

# A Comparative Study on Challenges Faced by Laborers Between Public and Private Sector with Reference to Trade Union Act 1926

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**Abstract:** *The challenges faced by labourers in the public and private sectors have evolved over time and differ in many ways. Public sector jobs are generally considered more secure than private sector jobs. The challenges faced by workers in the public and private sectors are influenced by a range of factors, including industry, organisation size, economic conditions, technology, government policies, and workforce demographics. Both the US and India face a shortage of skilled labour in certain industries. In the US, there is a shortage of workers in fields such as healthcare, technology, and manufacturing. In India, there is a shortage of workers in fields such as engineering, medicine, and IT. The objectives are to know the purpose for enacting the Trade Union Act, to study about the functions of the Trade Union Act, to know the challenges faced by labourers in industries, to know about the factors affecting the employees performance, to know the importance of the Trade Union Act to the labourers. The research method followed here is a Descriptive research. A total of 200 samples have been collected out of which all samples have been collected through a convenient sampling method. The responses are collected in and around Chennai. The challenges faced by workers in the public and private sectors can vary significantly due to differences in economic, political, and social factors. Hence there are some common challenges that workers in both sectors may face, such as low wages, limited job security, and lack of benefits.*

**Keywords:** Labourers, Public Sector, Private Sector, Workforce, Trade Union

## I. INTRODUCTION

The challenges faced by labourers in the public and private sectors have evolved over time and differ in many ways. Public sector jobs are generally considered more secure than private sector jobs. Historically, public sector jobs have offered better wages and benefits compared to private sector jobs. In the past, unionisation was more common in the public sector than the private sector. Technology has had a significant impact on the job market, and this is no different for public and private sector workers. Both public and private sector workers face challenges in achieving a healthy work-life balance. While some challenges faced by labourers in the public and private sectors have remained constant over time, others have evolved due to changes in the job market and economy. Governments around the world have enacted laws to address the challenges faced by workers in both the public and private sectors. Employment Standards: Governments have established employment standards laws that set minimum standards for working conditions, wages, and hours of work. Occupational Health and Safety Laws: Governments have implemented laws that require employers to provide a safe working environment for their employees. Minimum Wage Laws: Governments have established laws that set a minimum wage for workers. Equal Employment Opportunity Laws: Governments have enacted laws that prohibit discrimination in employment on the basis of various factors such as race, gender, age, and disability. Worker's Compensation Laws: Governments have established laws that require employers to provide compensation to workers



who are injured on the job. These laws aim to protect workers' rights, ensure fair treatment in the workplace, and provide a safe and healthy working environment. The challenges faced by workers in the public and private sectors are influenced by a range of factors, including industry, organisation size, economic conditions, technology, government policies, and workforce demographics. The industry in which a worker is employed can have a significant impact on the challenges they face. The size of the organisation can also influence the challenges faced by workers. Larger organisations may have more resources to invest in training and benefits, while smaller organisations may struggle to provide the same level of support. Economic conditions such as recession or economic growth can also impact the challenges faced by workers. The impact of technology on the workforce has been significant, and it has created new challenges for workers. Government policies such as labour laws, taxation policies, and social welfare programs can also influence the challenges faced by workers. Demographic factors such as age, gender, race, and ethnicity can also play a role in the challenges faced by workers. The challenges faced by workers in both the public and private sectors are constantly evolving, and current trends such as remote work, skills shortage, automation, mental health, and diversity and inclusion are impacting the workforce. Many industries are experiencing a skills shortage, which has created challenges for both employers and employees. The use of automation and artificial intelligence is increasing in many industries, which is creating new challenges for workers. Mental health has become an increasingly important issue in the workforce, and many workers are facing challenges such as stress, burnout, and anxiety. Diversity and inclusion have become a major focus for many organisations, and workers are facing challenges such as discrimination, unconscious bias, and unequal opportunities. The challenges faced by workers vary from country to country due to differences in economic, political, and social factors. The United States has a highly competitive labour market, which can make it challenging for workers to find secure employment. The country also has a significant wage gap between high-earning and low-earning workers, and workers may face challenges accessing healthcare and other benefits. In India, workers in both the public and private sectors face a range of challenges, including low wages, long working hours, and lack of job security. Many workers in India are employed in the informal sector, which can make it difficult to access benefits or legal protections. In the public sector, workers may face challenges such as corruption and lack of accountability. Both the US and India have issues with gender inequality in the workforce. In the US, women face challenges such as the gender pay gap, sexual harassment, and limited opportunities for advancement. In India, women face similar challenges, as well as cultural barriers and discrimination in the workplace. Both the US and India face a shortage of skilled labour in certain industries. In the US, there is a shortage of workers in fields such as healthcare, technology, and manufacturing. In India, there is a shortage of workers in fields such as engineering, medicine, and IT.

