

# **Trade Union meeting**

A fair day's work deserves a fair day's pay.

Themes Social rights, Democracy, Citizenship

Complexity Level 4
Group Size 10 - 15

**Time** 120

**Overview** This is a simulation of a meeting between an employer and employees together with their trade union representatives to negotiate wages and

conditions. The issues addressed include:

■ The role of trade unions

Collective bargaining in the workplace

■ Workers' rights

**Related rights** • The right to collective bargaining

■ The right of assembly and association, specifically to join and form a trade union

■ The right not to be unfairly dismissed.

**Objectives** • To understand the role of trade unions

■ To develop consensus decision-making skills

■ To promote participation, responsibility and solidarity

Materials ■ Copies of handout I "The situation", one per participant

■ Copies of handout 2 "A short glossary of some labour terms", one per

participant

Labels for identification purposes (optional)

■ Paper, coloured markers and pens (optional)

■ Two rooms (preferable but optional)

Preparation ■ Read the activity through, including the handouts so that you will be well prepared to act as a resource person to any of the players during the activity.

• Arrange the room. Put six chairs in a circle. These chairs are for the representatives of the different parties and the person who is going to chair the meeting. Behind them, arrange other chairs for the rest of participants.

#### **Instructions**

- Introduce the activity. Explain that it is a simulation of a meeting between employers
  on one side and employees' and trade union representatives on the other. The aim
  is to get an agreement on workers' wages and conditions using collective bargaining.
- As a warm-up, ask the group to decide the name and business of the company they want the scene to be set in. It can be a real or imaginary company, manufacturing real or imaginary products. Let them also give the trade union a name.
- 3. Now divide the participants into two groups in a ratio of 2:1. The smaller group are the employers and the larger group are the employees and their trade union representatives.



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- 4. Hand out copies of handout I "The situation" and handout 2 "A short glossary of some labour terms". Give people ten minutes to read the papers, and then check that everyone understands the information.
- 5. Outline briefly how the simulation will be: The employers are the convenors and one of them chairs the meeting. They will put their proposal on the table first. Then the TU and employees' representatives will put their proposal forward. After that all parties will negotiate to try to reach an agreement.
- 6. Ask the participants to agree the procedures for the meeting, for example, when the negotiations are underway, should there be a time limit on how long each person can talk a maximum of 2 minutes perhaps? The total time for the meeting? The procedures for taking short breaks so the representatives can consult their constituencies etc. Who else can talk, or will it only be the representatives?
- 7. Now ask people to get into their two groups to prepare (30 minutes). The employers should choose two representatives and someone to chair the meeting. The workers/ TU should choose two representatives. Both groups should then:
  - Elaborate a new proposal to be presented at the meeting.
  - Decide what negotiating powers the representatives should have.
  - What their bottom line is, that is what is the worst case scenario and the lowest acceptable agreement?
- 8. When the groups are ready, invite the representatives to sit on the five chairs in the inner circle and the others to sit behind them. Invite the chairperson to open the meeting.
- 9. When the meeting is over, take a short break for people to get out of role and then move on to the debriefing and evaluation.

#### **Debriefing and evaluation**

Start with a short review of how people enjoyed the activity and then go on to discuss what happened and what they learnt:

- How did the two groups work together to decide their initial proposals? Was it easy or was it difficult?
- When developing their initial proposals, did the groups consider their own interests or those of the company as a whole?
- Did the groups develop tactics for the negotiation?
- How did the meeting go? Did everyone who wanted to talk get the chance to do so?
- Could the parties get to a mutually acceptable agreement?
- The right to belong to a trade union is a recognised human right. How important a right is it? What would be the consequences of not having that right?
- How much do people know about trade unions, what they are and what they do?
- How strong are trade unions in your country? What about employers, are there also employers' organisations?
- Do any of the participants belong to trade unions? Why? What are the advantages and disadvantages?

#### Tips for facilitators

Before starting this activity you should take into account the climate of opinion and general

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I May Labour Day

**Key date** attitudes towards trade unions in your country. For example, in post-communist societies, there may be resistance to this activity because of the legacy from the times when trade unions were seen as 'schools of communism'. In these circumstances you may like to start by exploring the images and stereotypes people have of trade unions. You could also ask participants to contact local trade unions for information and do other research on labour issues in their country. You might also wish to point out the relevance and importance of trade unions in safeguarding workers' rights irrespective of the political system that they were identified with.

> Depending on the group, you may need to give more guidance about the bargaining process. You may want to give participants some tips about what to consider when developing their positions and proposals, for example:

- Would it be acceptable for employees to forego their wage rise in order to retain all the workers?
- Which category of workers should be dismissed, if dismissals are eventually carried out?
- Is the proposal realistic? Could the company sustain the economic burden?

