link to the international labor movement’. Yet national unions are the most influential players in the country’s labor movement. They have control over strike funds and the fundamental right of collective bargaining. Local unions are in charge of the routine work: they negotiate and bargain terms of new agreements, carry out strikes and manage social activities

between union members. Similar to other countries, the place where collective bargaining takes place is increasingly moving from nation-or industry-wide level to workplace level (Foster, 1980).

Nowadays, most of collective bargaining is conducted at the firm level, which now became ordinariness in manufacturing sector. Despite presence of national agreements (.e.g. in the automotive industry) there could be still large space for divergence on a local level (Sklyarenko, 2002).

2.9.2 Unionization in USA

US union membership is declining, and experts make contradicting forecasts and find various explanations for such a dramatic change. Presently, total union membership is only about 15 per cent of the union membership figure for 1983. In the private sector, only 11 per cent of employees are organized in unions and the figure is similar to that of the 1920s.

There are two basic reasons for the union density decrease. First reason is the competitive economic environment that emphasizes importance of labor costs reduction. And the second, American labor laws (unlike in other countries, say Japan or Sweden) give employers full rights to resist unionization. Therefore, faced with rapidly changing markets, technological developments and increasing interconnectedness of the global economy, unions' leaders have to deal with numerous issues of company competitiveness, job security, and adequate wages to provide maximum benefits for their members (Sklyarenko, 2002).

2.9.3 Role of Trade Unions in USA

The goals of American unions are said to be 'pure and simple', that is most commonly they debate with employers over higher pays and better hours and conditions of work. They are not interested in company management. In this regard, 'treaties with the boss' are common when unions negotiate and bargain over the issue that are most important to their members and, in exchange for employer concessions, they promise not to strike. According to a recent survey, when asked about top priorities of unions' activity 41% of employees in the sample have chosen pay rise, 22% reported winning greater respect and fair treatment and 14% favored gaining more influence on decisions in workplaces (Sidorenko,1999).

The study believe that USA Trade Unions are not the one to be benchmarked by Tanzanian Trade unions, because they have very little power and their work agenda is too simple, focusing only on bread and butter issues. The good thing with their organization is the umbrella Trade union The American Federation of Labor – Congress of Industrial Organizations (AFL-CIO), which has 85% membership of all branch Trade unions, which could by centralization of power make Trade unions in USA stronger. Decentralization to the level of factories reduces the strength of Trade unions to the minimum, which means in today business environment, that they can do as much as employers would let them to do.

2.10 Organization and Work of Trade Unions in Japan

2.10.1 Organization of Trade Unions in Japan

Japan's union organization is nearly unique in the world. Unlike in most other countries it is pivotal around enterprises not industries or crafts. Unions are

ordinarily formed within limits of one firm and called enterprise (company) unions. On the upper level enterprise unions join industry federations, which in turn are constituents of nation-wide political bodies such as Japanese unionism can be described as a three-tier system. At the bottom employees organized into enterprise unions which are in charge of negotiating factory floor issues such as wage rates, promotion redundancies, workplace safety, transfers and retirement. Industrial federations, which comprised of enterprise unions, represent a corresponding industry. They above all focus on such issues as increasing wages across-the-board.

Federations play a key role in determining agenda and decision-making in industry speaking via enterprise unions. In other words the process of negotiating depends on federations rather than on company unions. It is mainly due to the competitive nature of enterprise unions since they represent fiercely competing firms of the same industry. Federations serve as a kind of informal industrial self-regulating body, which creates a similarity of level playing fields. For instance, after informal negotiations with management and unions across firms in the industry, the federation makes decision of an average pay increase. Nation-wide organizations e.g. Rengo, Domei (Japanese Confederation of Labor), Zenmin Rokyo (Japanese Private Sector Trade Union Council), are responsible for negotiations with government officials and pursue their own political objectives (Sidorenko,1999).

In spite of significant changes in the economic environment, labor/management relations in Japan have not changed to any significant extent from the previous two decades. The basic characteristics of the company-based union, the seniority-based wage profile, the spring labor offensive that features annual wage talks early in the

year, long-term employment and workforce adjustments organized primarily within the internal labor market all continue to this day. Any increase in labor disputes typical of a low-growth economy has not yet been observed. It can be said the Japanese trade union movement has made few changes in its traditional style and practice. One reason could be the fact that divisions in the post-war labor movement, which persisted for years, have at last been overcome and most unions have been consolidated into the 8-million strong Rengo. For the first time, trade unions have shaped themselves into a stable social force.

Institutional changes in industrial relations remain minimal as a result of two factors. First, partnership and confidence between labor and management, which have developed steadily over many years, remains firm in the 1990s. This is the base of the Japanese corporate system, which forms a quasi-community for employees. Here, the accepted idea is that lay-offs only occur in marginal enterprises suffering persistent poor performance. Lay-offs, which are common practice in the United States, basically do not occur in Japanese companies. Second, Japanese employment and wage systems are not rigid by any means, contrary to what many observers erroneously report.

The internal labor market of a Japanese corporation, and the quasi-internal labor market including its affiliates, provide for employment adjustment based on moving workers to different jobs, training/relocation, and restraints on recruitment. Therefore, the mobility of the workforces is considerable. The pay system featuring seniority, which is not directly related to job type, serves to facilitate the mobility of

labor within the corporation. This makes it unnecessary for corporate management to resort to lay-off, so that normal practice is to retain employees (Sidorenko, 1999).

The social consensus and information sharing leading to wage determination through the spring labor offensive helped the Japanese economy recover from rampant inflation in the aftermath of the oil crises in the 1970s, because of its wage moderation effect. In the current serious recession and the deflationary pressures on the Japanese economy, the spring labor offensive serves to slow the deflationary spiral caused by the worsening employment situation and the decline in wage levels. The approach helps adapt wage levels to fluctuations in the economy and to inflation or deflation, and acts as a built-in stabilizer.

2.10.2 Unionization in Japan

The level of unionization is still relatively high despite continuous decline in membership (largely an international phenomenon). In absolute terms Japan's union membership is second in the non-communist world: 12.5 million in 1996 with total number of unions at 70.

In 1995 75.5% of large firms in manufacturing and 41.5% of medium firms were unionized against 89.3% and 44.9% in 1991 respectively. However, the union density is more or less stable: in the manufacturing sector 75% in 1995 and 72.8% in 1991 for large firms, the figures for medium companies are 68.3% and 67.3% respectively. Drop in unionization is largely attributable to the failure of unions to attract members from new firms (rather than because of decline in the existing ones) due to employees' low expectations of unions. The issue is also exacerbated by the

fact that a large and increasing number of part-time and temporary workers do not belong to company unions making it hard for unions to grow in the era of ‘actualization’ of labor markets (Sklyarenko,2002).

1.10.3 Role of Trade Unions in Japan

Although Japan has its share of conflicts between management and labor, strikes occurrence has been very little in recent years. Unions interact with employees on a joint consultation basis seeking for a consensus rather than pressing on with each other’s goals (Sidorenko,1999). Along with other factors is referred to the Japanese Model of industrial relations. The model assumes that a single trade union is recognized as a party with exclusive bargaining power, negotiations are focused on eliminating strikes (‘no-strike deal’), all workers have rights to participate in arbitration while management reserves rights of work organization This model is widely practiced in subsidiaries of Japanese companies all over the world, including US and Europe.

2.10.4 Challenges for the Future

Under the pressure of changes in the economic environment caused by globalization and innovations in information technology. Japanese business corporations are forced to adapt to the new situation. Companies faced with fierce international competition have implemented survival measures such as reorganizing management and restructuring the corporation. To cut labor costs many corporate managers press for changes in personnel administration to further enhance flexibility; they select out individual workers according to their capabilities and performance.

Rengo points out that in order to promote the development of capable staff and stable employment, corporate management should not sacrifice lifetime employment to a flexible labor market. Rengo also insists that in evaluating individual workers' capabilities and performance, the fairness of evaluation criteria should be ensured and workers' consent should be given. At the same time Rengo proposes that wage schemes should incorporate both a fair price for labor and the assurance of a stable cost of living. Furthermore, at the industrial union level, specific wage policy initiatives have been proposed, taking into account the situation of the individual industries, in an effort to match the revitalization of industries with improvements in employment and living conditions. Furthermore, at the level of the individual company-based union, the need for effective ways of promoting counterproposals to management plans is an important task (Sadahiko, 2002).

In this picture of strained industrial relations, a strategic choice will have to be made. In order to revitalize industry, with stable employment and improved conditions of work, trade unions are expected to exercise the power of organized labor and exert their intellectual and ethical capabilities.

2.11 Organization and Work of Trade Unions in Sweden

2.11.1 Overall Characteristics of Swedish Unionism

Trade unionism in Sweden has a number of special features. To a great extent these are common to all five Nordic countries (Denmark, Finland, Iceland, Norway and Sweden).

The most conspicuous are highlighted here: some of them distinguish Sweden from any other country. The uniquely high rate of unionization is the single most outstanding point. Union density rates are well above 80 per cent of the employed population. In some sectors they are over 90 per cent and increasing, not declining, until recently. Between 1990 and 1996 the overall figure rose from 80 to 83 per cent.

Another rather unusual phenomenon is that employers do not resist unions. Since a compromise was reached in 1906 between the then infant organizations on both sides, private sector employers belonging to the dominant Swedish Employers Federation, SAF, (*Svenska Arbetsgivareforeningen*), have accepted unionism. A cooperative attitude on the part of employers has prevailed ever since, despite some bitter conflicts. Unions have traditionally pursued a highly ideological agenda. The transfer of the means of production to society was long a stated goal of the dominant blue-collar federation of employees, the Swedish Federation of Trade Unions, *LO* (*Landsorganisationen i Sverige*).

Although that goal was never pursued with much determination, the transformation of Sweden into a welfare state based on political and economic democracy and on equality has been relentlessly pursued. However, and this is the outstanding feature, *LO* and its member unions have always maintained good lines of communication with their employer counterparts. This has enabled them to sign traditional collective agreements on wages and other terms and conditions of employment. It has also enabled them to negotiate master agreements on employer/worker cooperation on a

variety of issues, such as limitation of industrial action, health and safety at work, and gender equality (Fahlbeck, 2002).