#### **OBJECTIVES:**

- To know the purpose for enacting the Trade Union Act.
- To study about the functions of the Trade Union Act.
- To know the challenges faced by labourers in industries.

#### **II. REVIEW OF LITERATURE:**

**Stale Einarsen,et,al., 2008 (M. B. Nielsen et al.)** The aim of the study was to investigate the prevalence of bullying and harassment at work, to identify risk groups and risk organisations, and to investigate who the victims report to be their tormentors. Bullying and harassment are defined as situations where a worker or a supervisor is systematically mistreated and victimised by fellow workers or supervisors through repeated negative acts. **Jon Erik Dølvik,et,al.; 2002(Dølvik and Martin)** This article maps the challenges faced by European trade unions arising from the growth and diversification of employment in private sector services, and analyses union responses to these challenges. The article suggests that although the reforms have been insufficient to turn the tide thus far, the breadth of change cautions against precipitate judgements about the demise of unionism in private sector services. **Jane Wills., 2008(Naidoo and Wills)** This article argues that subcontracted employment is becoming paradigmatic. This form of employment has stark consequences for traditional models of trade union organisation that focus on collective bargaining with the employer.



The article highlights the need for subcontracted workers to put pressure on the “real employer” at the top of any contracting chain. **Maria da Paz Campos Lima, et al., 2011** (Estanque et al.) This article examines the responses of trade union confederations to the impact of the international crisis of 2007—2010 in Portugal and in Spain. Both countries had socialist governments in power and were in particularly vulnerable positions when the crisis struck. During this period trade union confederations negotiated social pacts and called general strikes. **Heather Connolly, et al., 2014** (Connolly et al.) This article examines trade union responses to migration in the Netherlands, Spain and the United Kingdom. Our analysis shows how trade unions in each country tend to give priority to certain specific logics rather than others. Our findings also show how, in each country, trade union renewal in relation to migration implies engaging with new logics of actions which have not been part of the historical trade union approach. **Supriya Roychowdhury, 2010** (RoyChowdhury) This article looks at the ways in which marketisation reforms affect the empowerment, ideological universes and functioning limits of popular institutions. Case studies of three public sector companies in Bangalore city in the southern state of Karnataka, India, indicate that labour rationalisation has occurred with trade union acquiescence and support. **Steffen Lehndorff, et al., 2015** (Lehndorff) This article argues that, while unions in individual countries will necessarily continue to fight the dominant EU crisis management policies primarily at national level, their prospects of success will increasingly depend on their transnational cooperation. The argument is developed through a comparison between the problems faced by trade unions in Greece and Spain on the one hand, and in Germany on the other. **Niccolo Durazzi, 2017** (Garritzmann et al.) The article aims to reconcile the empirical observations that conflict with the theoretical expectations. It is argued that unions have indeed put in place inclusive, yet selective, policies towards atypical workers, and that unions' identity is a central explanatory variable to understand unions' selective inclusiveness. **Tobias Gerhard Schminke, et al., 2021** (Klandermans et al.) This article assesses the outcomes and effectiveness of informal sector organising in Uganda, focusing on the transportation, market and textile sectors. The pervasiveness of informal labour globally has given rise to numerous calls to adopt a wider and more diverse understanding of what constitutes labouring classes and what is required to organise them. **Jenny Jansson, Katrin Uba, 2022** (Jansson) This paper aims to examine the cycle of labour protests in Sweden, comparing the contentious actions of trade unions in public and private sectors over 40 years. Although unions in both sectors have decreased protest mobilisation over time, private sector