FOREWORD

Structural changes in the economies and globalization pressures highlight the need for the transformation of industrial relations in South Asia. In the post-second world war scenario, legislation in South Asian Countries (SACs) focused on resolving disputes rather than developing a legal and institutional framework to promote sound labour-management relations. Though, constitutionally, the freedom of association is guaranteed in SACs, barely 6 percent of the workforce is unionised. The exception is Sri Lanka where union density is around 19 per cent. Less than 3 percent of the workforce in the region is covered by collective bargaining. In the context of the ILO Declaration on Fundamental Principles promoting sound labour management relations and encouraging collective bargaining to achieve core labour standards assumes further significance.

Mutual gains bargaining based on the win-win approach suggests the need for expansion of the pie and for the labour to seek a better share in the expanded pie. Mutual gains should be viewed as inclusive of the concern for the other stakeholders. It should also mean integrating the competing interests between the claims of the workforce in the organised and unorganised sectors.

In almost all SACs, the trade union legislation avers that trade unions can “restrict trade or business” in pursuance of their objectives. It is not always possible, and, much less desirable, to shrink the pie and seek a higher share. In Japan, Germany, Scandinavian and several South East Asian Countries (SEACs), trade unions align their interests with those of business and industry in consultative bipartite committees to increase production and productivity. Having contributed to the creation of wealth, the same trade unions (which cooperated with management) compete with them. And they do not hesitate, if required, to resort to covert or overt forms of conflict (such as the spring offensive in Japan) to secure a fair share for their members.
It is imperative to promote sound industrial relations with a view to making the enterprises, industry and economy competitive, and at the same time seeking a fair and equitable dispensation for labour. Both the management and trade union need to contribute to the realisation of sound industrial relations. Unfair labour practices on either side, as notified in the legislation in all SACs, must cease.

Rapid changes in technology, globalisation and competitive pressures have made the task of trade unions difficult and the workers are made to bear a large share of the losses. In these circumstances employers and their organisations should exercise restraint and ensure that cooperation agreements do not result in suicide pacts for workers and trade unions. Proactive human resource practices should promote trust through transparency and fairness through equity. These core values must guide the conduct of the social partners at the workplace.

The training manual for 'Sound Industrial Relations and Collective Bargaining' was prepared by C.S. Venkata Ratnam, Dean, International Management Institute, New Delhi and D.P.A. Naidu, Senior Specialist in Workers’ Activities, ILO-SAAT. Instead of reinventing the wheel, in some cases they have adopted and simplified modules from the earlier published work of Bureau for Workers’ Activities and the multidisciplinary teams of the ILO. The modules were tested in five SACs: Bangladesh, India, Nepal, Pakistan and Sri Lanka. In this exercise, A. Sivananthiran, Senior Specialist in Industrial Relations, ILO-SAAT, supported C.S. Venkata Ratnam and D.P.A. Naidu.

This training manual is published in response to the perceived requirement for equipping the trade union leaders with skills for improving industrial relations and for achieving win-win collective bargaining. I take this opportunity to congratulate the editors and thank the ILO - South Asia Multidisciplinary Advisory Team for their support.

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