In other words, one outstanding feature of Swedish unionism is its pragmatism in dealing with the employer community. Yet another outstanding feature is that unions look upon themselves as organizations with a mission, a kind of secular religion. Unions also see themselves as the guard of a better society. The task of unions is to help create this society and to lead their constituents into it. Closely related to the last characteristic is that inter – and intra-union disputes have always been rare (Fahlbeck, 2002).

Tradition is yet another characteristic which has its impact in today's level of unionization in Sweden and industrial relations generally. Existing unions can look back on an unbroken history since their foundation. LO celebrated its hundreds anniversary in 1998. It is much the same organization today as it was in 1988, only society has changed considerably. This continuity permeates unionism and imbues the movement with a feeling of tradition coupled with responsibility.

2.11.2 Organization of Trade Unions in Sweden

Unlike in US where unions are organized on industrial basis and Japan where they are enterprise based, Swedish unions are divided into three federations: LO (Swedish Confederation of Trade Unions) a union of blue-collar and clerical workers in both public and private sectors; TCO (Central Organization of Salaried Employees) which unites white-collar employees; and the professionals' league SACO (Confederation

of Professional Associations). Inside federations, unions are formed along industrial and occupational lines. Swedish unionism to the contrary of American's is highly centralized: collective bargaining over such issues as wages is conducted on a federation level. However, since recent years there is a trend of decentralization and toward greater independence of an individual union. This tendency is a part of a more complex process of unions restructuring caused by technological change, altering organizational structure of enterprises and growing dissatisfaction of members over unions' activities (Sklyarenko,2002).

i) Swedish Confederation of Trade Unions (Lo)

LO, a major union conglomerate encompasses 20 industrial unions and has membership of over 2 million people (about a quarter of the entire Sweden's population). The federation is highly centralized and possesses significant power over individual unions. It has authority to ensure that a willing worker can join a union, prescribes structural organization and boundaries within and between unions. It is also responsible for dealings with Swedish Employers' Confederation (SAF) on broad economic issues.

ii) Central Organization of Salaried Employees (TCO)

This organization represents salaried (white-collar) employees in both private and public sectors. It consists of 19 unions with membership of 1.3 million people. Organization is substantially less centralized than LO. Its main activities are centered on training and discussions with government over a broad socio-economic agenda. Unions within TCO are organized predominantly (75% of members) on industrial

basis (i.e. they comprise all white-collar employees of a firm). The remainder is organized according to occupational lines. Collective bargaining on behalf of TCO member unions is conducted separately for private and public sectors through two specially designed associations: PTK and TCO-OF respectively.

iii) Swedish Confederation of Professional Associations (SACO)

SACO represents those professionals with academic degrees according to which they are split into unions (e.g. doctors, teachers, pharmacists). It consists of 25 unions and accounts 385,000 members. Like in TCO, collective bargaining is done via cartels, separately for state and municipal government sectors. Since 1973, employees who are members of SACO in private sector combine their collective bargaining efforts together with TCO private sector workers in PTK (Private Salaried Employees' Associations) (Sidorenko, 1999).

Industry-wide unions have regional and local branches. The local branches are bargaining agents, usually at enterprise or workplace level. Regional branches are usually not bargaining agents: they perform a variety of services for the industry-wide union and the local unions. Support to local unions is at the heart of their functions. Though employees are members of the industry-wide organization, union dues are levied at regional level.

Regional and local branches are legally independent entities but since union by-laws contain detailed rules on their operations there is little room for maneuver. The number of regional unions has declined dramatically among LO members in recent decades as a result of a determined policy to streamline the organization and raise

the professional level of each regional union. In 1952 there were 8,915 regional unions, and the number had dropped to 651 in 1997. In 1952 total membership was 1.3 million but had risen to 2.1 million in 1997, so the declining number of regional unions is not related to a decline in total membership, (Diana,2003).

Local branches form the basis of unions and all but the smallest workplaces establish local branches. Since three federations and their member unions operate side by side and since the union of supervisors is also represented at most workplaces, it is common to find four local branches at any given place of work. Local branches negotiate with the employer.

Given the recent trend towards a more decentralized collective bargaining structure, the importance of local collective agreements on wages and other conditions of work has increased. So, in its wake, has the role of local branches. Thanks to statutory rules on information and cooperation between employers and employees, local unions take part in virtually every aspect of workplace operations. In their dealings with employers concerning long-term planning and day-to-day operations, they have considerable room for maneuver. It is not the task of regional or industry-wide unions to quell local inventiveness and creativity in dealing with individual employers. Local union officials are elected by direct membership vote.

Office holders higher up in the hierarchy are nominated by the elected representatives of members rather than by direct vote. By and large unions are organizations of the one-party type in the sense that it is very uncommon for two or more factions to fight for control of a union. This is true at all levels of the

hierarchy. When two union platforms. They are distinguished by their personal history, character, age and professional background. Competition is for specific periods, spelled out in union by-laws.

For example, office duration for president of TCO is four years. Re-election is possible and no maximum period is specified, but in most unions elected office is held for a relatively except the local branches employ staff. At federation level LO had a staff of 220 in 1997. SACO employed about 40 people. Employees range from office workers to highly specialized professionals, such as economic analysts. All three federations (LO, TCO and SACO) maintain research departments, particularly for economic matters. These are staffed by university graduates, any with PhDs, so speakers for LO and TCO play an important role in socioeconomic debate and analysis in Sweden. The various industry-wide unions also employ specialists. At regional level the core employees do most of the grassroots work. They are often appointed on the basis of a membership referendum, even though they are employees.

Most of them have a background as elected local union officers. Despite the importance of employed personnel at various levels in the hierarchy, union governance is firmly in the hands of elected office holders. Unions have far-reaching authority to represent their members. This authority is partly statutory, partly contractual, based on union by-laws. Unions conclude legally binding collective agreements, interpret them and represent employees in the grievance process and before the Labor Court. Unions have authority under most labor statutes

to conclude collective agreements with employers derogating from the statute. Such agreements are binding on members and non-members alike. On the other hand, unions also have obligations towards their members, notably to support and represent them. However, the exact union obligations are far from clear. No statutory rules exist regarding the relationship between unions and their members and case law is practically non-existent. The same is true in situations where member interests clash, for example in agreeing to priority lists of employees in mass layoffs and terminations. Rules on union duty of fair representation are conspicuously absent, (Diana, 2003).

2.11.3 Financial Situation of Swedish Trade Unions

The financial situation of Swedish unions is very good. They have three main sources of income, Member dues, Income from investments, Contributions from employers.

Unions are free to decide the amount of dues their members pay. The dues that are levied differ considerably among unions and no pattern can be detected among the three federations. Union dues are often higher in absolute terms in LO member unions than in SACO members despite the fact that average incomes are higher among SACO members. Some unions charge a fixed percentage. A member of LO, the Swedish Metal Workers Union, charges 1.9 per cent whereas a leading member of TCO, the Union of Swedish Salaried Industry Workers (SIF), charges 1 per cent. Many unions have a ceiling. A survey of 23 major unions within the LO, TCO and SACO families, conducted by SIF, reported the following findings. In 1998 on a 24,000 kronor monthly income (approximately 2,750 euro) a high of 549 kronor

(approximately 62 euro) was reported by the LO Swedish Food Workers Union (*Livsmedelsarbetareförbundet*) and a low of 218 kronor (approximately 25 euro) by the SACO Union for Civil Engineers (CF) (The development and current situation of trade unions ,2001).

However, unions differ in terms of what they offer in return for dues. They all offer standard union representation, of course, but in addition many provide members with other services, such as accident insurance or home insurance, or both. Some provide discounts for members using union recreational facilities. Others offer medical insurance as part of the package. Many also offer collateral-free bank loans. But, again, it is difficult to discern a pattern.

Unions are free to decide how to use member dues. Nothing prevents them from using the money for purposes other than strictly union business, e.g. political contributions. Employees cannot join a union on condition that their dues are not spent in such a way. Historically membership dues represented the main, if not sole, source of union income.

The situation is radically different today. In many unions, dues account for less than 50 per cent of income. Unions have accumulated wealth through the years, primarily by building strike funds. Today these funds are considerable, allowing unions to engage in protracted industrial action in need be. Many unions are in a position to fight not just one war, but two or more at the same time. Union assets are invested primarily in real estate, stocks and bonds. The financial management of assets has

become an important part of union management. For example, fiscal year 1998 financial transactions accounted for some 65 per cent of total income in SIF, the biggest TCO-member union.

Though this figure is probably higher than for most unions, it still represents a common trend. Membership dues do not cover expenses. For example, in 1998 SIF recorded a 150 million kronor deficit (approximately 19 million euro). That equals 425 kronor, (approximately 265 euro) annual dues. Union wealth is primarily owned and administered by the industry-wide unions. Local unions do not dispose of any investment capital nor do the three federations to any significant degree. Contributions from employers are either direct or indirect, although cash contributions are unusual. These occur only in a few blue-collar unions, primarily in the construction industry. Such contributions are really payment for services rendered by the union in measuring piece work and calculating pay for that work.

Employer payments here are supposed to cover union costs, no more. Under some construction industry agreements employers cover union expenditure for supervising employer observance of pay provisions in the collective agreement. There is serious doubt about whether the money is actually spent on this purpose. The overwhelming majority of employer payments are indirect, taking the form of time off for union work at full pay. Originally based solely on collective agreements, such indirect payments are now mandated in several statutes. The union does not actually receive any money. It is relieved of the expense of compensating its voluntary officers for union work at workplaces. It is not known how much the employer community pays for union work of this kind but it can safely be assumed that the total amount is

considerable (Diana,2003).

A hotly debated issue in recent years has been employee-union-controlled investment funds, financed by employer contributions. Such funds were introduced by statute in the 1980s and employer payments were collected for some years; the funds were dissolved in the mid-1990s, as they were considered to disrupt the social balance between capital and labor. Not even the social democrats, who guided them through the legislative process in Parliament, were happy with them. They had become prisoners of their own propaganda to have them introduced. On the other hand, the “private” wealth accumulated by unions has attracted little attention and virtually no criticism. Unions are seen as one investor among many.