Let the meeting and negotiations meet their destiny! If, during the discussions, employees and the trade union are thinking of backing up their proposal with a strike, you could supply them with paper and pens to make posters for the picket. If the employers want to shut the workers out, i.e. organise a lockout, make sure you have another room for the workers to go to!

Most countries in Europe have laws regulating collective bargaining. You may wish to identify such legislation and copy some of the important articles to help participants develop this activity to its full potential.

#### **Variations**

Another example of a situation involving negotiations about rights might be a meeting at a school to resolve a dispute with a "problem" student. The meeting could be between the student and his or her parents on one side and the head teacher and parent-teacher body on the other.

#### Suggestions for follow-up

Invite a member of a trade union to come to give a talk. You will find the phone numbers of trade unions in the local telephone directory. Generally trade unions are willing to get closer to young people and that can be a good opportunity for you!

If the group enjoys discussing ideas then they may enjoy the activity "Where do you stand?", in which people have to have defend their opinions about a range of human rights issues.

### **Taking Action**

Develop a project together with a local trade union to promote trade unionism among young people.

#### **Further Information**

There is information about youth and trade union membership in the background information on social rights, page 387.

Note: this activity was developed in co-operation with GMO Trade Union in United Kingdom, European Trade Union College (ETUCO) and Association for European Training of Workers on the Impact of New Technology (AFETT).



#### **HANDOUTS**

#### The situation

The scene is a company meeting, between employers and employees and the trade union (TU), who are deadlocked in an attempt to come to an agreement over a wage claim.

The factory operates 24 hours a day, 365 days a year. It has a total workforce of one thousand, from production to the management. All workers are members of the trade union.

The company is currently experiencing financial and economic difficulties, but it is not actually facing bankruptcy. Profits have remained high but they declined last year as the sector as a whole is facing a downturn. Over the past three years wages have fallen by 3% in real terms and staff numbers have declined by 10%.

The workers are demanding a wage rise in line with rises in other sectors of industry.

Management has indicated that staff reductions will be necessary in order to pay for any wage rise. Their proposal is:

- a 4% wage rise in ordinary wage rates over 12 months on individuals contracts (inflation is currently 2% per annum).
- Payment on the basis of hours worked annually, rather than daily or weekly hours and the abolition of overtime working.
- Staff cuts (10% of staff mainly part-time, temporary positions and apprenticeships - following the rule 'last in, first out') and voluntary redundancies.

The management proposal was rejected by the general assembly of workers who were concerned that the proposals would leave them far worse off (at the moment 40% of employees receive a significant part of their pay in overtime payments). The TU and the employees made a counter-proposal to the management:

- Increase of 9% in wages over two years
- Overtime and bonuses be kept in place
- Current staff numbers be retained and any employee who is forced into redundancy be retrained at the company's expense.
- If demands are not met, strike action will be taken.

The counter-proposal was refused by the management, who claimed that the TU and employees' suggestions would not solve the problems that the company is facing.

The negotiations have been going on for two months now.

It is company policy that when agreement can not be reached within a two-month period, then a special meeting should be called involving all parties concerned. It is this meeting that is the basis of the simulation. Both sides are required to come with a new proposal that is a realistic basis for coming to a mutually satisfactory agreement.

There should be a total of seven people around the negotiating table: two management representatives, one chair of the meeting (appointed by the employers) and four TU representatives. Because it is a special general meeting, all employees are welcome to attend.

## A short glossary of some labour terms

Collective bargaining: This is a process of negotiation in which employers and employees' representatives collectively seek to agree and resolve issues, such as salaries and work conditions.

Lock-outs: A lock-out is one of an employer's most radical means of exerting power. The employer refuses to allow the employees entry to their place of work, that is s/he literally locks them out in an attempt to compel them to accept management's demands.

**Redundancy:** Workers are made redundant when they are dismissed because the employer decides to close down the business. The employees may be entitled to redundancy payments as compensation.

Severance pay: If a permanent employee is unfairly dismissed or is dismissed on the basis of the company being re-structured, then s/he is entitled to receive compensation, which is called severance pay. The value of the severance pay is often based on the salary that the employee was receiving, for example, one week's salary for every year of work.

Strike: The right to strike is a basic, social, human right which is seen as a necessary element for successful collective bargaining and as a tool to mitigate the inherent inequality in the employer – employee relationship. A strike is the refusal to work, or the obstruction of work, by employees. Workers can not just go on strike when they feel like it! Certain conditions have to be met which are usually laid down in legislation and differ from country to country.

**Trade Union:** A trade union is an association that exists to defend workers' interests, including pay and working conditions. The trade union generally represents workers in negotiations with the employers. In many countries TUs are organised into confederations.