unions have resigned the most, whereas public sector unions continue to mobilise a diverse set of protest actions. **Richard B. Freeman, 2020** (Freeman) The institutional structure of the American labour market changed remarkably from the 1950s and 1960s to the 1980s. Examining a wide variety of evidence on the union status of public and private workers. I contrast trends in unionisation in the United States with trends in other developed countries, particularly Canada, and use these contrasts and the divergence between unions in the public and private sectors of the United States to evaluate proposed explanations. **Chris Robinson, et al., 2022** (Robinson) The paper attempts to integrate new approaches to estimating union wage effects with the analysis of public-private sector wage differentials. Estimates of the union differential in both public and private sectors, allowing for the endogeneity of union status, are presented. There was evidence of positive selection into the union sector, especially for private sector workers. **Jack Fiorito, et al., 2020** (Wilkinson et al.) Data indicate a substantial and growing “unionism gap” between the public and private sectors. Previous research identifies possible explanations for this gap, including preferences for collective action, political considerations, fears of employer retaliation, and concerns about job security. Our results provide support for these explanations, but also suggest that perceived differences between private and public sector unions may be a significant factor. **Helen Bewley, 2006** (Bewley et al.) This article describes developments in employment regulation in 2005 and assesses how far these measures fulfilled the Government’s pledges to the union movement made in the Warwick Agreement. It also examines the Government’s behaviour as an employer, and the interplay between public and private sector employment practice. **Susanne Pernicka, 2005** (Pernicka and Aust) Since the early 1980s, most European unions have faced substantial decline in membership levels. Although the majority of unions were reluctant to organize atypical employees until recently, some of them have begun recruiting atypical employees as one possible solution to tackle the membership losses. **Melvin W. Reder, 2020** (Hayden et al.) This paper has a single purpose: to explain why unionism (interpreted as percentage of



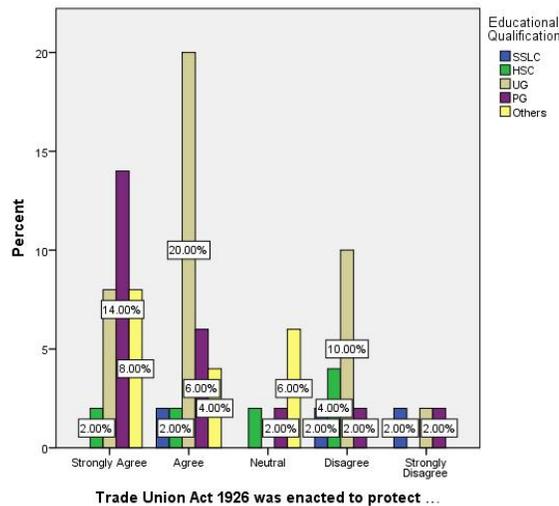
union adherents among eligible employees) has been declining in the private sector for the past 30 to 35 years, but, for most of this period, has been increasing in the public sector. **Mogens Jin Pedersen, 2013**(V. L. Nielsen et al.) Despite extensive public service motivation (PSM) research, our knowledge of PSM's influence on individuals' sector employment preferences is limited. Overall, results underscore the multidimensionality of the PSM construct, as the PSM dimension of "public interest" is positively associated with attraction to public sector employment and negatively associated with attraction to private sector employment, while the PSM dimension of "compassion" is unrelated to both. **Stephen Bach, 2013**(Bach and Bordogna) This article introduces six national studies covering 11 countries of the EU-15, analysing the impact of government austerity measures on the working conditions of public employees and on public sector employment relations. It stresses how international financial markets and supranational actors have altered the dynamics of employment relations in a sector traditionally considered sheltered from external forces. **Stephen Bach, 2011**(Bach and Kessler) New public management (NPM) has been the dominant orthodoxy in analysing public service reform with major implications for employment relations. This article examines recent reforms of public service human resource management. It refutes the proposition that reforms indicate convergence towards an NPM model and argues that the 'varieties of NPM' thesis is also unconvincing. **Rune Bysted, 2013**(Frischmann et al.) Innovation is argued to be of key importance in the public sector. Little is known about possible sector differences in innovative behaviour. The stereotype in literature is that public employees are less innovative. We analyse whether the sector is associated with innovative behaviour and the influence of job/organisational characteristics.