Doubts about union “fund capitalism” are of a radically different kind, being mostly concerned with the ethical aspects of union investment. Unions are supposed to pursue investment policies that do not conflict with sociopolitical agenda, e.g. they do not invest in companies using child labor. In 1998 TCO adopted ethical guidelines for investment. LO is actively promoting a common union front vis-à-vis multinational enterprises to make them respect human rights, including the core ILO Conventions. Fund capitalism is one way to exert pressure. So far union “fund power” has not been a factor of any particular importance in financial markets. The resources of the truly important actors in financial markets dwarf union wealth, however impressive.

Evidently, union expenditure is primarily aimed at maintaining the ability to represent members. Much money is also spent on education, information and public

relations. Federations spend more on information and lobbying activities. In 1997, for example, LO devoted 38 per cent of total expenditure to policy and lobbying, and 14 per cent to supporting hundred organizations in Sweden or abroad, (Diana, 2003).

2.12 Trade Unions in Tanzania

The Tanzania have a total membership of approximately 370,000, 350,000 of these belong to the Trade Union Congress of Tanzania , another 15,000 to the Zanzibar Trade Union Congress, (1) and 2,400 are members of the Tanzania Fishing Crew and Allied Workers Union.

The first Tanganyika trade union, the Motors Driver's Union, was founded in 1927, In 1937, Asian workers founded the Asiatic Labour Union, leading to the founding of numerous unions in the country. These early organization were not, however, involved in many industrial conflicts, their primary activity being the organizing of mutual help among its members (bebeiya, 2011).

The roots of the modern Tanzania labour movement reach back to the 1940s. By 1947, five unions had been registered with the authorities. The colonial government reacted to the creation of unions in Tanzania by enacting laws which allowed it to keep tabs on the movement – for example, the registration of unions become obligatory. Nonetheless, the labour movement grew, by 1956 there were 23 organizations with a total of nearly 13,000 members.

In 1955, seventeen trade unions finally merged to create the Tanganyika Federation of Labour (TFL). Its original two main objectives were to gain more members and to

absorb smaller unions. During the country's fight for independence, the TFL collaborate with the Tanganyika African National Union (TANU) a party founded in 1954, in its fight for the nations independent from the United Kingdom achieving this goals in 1961.

The first union in Zanzibar, where the Tanganyika labour unions were not active, was the Seamen's Union. Which was found in 1955, there had been a strike by the inland's dock workers in 1948, but no organized labor movement until 1955? A wave of union founding's following that of the Seamen's Union, but these organizations did not have many members as Zanzibar was only scarcely populated and the socio-economic activities were few. In 1956, the Federation of Zanzibar and Pemba Trade Unions (ZPFL) was founded with assistance from Tanganyika unionists. During the 1964 revolution, the labor movement collaborated with peasants to overthrow the Sultan.

Strikes involving 48,434, workers forcing the state to react The 1964 NUTA Act disbanded the TFL and established the National Union of Tanganyika Workers (NUTA) as the sole trade union in the country. This was the end of all labor autonomy in the country as the union's main function was to propagate the government's policies the leadership of the NUTA was appointed by the country's president. As mentioned above, the situation is the early 1960s in Zanzibar, which had merged with Tanganyika to form Tanzania in 1964, was similar. As in mainland Tanzania, the government banned the existing trade unions, namely the ZPFL, and instituted the Federation of Revolutionary Trade

Unions (FRTU) as the new union federation of Zanzibar. The FRTU was heavily involved in the government's dealings including the preparation of the new constitution. But in 1966, the FRTU was no longer needed. Thus, the government dissolved it and the Department of Labour, directed by the ASP, took over labour affairs, but it was dissolved as well as soon as 1968 (Jaba, 2012).

In 1977, the ruling parties of Zanzibar and mainland Tanzania, the TANU and the ASP merged to form Chama cha Mapinduzi (CCM) likewise, the TANU – affiliated union, the only labor organization in the country, was restructured. The Union of Tanzania Workers or Jumuiya ya Wafanyakazi Tanzania (JUWATA) was thus founded in the following year. It continued the NUTA's tradition of complete loyalty to the ruling party, but covered all of Tanzania, including Zanzibar, although the government of the region was reluctant to allow unionist activity to resume on the island (Bebeiya, 2011).

Following an economic crisis in the early 1980s, growing pressure for trade union autonomy in conjunction with the country's transition of a multi-party system in 1990 led to the JUWATA's dissolution and the founding of the Organization of Tanzania Trade Unions (OTTU) in 1992. The move was approved by the country's president and parliament, the main difference between the OTTU and the JUWATA was that the former consisted of sectoral unions and allowed the creation of eleven of eleven industrial unions.

Moreover, the union's internal structure was more democratic than that of its predecessor. After the President broke a promise to raise salaries in the country in

1993; the OTTU conducted a successful strike from March 1 to 3 showing that the union was no longer controlled by the government. In January 1994, a strike by high school teachers led to massive government repression including the suspension of 318 teachers as well as to the creation of the Tanzania Teacher's Union (Ailimari, 2000).

In 1995, the eleven national unions decided to form the Federation of Free Unions (TFTU) Bruno Mpangala was its Secretary General. The membership was approximately 348,000, but declined in the following years, mostly as a result of government staff reductions. Formally the unions were still part of the OTTU and the TFTU did not have the power to negotiate with employers, this was done by the respective industrial unions (Philipina, 2004).

2.12.1 Working Conditions

Working conditions refers to the working environment and aspect of an employees forms and conditions of employment. This covers such matters such as the organization of work and work activities, training skills and employability, health safety and well being and working time and work life balance (jean,2009).

2.12.2 Working Conditions in Tanzania

While labour laws have influence in the United Republic of Tanzania with regard to minimum standards, the actual working conditions are often not in line with the legal provisions. The substance of labour law is undermined and employees are subjected to conditions well below the specified minimum working conditions. A survey of the working conditions provides useful insights into gaps between the law as it stands

and the reality of the quality of working life.

Employment relationships the results of the survey indicate that a majority of employment contracts are casual, verbal or nonexistent. The informal is especially dominated by implicit employment contracts. Collective agreements play an insignificant role for informal sector workers, as exemplified by their inability to bargain for shorter working hours. Formal contracts and written contracts are present in very few sector-namely, public administration, real estate, financial services, transport and communications. The lack of formal contracts contributes to problems with conflict resolution when worker concerns arise. Less than 40% of workers have a contract or agreement.

This informal nature of the employment relationship, coupled with the lack of substantive details in employment contracts, is also related to the fact that a considerable proportion of workers are not aware of their basic entitlements in the area of minimum wages, maximum working hours and maternity leave. About one third of workers are unaware of existing legal entitlements, with more men than women reporting lack of awareness. Research shows that legal awareness can make significant contribution to improving actual condition (Lee and McCann, 2009).

Most workers in the informal economy have little or no social protection and receive little or no social security, either from their employers or the government. When workers are covered by social security, social security deductions often leave them with very little salary on which to live.

Polarization of working hours under the law, employees may work a maximum of 45 hours per week, with a maximum of 50 hours overtime in any fourweek cycle. Overtime payment is legislated as one and a half times the basic wage. In reality, however, working hours are polarized between very long and short hours (worker working short hours tend to be, effectively, underemployed). For instance, 63% of workers are working more working fewer than 30 hours. Only a rather small minority of workers is working 'standard' hours: between 30 and 50 hours (Habiyakare, 2010).

2.13 Empirical Study

Trade unions therefore play an extremely important role in helping to solve problems of unequal market power, discrimination and insufficient information. Unions provide their members with important services, negotiating on their behalf for better working conditions, protecting them from unfair treatment, and dividing the cost of obtaining action helped to improve the distribution of income. Moreover, there are situations where the union wage premium is very small or non-existent. A 1991 study in South Korea estimated that the wages of unionized production workers were only 2 to 4% higher than those of non-union workers (Guerin ,2007).

(i) Role of Trade Unions in Sweden

Swedish unions exert substantial political power. Apart from usual topics of wage determination, work safety regulations and the like, Swedish unions also participate in activities of a wider social and political character. For instance, they take responsibility for unemployment insurance. That partly explains Sweden's high unionization figures: both employed and unemployed are connected to unions

(Sidorenko, 1999).

This is a contrast to unions in US and Japan, which primarily lay stress on business topics, i.e. exemplify the branch of business unionism, on the other hand Scandinavian unions often referred to political unionism. A prominent example of political unionism in Sweden is the Swedish Municipal Workers' Union, an affiliate of LO which has over 600,000 members. Along with involvement in debating issues of income distribution and work practices, it is vigorously engaged in promoting a 'life reform', stressing the importance of entrenching gender equality not only in workplace, but also in all spheres of life. Swedish unions also fiercely defend welfare state by resisting dissemination of economic liberalism (Sidorenko, 1999).

ii) Unionization in Sweden

The Swedish labor market is highly organized. A recent study put the overall rate of unionization at 77.7 per cent in 1980, 81.6 per cent in 1990 and 83.6 per cent in 1996 and Unionization rates are somewhat higher among white-collar than blue-collar workers.

Union membership is fairly evenly distributed among the three main sectors of the labor market: private, local government and central government (state), though it is higher in the public sector than in the private sector. The size of the company is not particularly relevant, nor is the branch of industry. Age and geographical location are reflected since unionization rates are higher among older workers and in small towns rather than big cities. Women are unionized to a slightly higher degree than men. The rate among part-time employees is slightly above average. About 70 per

cent of employees on fixed term contracts belong to a union. Temporary workers, i.e. people working for agencies that place their employees with third-party clients, are organized at about the average level. They are covered by a nationwide collective agreement which addresses the concerns of “temps” (Reinhold, 2002).

According to figures published in spring 2001, the total membership of Swedish trade unions is declining in 2000, with overall union density down to 79% from 84% in 1994. Losses were recorded among the affiliates of the blue-collar LO confederation, while the white-collar TCO and especially the graduate SACO experienced small increases. Recently published research indicates that unions are failing to attract younger workers. Spring 2001 saw the publication of the 2000 membership figures for Swedish trade unions the three central trade union confederations – bringing together unions representing university graduates, blue-collar workers and white-collar workers respectively – always make their figures public, even when these are less than impressive. As a whole the trade union movement continues to lose members, even if there are some individual gains among the unions representing professional staff. Swedish trade union density stood at 79% in 2000, compared with 84% in 1994. (Diana, 2003).

2.14 Research Gap

Several research have been conducted to assess the impact of trade unions in employees but most of them based on the relationship between politics of the country and the trade unions, there is also a research done by Ntwala Mwilima from the university of Witwatersrand in 2008 talking about the role of trade union in job creation on his research tried to focus what role can the trade union play on

creating new jobs also there is another person did his research on the influence of labour unions in human resource practice from open university of malasia in 2010 . But there is a gap whereby they did not put much effort to see the impact of Trade Union on improving employees working conditions.

2.15 Conceptual Frame Work

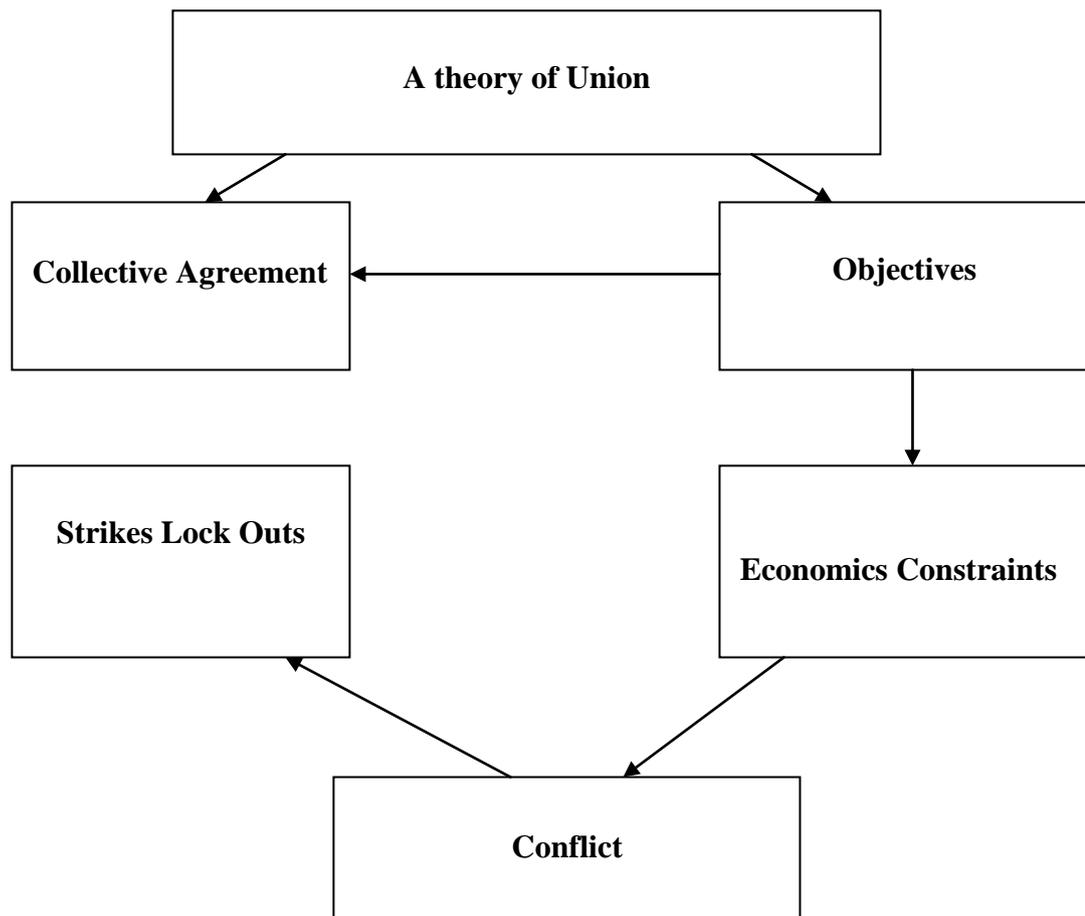


Figure 2.3: Conceptual Framework

Source: Survey Data (2012)

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

In this study gives systematic methods which the study followed in undertaking the research. Many aspects such as research design, information about the area or the study sampling procedures, data collection tools.

3.1 Research Paradigm

Is a way to examining social phenomena from which particular understanding of these phenomena can be gained and explorations attempted (Saunders et al, 2009:118). This study used a qualitative research method. Reason for this choice of method is the fact that it is concerned with quality or kind (Kothari, 2004:), The method is an effective tool to obtaining cultural specific information about the values, opinions, behaviors and social contexts of a particular Population.

3.2 Study Design

Study design is a plan structure and strategy of investigation so as to obtain answers to research questions. The researcher employed descriptive and non descriptive field surveys. This means that the study was not done under a controlled laboratory conditions but its results was been due to direct introduction with the respondents under a loss strictly environment.

According to Neuman (2002) sampling in qualitative research is based on the relevance of the sample group to the research topic (issue) rather than on representativeness of the sample as required in quantitative studies. Neuman (2000) further states that qualitative researchers tend use non-probability or non-random

sampling methods. This means that qualitative researchers rarely determine the sample size in advance and have very limited knowledge about the larger group or population from which the sample is taken.

3.3 Area of the Study

The study conducted at Tanzania union of government and health employees (TUGHE) and Communication and transport workers union (COTWU) in Dar es Salaam. The reasons for choosing Dar es salaam are first, most of the headquarters of the trade unions are located in Dar es salaam and also most of the industries and business are conducted within Dar es salaam so there is a diversity of people and organizations which enabled the researcher to have diverse information. Second the site was conducive for researcher in terms of cost and time management.

3.4 Population of the Study

The study population comprised of staff of the organizations. The staff was selected from middle and lower level of the organizations and operational level of management at TUGHE and COTWU and also to different workers from different organizations which are represented by TUGHE and COTWU. I selected workers from five organizations namely Airtel Tanzania, Swissport, Muhimbili hospital, Temeke hospital, and Mwananyamala hospital.

3.5 Sampling Design and Procedure

For the purposes of this study, purposive sampling method was used in selecting the sample group. Purposive sampling method allowed the researcher to get all the

possible cases that fit particular criteria, using various methods. Neuman (2000) states that purposive sampling is used in exploratory research or in field research and rely on the judgment of an expert in selecting cases or it selects cases with a specific purpose in mind. Also, purposive sampling is suitable to selecting unique cases that are especially informative. It is this character of purposive sampling that made it more appropriate to this study as it relies on ‘cases that are especially informative to the study either by being experts in their fields or by their involvement in the organization/s being investigated. Based on preliminary investigations, this study came up with a workable sample group which had to be adjusted as explained above once the researcher was in the field.

3.6 Data Collection Tools

The study used its data from various sources. Firstly, the study used primary sources of data which includes the country report Tanzania by Julius Kaaya (TUCTA), National profile of working conditions in the United Republic of Tanzania by (ILO), Tanzania new labour relations regime journal by Soren bo Paulsen. This data provided a framework which informed the research,, particularly in identifying issues that should be included as part of the research. Other sources of existing literature, journals, and periodicals were consulted in this study. This information then formed the basis of the literature review.

The study used a combination of unstructured interview guides, semi-structured questionnaires and structured questionnaire which included open ended and closed ended and multiple chices questions. Unstructured interview guides were used in

interviews with COTWU Trustees and staff, the TUGHE regional secretary, highly structured questionnaires were administered on workers. The combination of research instruments enriched the research process by making provision to collect valuable in depth information that was not initially included by the researcher, hence allowing the respondents to express and share important information with the researcher.

3.6.1 Questionnaires

The researcher designed self administered questionnaires with multiple choice answer options. These were distributed to the selected categories of the staff in the organization.

In my research I used the method of questionnaire, survey which was conducted with COTWU and TUGHE. I send 50 questionnaires to two different trade unions which is TUGHE and COTWU and 250 to the members of these trade unions from different Organizations including Airtel Tanzania,swissport,Muhimbili hospital,Temeke hospital, and Mwananyamala hospital, 250 out of 300 were returned to me, which I analyzed and consider the results as representative.

3.6.2 Interview

Unstructured interviews were used to supplement some questions depending on responses from Interview. This was useful in creating report by the researcher and in collecting some data, which might be confidential or not easily disclosed the questionnaires by the respondents.

3.6.3 Examination of the Existing Record

The researcher used the existing records on the roles of trade union.

Use of published literature. The researcher used a variety of information from published books pamphlets, and news papers.

3.7 Data Processing

3.7.1 Data Analysis

Data collected using the semi structured questionnaires and structured questionnaires were analyzed using Microsoft excel. After collection from various sources data processed so that they can be easily analysed. The processing of data involved data editing, data coding and presentation.

3.8 Ethical Consideration

The researchers seek permission from the management of the organization to conduct the study. This permission includes access to organizations documents, interviews with the staff, field visits to the organization. The study protected the confidentiality and anonymity of the respondents (especially workers) by not using their names in the report.

CHAPTER FOUR

4.0 PRESENTATION, ANALYSIS, INTERPRETATION AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter include both qualitative and quantitative of the data collected from the research field. Tables and responses are used to symbolize the data collected. Besides, the conclusion is drawn from the data analysis on the research problem.

4.2 Back Ground Information on Respondents

The results of this section are derived from the instruments administered to the respondent to provide background information. Insight into the respondents background and a characteristic was found to be very important by the study for the purpose of making reliable interpretation and conclusions.

Table 4.1: Respondents by Sex

Category	Frequency	Percentage
Male	140	58%
Female	100	42%
Total	240	100%

Source: Survey Data (2012)

Table above is about the sex of the respondents. It is evident from the sex frequency distribution table that majority of the respondent were male at 58% of the total respondents, leaving only 42% for females. This is clear that male dominate in responding, which also indicate that majority of the employees are males.

4.3 Problems Faced Employees in their Working Areas

The study found that despite of the existence of trade unions still there is a number of problems face employees in Tanzania, among the problems which were noted included Lack of enough salary, Lack of formal contract, and Trade unions to side with employers. The details of the problems are discussed in the subsequent sections.

4.3.1 Lack of Enough Salary

Under the law, employees may work a maximum of 45 hours per week, with a maximum of 50 hours over time in any 4-week cycle. Over time payment is legislated as one and a half times the basic wage. In reality, working hours are polarized between very long and short hours, for instance 63% of workers are working more that 50 hours per week, while another 28% are working less that 30 hours. Only a rather small minority of workers are working standard hours of work between 30 and 50 hours. The minimum wage in the United Republic of Tanzania varies depending on occupation; the average for workers over 18 years of age is 80,000 Tanzanian shillings (Tzs) per month. However, the study has discovered that most of workers working below the minimum salary directed by the government. Also there is inadequate payment for overtime work, working on holiday and working on a weekend.

4.3.2 Lack of Formal Contract

The finding indicated that majority of workers contracts are casual, oral or nonexistent, collective agreements play un significant role for this kind of workers, this make them difficult to bargain for shorter working hours, this kind of workers have no social protection and receive little or no social security, either from their

employers or from the government.

4.3.3 Trade Union to Side with the Employer

It has been discovered by the researches through respondent that one of the major reason for their problems to remain unsolved is most of trade Unions leaders jump in to the side of the employer through their back, this happen after the leaders being bribed by the employer and turn against them, when the employees thinking that the leaders are with them. In this kind of situation the leaders fail to address workers problems in a proper way.

4.4 The Role of Trade Union in Improving Employees Working Conditions

4.4.1 Negotiating Collective Agreements

If you recognize a trade union, in your work place, you will probably have agreed with the union to bargain with it about the terms and conditions of employment of those workers who fall within a defined bargaining unit. Sometimes bargaining unit will include all workers but it is common for the unit to include just certain categories of workers. The objective of such collective bargaining is to conclude a collective agreement with the trade union. Where an independent trade union is recognized, the employer is obliged to disclose information to the trade union to facilitate the bargaining process.

4.4.2 Representing Workers at Disiplinary and Grievance

Employees and other workers have the right to be accompanied at a disiplinary or grievance hearing. They can choose to be accompanied by a co-worker or a union representative. Often the union representation will be a workplace who is also a co-

worker.

4.4.3 Informing and Consulting

Under certain circumstance, the Trade Union must inform and consulting its members about Collective redundancies, Transfers of business ownership, Occupational and personal pension schemes, Health and safety. However the employer could enter a voluntary agreement with a trade union to inform and consult the union about broader business and work place issues on a regular, ongoing basis. The union may want to set up a joint consultave committee specifically for this purpose. Trade unions also have an opportunity to encourage employers to adopt “adequate policies and procedures to protect the dignity of employees at work in the organization. Also trade union play an important role on setting basic labour standards (e.g minimam wage) mainly of benefit to non-unionized workers and campaigning for social safety nets benefits none unionized as well as unionized workers.

4.5 Analysis of the Data Gathered Through Questionnaire from the Members of Trade Unions

The questionnaire were distributed to five different institutions where by its staff are represented by TUGHE and COTWU, which include Muhimbili hospital, Mwananyamala hospital, Temeke hospital, Swiss port, and Airtel Tanzania. Their responses to questionnaire are as follows

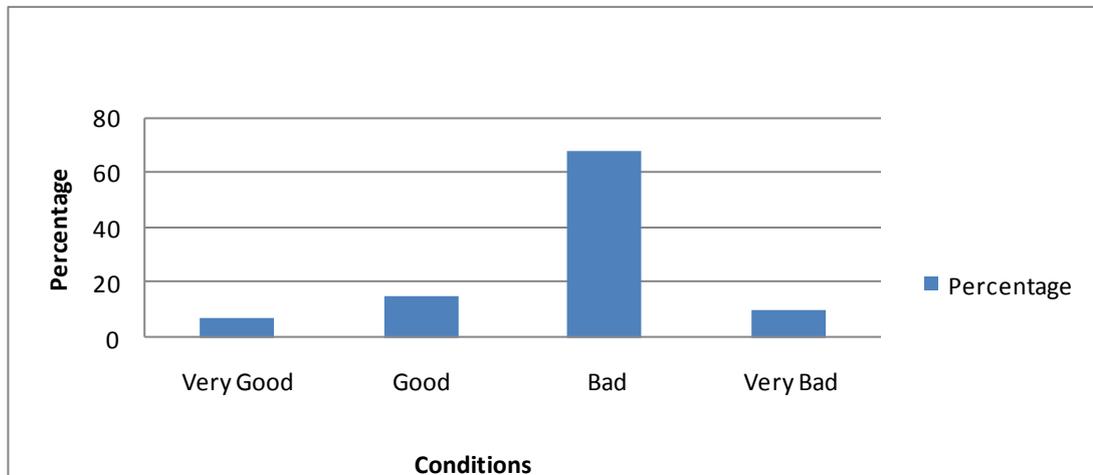
4.5.1 Workers Opinions About Work of Trade Union

There were four possible answers to this question:

Table 4.2: Work of Trade Union

Work of Trade Union	Numbers	Percentage
Very good	19	7%
Good	35	15%
Bad	162	68%
Very bad	24	10%
TOTAL:	240	100%

Source: Survey Data (2012)

**Figure 4.1: Bar Chart Showing the Work of Trade Union**

Source: Survey Data (2012)

The majority of the members thinks that the work trade unions is performing for them is bad. There is a balance between very bad and very good, approximately the same results, and there is a big difference between good and bad, therefore the study conclude that the members of Trade union are in general not satisfied by the performance of their trade union more efforts are needed to improve its performance.

4.5.2 Workers Familiarity with the Work and Organization of Trade Union

Answers	Numbers	Percentage
Very good	50	21%
Good	103	43%
Bad	67	28%
Very bad	20	8%
TOTAL	240	100%

Source: Survey Data (2012)

Table 4.3: The workers Familiarity with the Work and Organization of Trade Unions

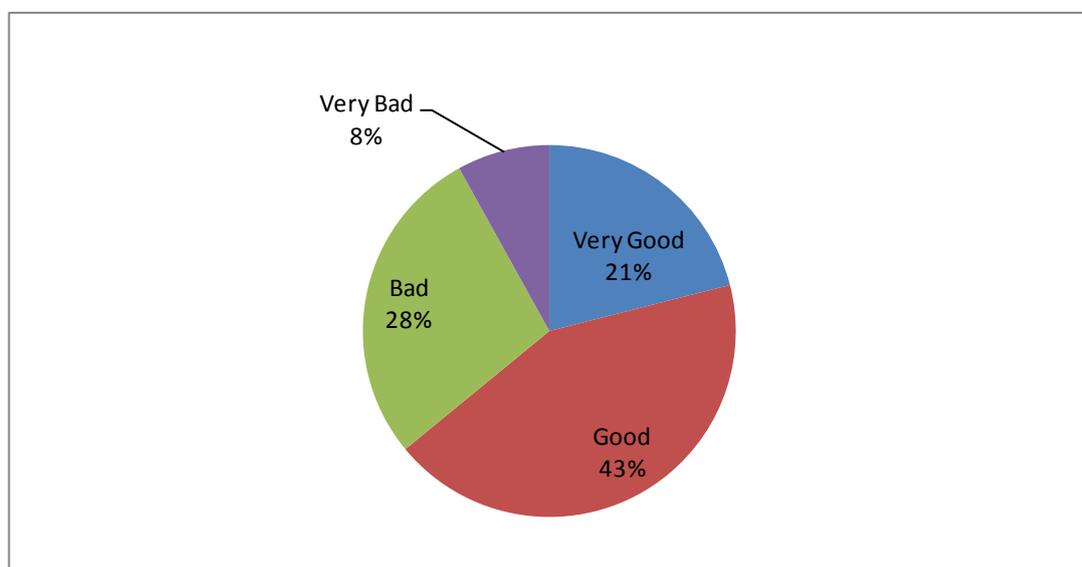


Figure 4.2: Familiar with Trade Unions

Source: Survey Data (2012)

According to the results, members in general are familiar with the work and organization of Trade Union. There are also a big percentage of people, who are badly familiar, but the percentage of very good and good is 21, 43%, which is a high figure.

4.5.3 Workers Familiarity with the Work And Organization of Trade Union in their Companies

Table 4.4: The Familiarity with the Work of Trade Union within Organization

Answers	Numbers	Percentage
Very good	84	35%
Good	146	61%
Bad	8	3%
Very bad	2	1%
TOTAL:	240	100%

Source: Survey Data (2012)

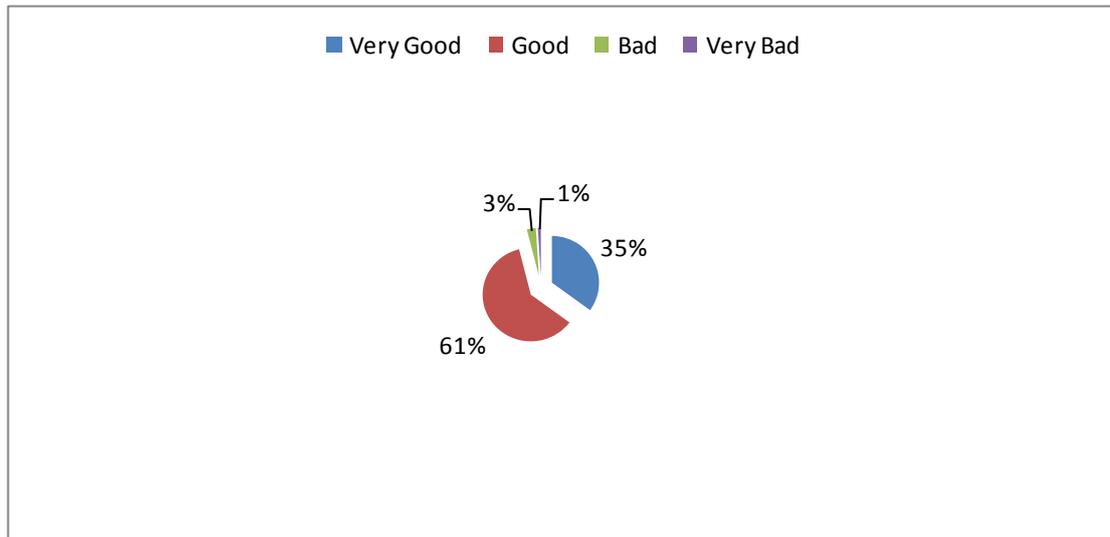


Figure 4.3: The familiarity with the Work of Trade Union within Organization

Source: Survey Data (2012)

According to the survey results workers are well familiar with the work and organization of the Trade union, organized in their company. This came up due to high percentage of workers about 35 and 61% who respond to very good and good, and only 3% who respond bad and 1% respond very bad.

4.5.4 Whether Workers would like to be Better Informed About the Work Being Done in Trade Union?

Table 4.5: Workers like to be Informed About the Work Being Done in Trade Union

Answers:	Numbers	Percentage
I would like to be better informed	136	57%
I am satisfied with current information, Being provided to me	104	43%
Total:	240	100%

Source: Survey Data (2012)

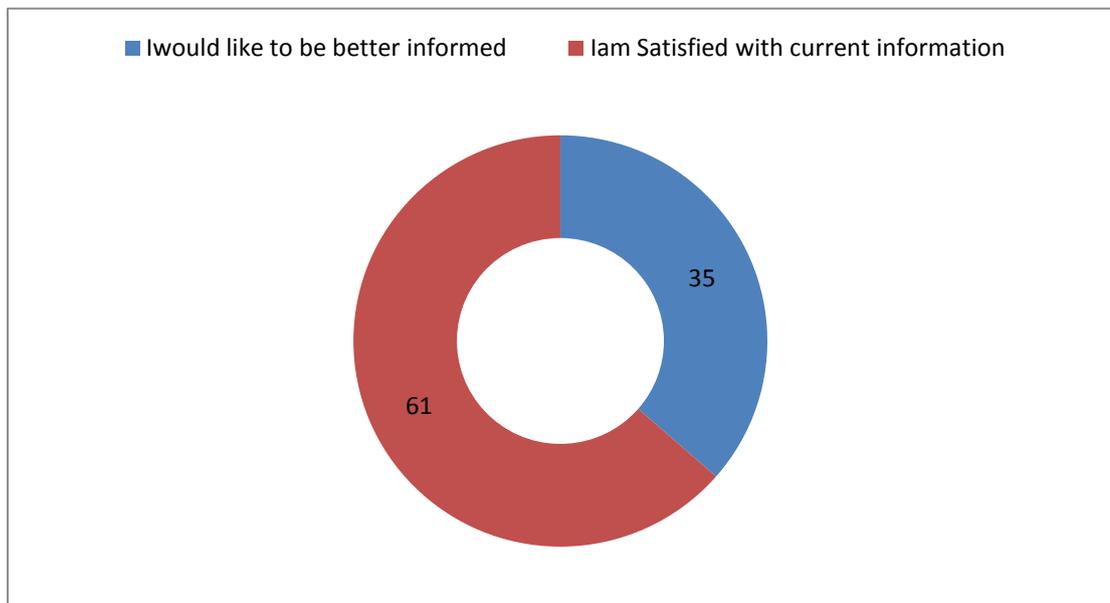


Figure 4.4: Workers like to be Informed About the Work Being Done in Trade Union

Source: Survey Data (2012)

Members of trade union, they believe they are familiar with the work and organization but still wish to be better informed. According to survey question 57% of members wish to have more information about work Trade Union is doing.

TUCTA should focus more on information it is providing to its members and organize a better information channels in the companies in order to make information about Trade Union more accessible.

4.5.4 Access of Information About Work Being done by Trade union

Table 4.6: Workers Get Information About Work Done by Trade Union

Answers	Numbers	Percentage
Through internet	35	15%
Through Trade Union confidential	87	36%
Through Trade Union newsletter	54	22%
From coworker	64	27%

Source: Survey Data (2012)

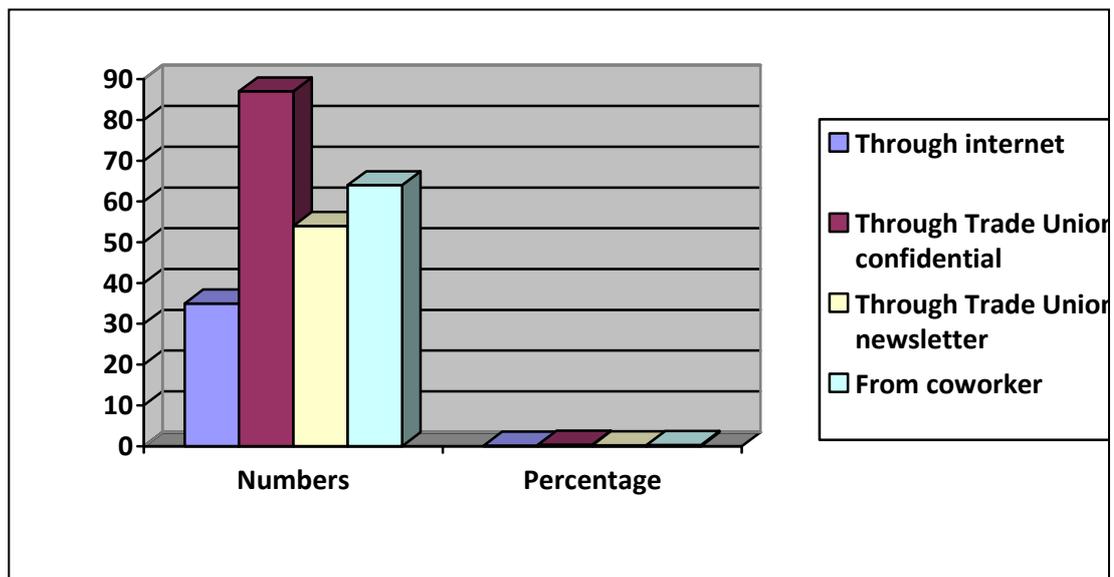


Figure 4.5: Workers get Information about Work Done by Trade Union

Source: Survey Data (2012)

There were only three major sources from where they are getting information about work of Trade Union. Trade Unions confidential, Trade Union Newsletter and Co-workers. Only 15% uses internet, 36% get information through trade union confidential, and 22% through trade union newsletter and 27% from coworker's.

4.5.6 Workers level of Confidence about Trade Union Representatives?

Table 4.7: Confidence Workers Have on Trade Union Representatives

Answers	Numbers	Percentage
They have my full confidence	24	10%
I trust them but to certain limit	176	73%
Somebody need to do the work they do	23	10%
I don't trust them	17	7%
Total:	240	100%

Source: Survey Data (2012).

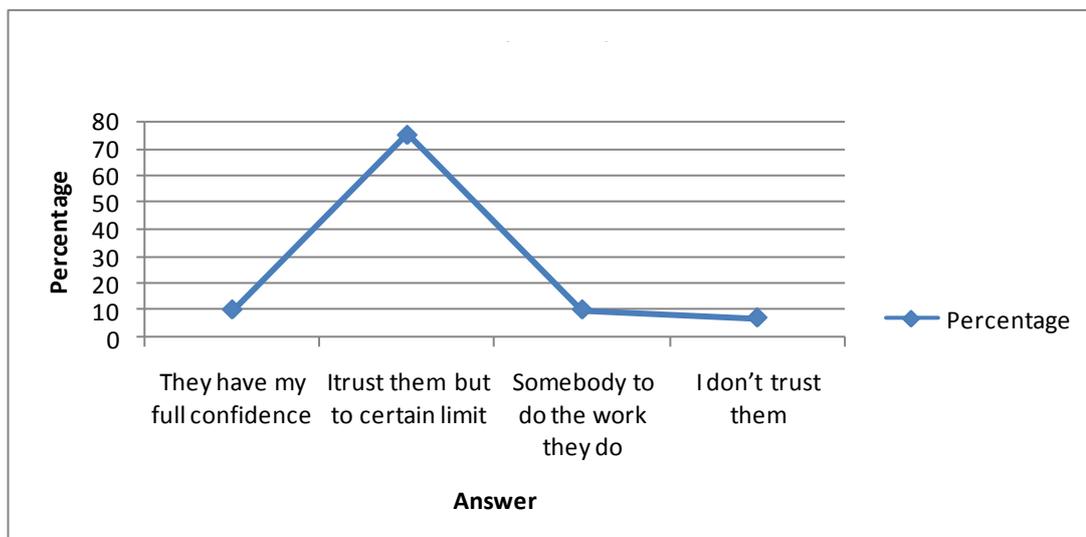


Figure 4.6: The Level of Confidence Workers Have on Trade Union Representatives

Source: Survey Data (2012)

According to the study members of Trade union trust their representatives, but with a certain limit. The percentage of members who trust the representative with full confidence is 10%, but those who trust them with a certain limit is 73% but 10% they say some body need to do the work they do, and 7% say they don't trust them. So something need to be done by Trade Union to capture the full confidence of their members.

4.5.7 Workers Opinion on the Reputation of Trade Unions

Table 4.8: The Reputation of Trade Unions

Answers	Numbers	Percentage
They have great reputation	23	10%
It's not bad to be trade unionist	71	30%
They have an average reputation	127	53%
They have bad reputation	19	7
TOTAL:	204	100%

Source: Survey Data (2012)

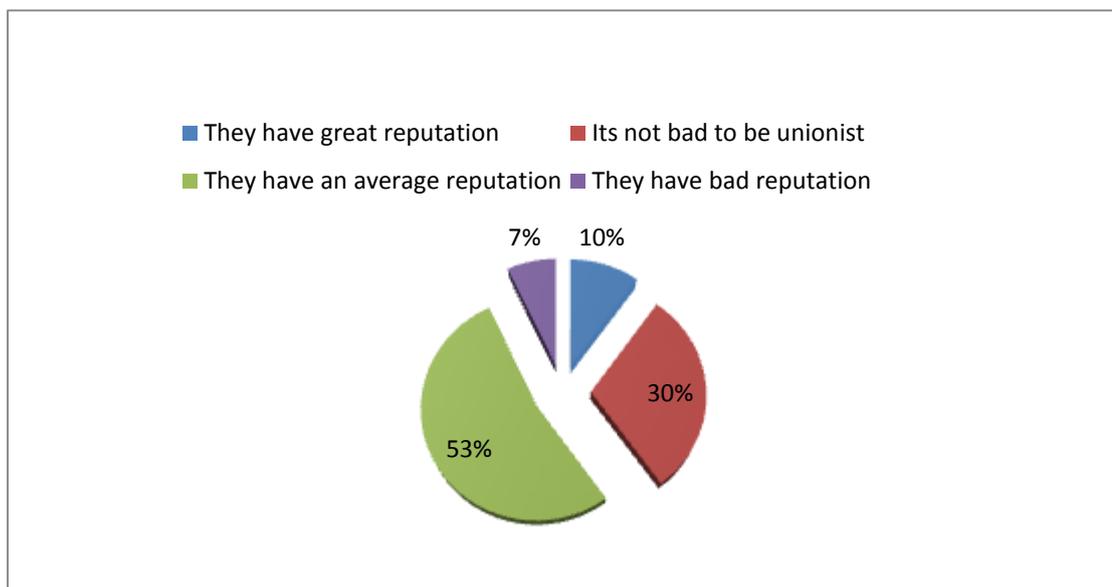


Figure 4.7: Opinion of Reputation of trade union

Source: Survey Data (2012)

The majority of members questioned thinks Trade Unions have an average reputation in the broader society and to the workers. Only 7% thinks the reputation is bad and all the others think the reputation is above average. It is a fairly good result, which is by my opinion also affected by the fact that survey was conducted among members of Trade union and not general public.

4.5.8 Workers opinion on Trade unions Membership Benefit seems to be the Most Important? (The Scale was From 1-5, which 5 as the Most Important)

Table 4.9: The Important Benefit Workers Need from Trade Unions

Membership benefit	Importance level
Negotiations about collective and industry agreement	4.2
Free legal protection	3.7
Non profitable loans	2.4
Cheaper holiday arrangements	1.9
Cheaper purchasing of goods	2.2

Source: Survey Data (2012)

The most preferred benefit the members have from Trade union is agreements negotiation, which is followed by free legal protection, non profitable loans, cheaper purchasing of goods and cheaper holidays at the end. They were able to choose from the benefits Trade union is currently offering.

4.5.9 Workers Expectations From Being the Member of Trade union

Table 4.10: Expectation of Workers from Trade Union

Answers	Numbers	Percentage
Free legal protection	65	27%
Better wages and working conditions	40	17%
Cheaper purchasing of goods	25	10%
Help with education	11	5%
Organization of social gatherings	22	9%
Taking care of life-long employment	56	23%
Taking care of career development	21	9%
Total	240	100%

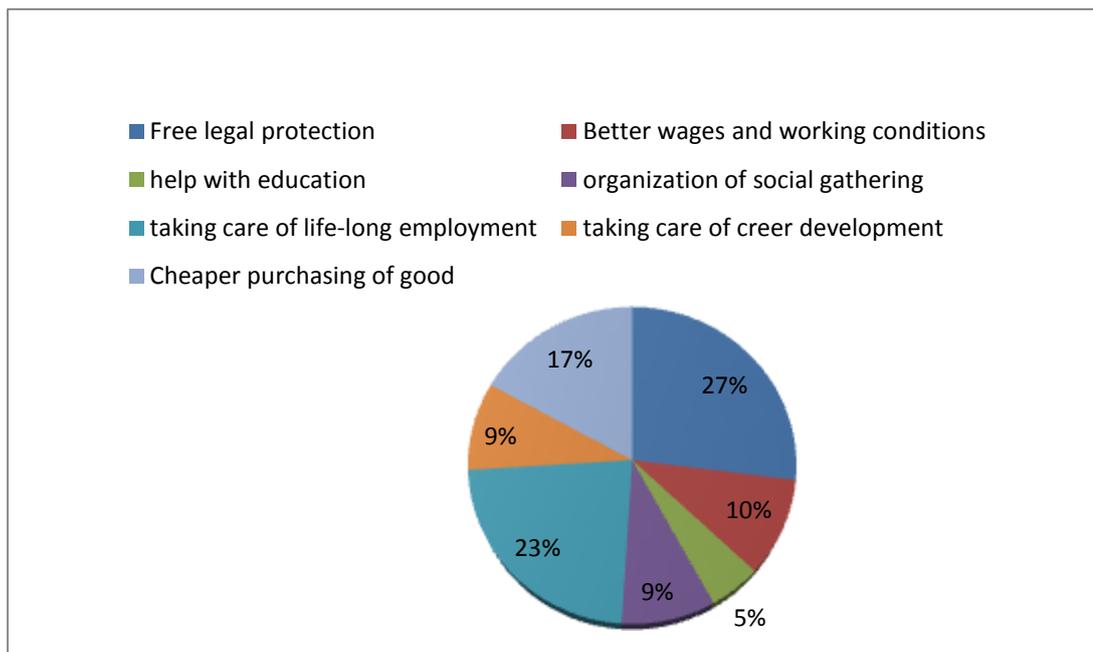


Figure 4.8: Expectation of Workers from Trade Union

Source: Survey Data (2012)

According to the results, members expect just three things from the union. Free legal protection, better wages and working conditions and life-long employment. They are just interested in basic work; Trade union is doing for them.

4.6 Workers Interests in after Work Education in Order to Get More Knowledge to be More Flexible in the Labor Market

Table 4.11: The Interests of Workers in after Work Education

ANSWERS	NUMBERS	PERCENTAGE
I am very interested	49	20%
If I would be forced to (by circumstances)	104	43%
May be	47	20%
It is not important	40	17%
TOTAL:	240	100%

Source: Survey Data (2012)

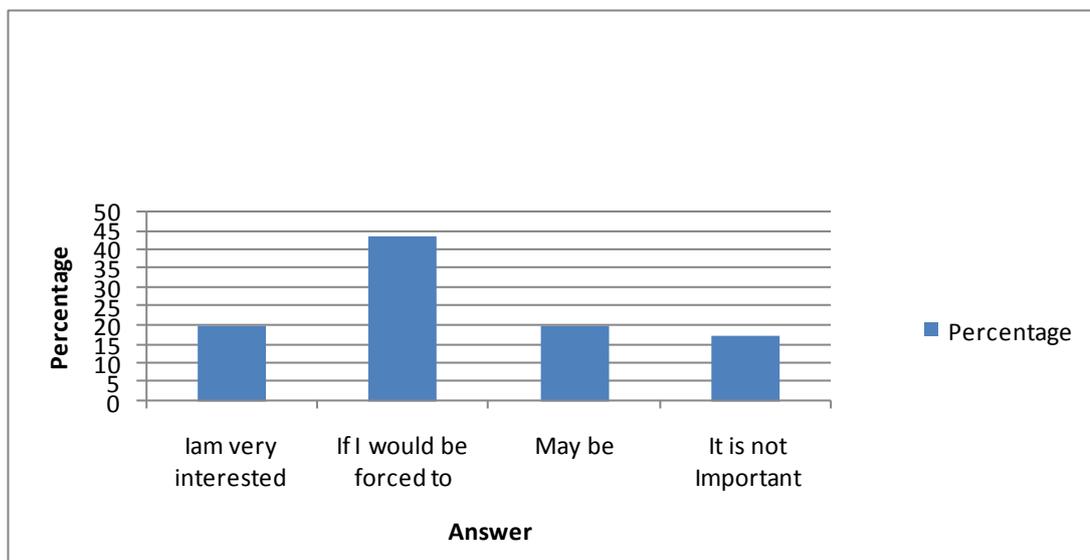


Figure 4.9 Workers Interests in after Work Education

Source: Survey Data (2012)

The majority of members (43%) think that they would be interested in after work education only if they would be forced to. 20% thinks that it is a good idea and all the others would maybe attend education or not (17%).

4.6.1 Workers Opinions on the Idea for Trade Unions to Focus More on the Getting New Job for the People Who Lost One

Table 4.12: Workers who Support Trade Unions to Find New Job for the People who have Lost their Jobs

Answers	Numbers	Percentage
They should engage more	132	55%
Trade union should take care of the people employed	108	45%
TOTAL:	240	100%

Source: Survey Data (2012)

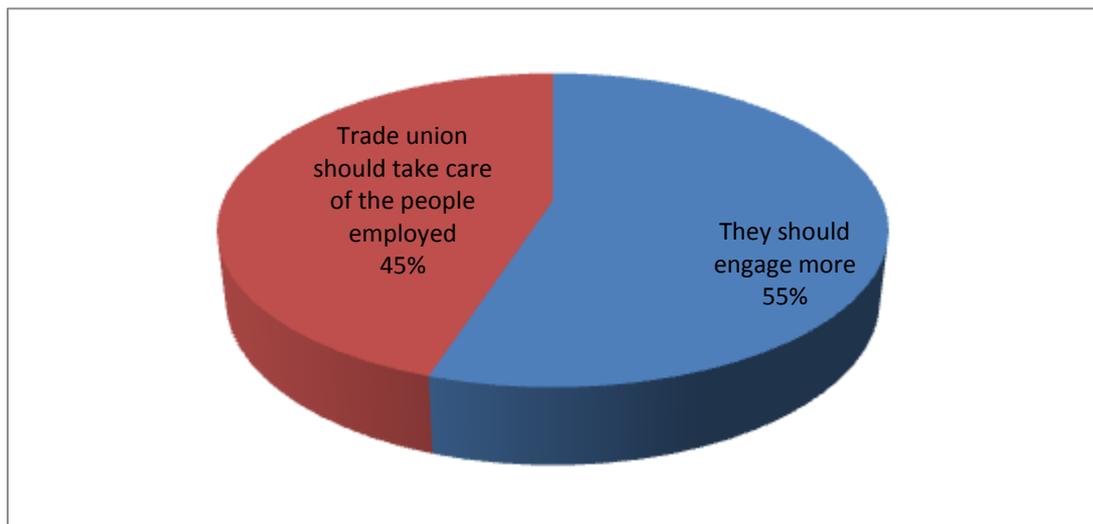


Figure 4.10: Workers who Support Trade Unions to Find new job for the People who have Lost their Jobs

Source: Survey Data (2012)

55% of members questioned think that Trade union should engage more in aiding the members who has lost their jobs. Trade unions should therefore put more focus in finding new employment for the members who has lost their jobs and take care for members on life-long basis.

4.6.2 Workers interests in Trade union to Have its Own Political Party?

Table 4.13: Workers Support Trade Union to have its Political party

Answers	Numbers	Percentage
I would be interested	99	41%
Trade union should remain apolitical	141	59%
TOTAL:	240	100%

Source: Survey Data (2012)

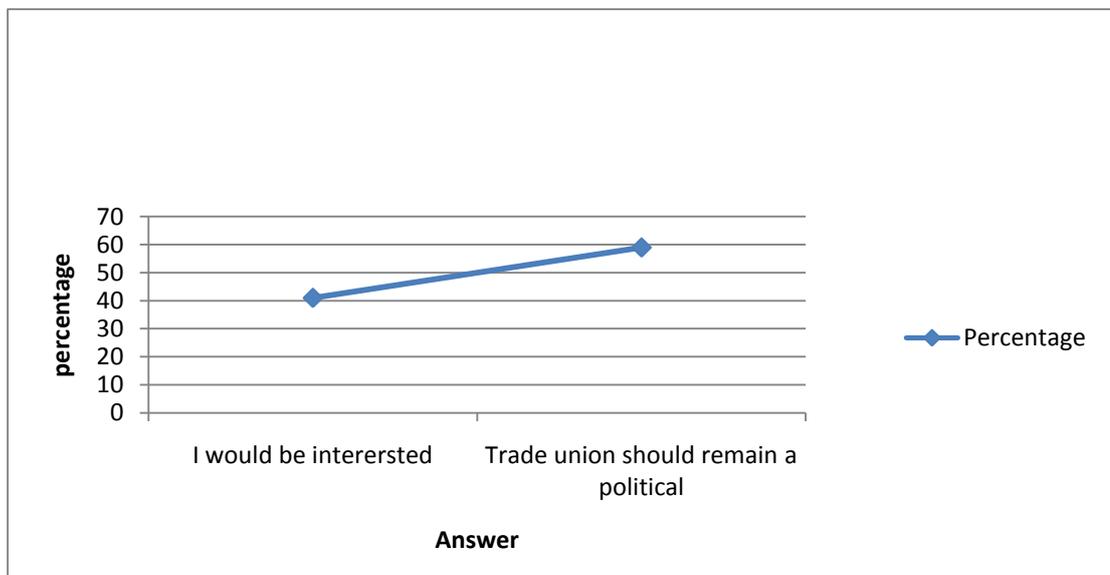


Figure 4.11: Trade Union to Have its Political Party

Source: Survey Data (2012)

41% of members questioned think that Trade union should stay apolitical. I believe members are not really familiar with the benefits Trade union would get form lobbying or having its own political party. I believe answers would be different with more information.

4.7 Analysis of the survey According Interview

The interview was done in order to get data which might be confidential or not easily disclosed to the questionnaires by the respondents, and present the proposed changes that could be implemented in trade unions. The interview was done with the regional secretaries of both trade Unions and they showed a great deal of cooperation. They have been requested to explain about the image of trade union in the country.

One has explained the image is not very bad but the only problem is that the members need to get enough information about the activities going within trade unions that will strengthen their confidence towards trade unions. But another one came up with different opinion and said that the problem is with employers by engaging themselves to trade unions activities illegally, and in most cases to suppress employee's requirement by using corrupt leaders of the trade unions. Also government intervene trade unions activities in back ward by sucking confidential information of the trade unions through their secret representative within trade unions. The secretary also requested to explain if they have any program of helping employees who have lost their job to get another job. He said they do not have such program but they will discuss about it and they will see if they can put in the organization policy.

CHAPTER FIVE

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

This study assessed the impact of trade unions in improving employees working conditions. Overall two issues have been addressed, the problems faced by employees in their working areas and the roles of trade unions in improving employees working conditions. Problems facing employees in their working areas are, Lack of enough salary, Trade unions to side with employees, Lack of formal contracts. And The roles of trade unions are:- Negotiating collective agreement, representing workers at disciplinary and grievance, informing and consulting, and setting basic labour standards.

5.2 Conclusion

Overall the study concluded that to a certain extent trade Unions help to improve working condition of the employees through their collective bargaining process, consulting and educating workers but still there is some points have to be focused to put things in a proper way. Corruption has been dominated between trade union leaders and the employers this delays the whole process of improving working condition, also the trade unions does not have enough money to run most of their activities effectively like training their staff and improving communication between trade unions and the employees.

Externally, the economic environment has become harsher. Global competition has intensified, putting new pressures on national industrial relations regimes. Massive

job losses have emerged, and workforce has become subject to mass fluctuation. The political environment also changed and became more unfavorable towards Unions, due to high pressures of big multinational and domestic companies, and there is different management practice of the employers being used, which is becoming more enabling, team building, career planning and has therefore a negative effect to Union membership.

The internal problem Trade unions are facing today is the concept of average worker, which used to be fully employed, but today all so called atypical working schemes appeared, part time job, self employment, etc.

Trade unions should therefore try to adjust to the changes and build an additional value added to members and non-members on the work they perform.

The study come to conclusion the Trade unions should first change their mind set and finally realize that they have been put on the market, that they have a customer (members) whose needs need to be satisfied in order for him or her to become or stay a member. Creating different wants, by using marketing techniques could also bring some additional value added in the eyes of members and latter overall society and increase legitimacy of Trade union as an institution

5.3 Recommendations

Suggestion on how trade union can improve its performance on improving employees working conditions.

5.3.1 Implications to Policy Makers

The findings of this study have a number of implications to the policy makers; first the Government has to introduce credible national policy on employment, lack of coherent national policy is due to lack of genuine political will and commitment on the part of government. Second, there is a need to introduce credible legal systems and strong enforcement of laws which will give power to trade union and effective labour inspections because some employees claim the trade unions does not have enough legal power to deal with employees problems.

5.3.2 Implications to the Industry

Trade unions should adopt their working agenda to new circumstances in the business environment. The reason of negative trend in unionization worldwide is showing that people see fewer benefits from being a member of Trade union. Trade unions should therefore change the agenda to gain back the legitimacy and reason they definitely have in organization of any country.

More emphasis should be put on brand development of Trade unions in order to change image of that institution; Brand development should be the issue Trade unions should put an emphasis on. It would help with improving the overall bad image Trade unions are facing today.

Trade unions should follow the example of Sweden where Trade unions model proves to be the most successful; Sweden case of Trade unionization should be followed by other Trade unions. The model should be carefully analyzed and

implemented in the agenda of any Trade union, with slide modifications, according to government, culture, etc.

Umbrella Trade unions in Tanzania should merge and try to join as many Trade unions as possible; Umbrella Trade unions in Tanzania should find a way to merge and increase the bargaining power against Employers and the Government. Trade unions should adopt new strategies to attract new members, especially strategies how to attract young workers. Job security today means flexibility of worker. To become flexible worker needs a continuous education, which should be organized by Trade unions.

Trade unions should be more active in aiding the unemployed; Members, becoming unemployed should be fully aided from the side of Trade union. Work of Trade union is not finished, when member gets compensation, but when he gets a new job.

It was suggested that capacity building programme for trade union leaders

The idea is to train senior trade unionist involved in social dialogue at regional level. This dialogue would consist of presenting policies and experiences to enable the leaders to face dynamic challenges in their daily activities. The capacity building should mainly involve on labour market issues, macro-economic issues and social protection.

Trade union as a pressure group should take advantage of pluralism and demand to be involved in national policy making process. Ensuring that unions develop their

organizational strength and technical capacities to engage in successful social dialogue that sustainable improve working conditions.

Trade union has to introduce proper source of fund in order to run most of their activities properly, this will help to reduce the gap of corruption between employers and trade unions leaders.

A modern trade union should see the workers as a product that is representing to the market place .as such , it can offer member assistance in being useful workers and it can develop a method for removing unproductive members from its membership. This is the best interest of both the union and the employers.

5.3.3 Implication to Academicians

The academician should develop models that link new union practices to various formulations of social movement unionism. That organizing approach will involve a variety of innovative approaches that go beyond traditional Trade Union practices; this will lead to the better function of Trade Union.

5.4. Limitation of the Study

The study was limited to a certain eventualities including time constraints and financial constraints. Factually the researcher faced a shortage of time in his attempt to make a broad data collection. Similarly financial ambiguity came up to object the researcher when attempted to visit some leaders of the associations in their offices. Another limitation was the difficulty to reach and contact Union leaders selected for the sample. Leaders had to be called many times to get an appointment for interview

due to their responsibilities.

5.5. Areas for Further Research

Few studies have been carried out in regard to the services of Trade Unions, since the Trade Union is the key connector between workers and their employers. More studies should be conducted on the contribution of government in supporting the work of Trade Union.

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APPENDICES

Appendix 1: Research Budget Estimate

RESEARCH BUDGET ESTIMATE		
<u>Research proposal</u>		
Description	Costs (Tshs)	Tshs
Stationery	20,000.00	
Printing & Binding		
Research proposal printing	10,000.00	
Questionnaire printing	50,000.00	
Binding research proposal booklet	5,000.00	
Transport Costs	<u>50,000.00</u>	
Subtotal	<u>135,000.00</u>	
<u>Dissertation</u>		
Description	Costs (Tshs)	
Stationery	50,000.00	
Printing & Binding		
Dissertation printing	100,000.00	
Binding Dissertation	100,000.00	
Transport Costs	<u>20,000.00</u>	
Subtotal	<u>270,000.00</u>	
Grand Total		<u>405,000.00</u>

Appendix ii: Questionnaire

1. What do you think about work of trade union in general?

A: Very good

B: Good

C: Bad

D: Very bad

2. How familiar are you with the work and organization of Trade Union?

A: Very good

B: Good

C: Bad

D: Very bad

3. How familiar are you with the work and organization of Trade union in your company?

A: Very good

B: Good

C: Bad

D: Very bad

4. Would you like to be better informed about the work being done in Trade union?

A: I would like to be better informed

B: I am satisfied with current information, being provided to me

5. How are you provided with information about work being done by Trade union (There were more answers possible!)

A: Through internet

B: Through trade union

confidential

C: Through Trade union newsletter

D: From coworker

F: Something else _____

- A: Free legal protection
- B: Better wages and working conditions
- C: Cheaper purchasing of goods
- D: Help with education
- E: Organization of social gatherings
- G: Others _____

12. Would you be interested in after work education in order to get more knowledge to be more flexible in the labor market?

- A: I am very interested
- B: If I would force to (by circumstances)
- C: May be
- D: It is not important

13. Would it be a good idea for Trade unions to focus more on the getting new job for the people who lost one?

- A: They should engage more
- B: Trade union should take care of the people employed

14. Would you be interested in Trade union to have its own political party?

- A: I would be interested
- B: Trade union should remain apolitical

Your level of education (circle):

- A: Primary school or less

To Trade Union

(1) Respondent Gender

- (a) Male
- (b) Female

(2) In what category of management do you fail

(a) Middle ()

(b) Operation level ()

(3) What are the of your organization an improving employee working conditions?

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(4) How does the organization conduct it activities towards improving employees working condition?

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(5) What are the obstacles does the organization face on conducting its activities.

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(6) What are the possible ways to overcome these obstacles?

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