**III. METHODOLOGY**

The research method followed here is a Descriptive research. A total of 210 samples have been collected out of which all samples have been collected through a convenient sampling method. The responses are collected in and around Chennai. The independent variables are Gender, Age, Educational Qualification, Occupation, Annual Income. The dependent variables are to know the purpose for enacting trade union, to know the functions of trade union, to know the challenges faced by labourers and factors affecting the employees performance.

**IV. ANALYSIS**

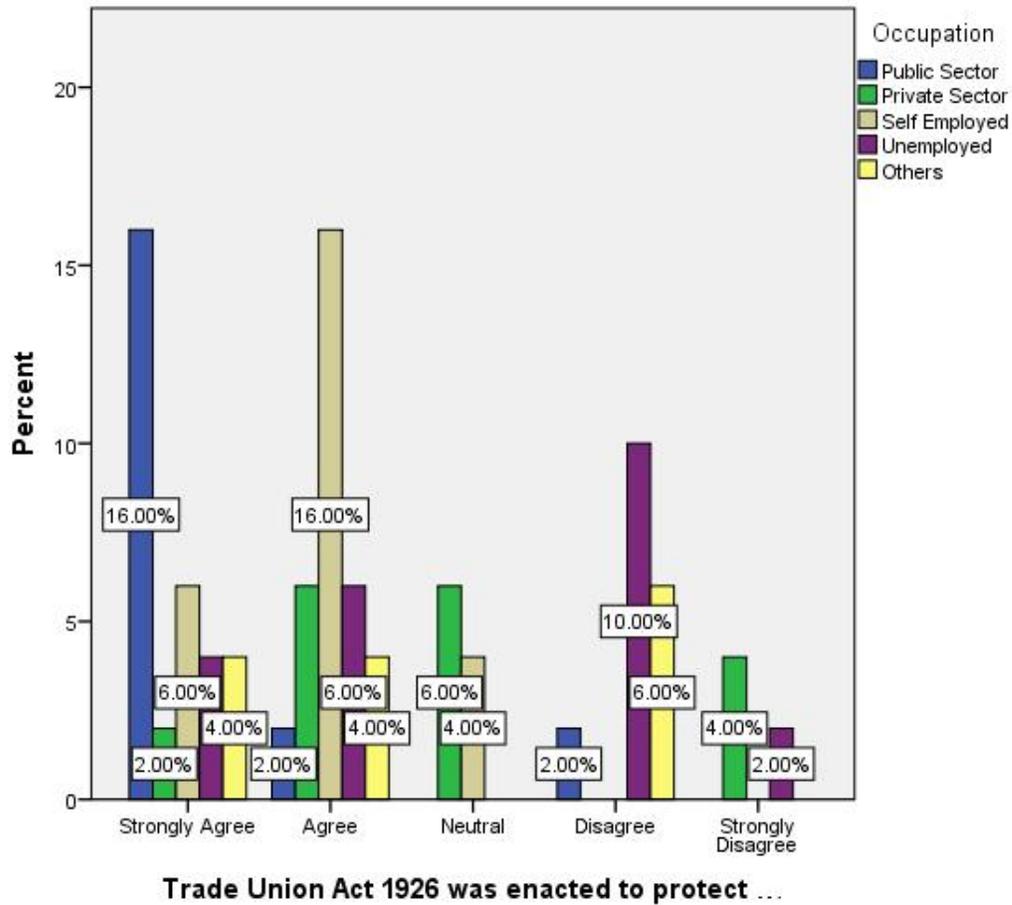
**FIGURE 1:**



**LEGEND:** This figure shows the awareness of people about the enactment of the Trade Union Act based on educational qualification.



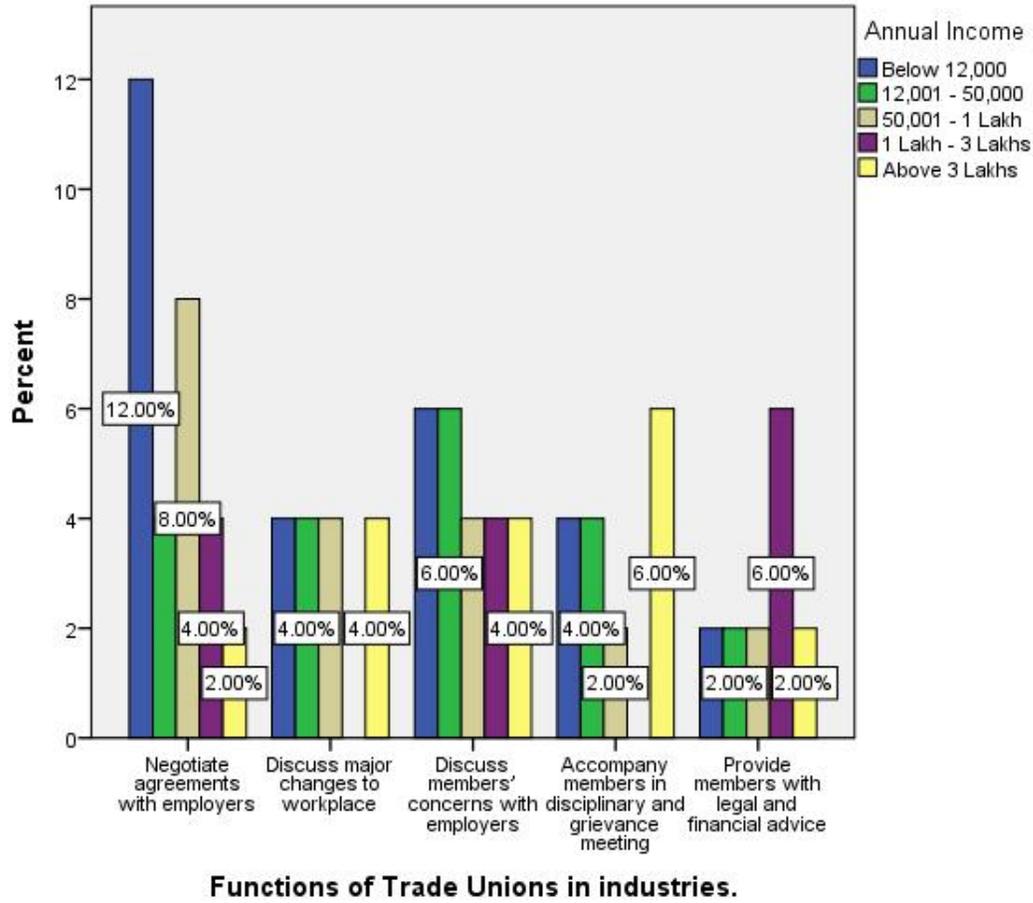
FIGURE 2:



**LEGEND:** This figure shows the awareness of people about the enactment of the Trade Union Act according to occupation.



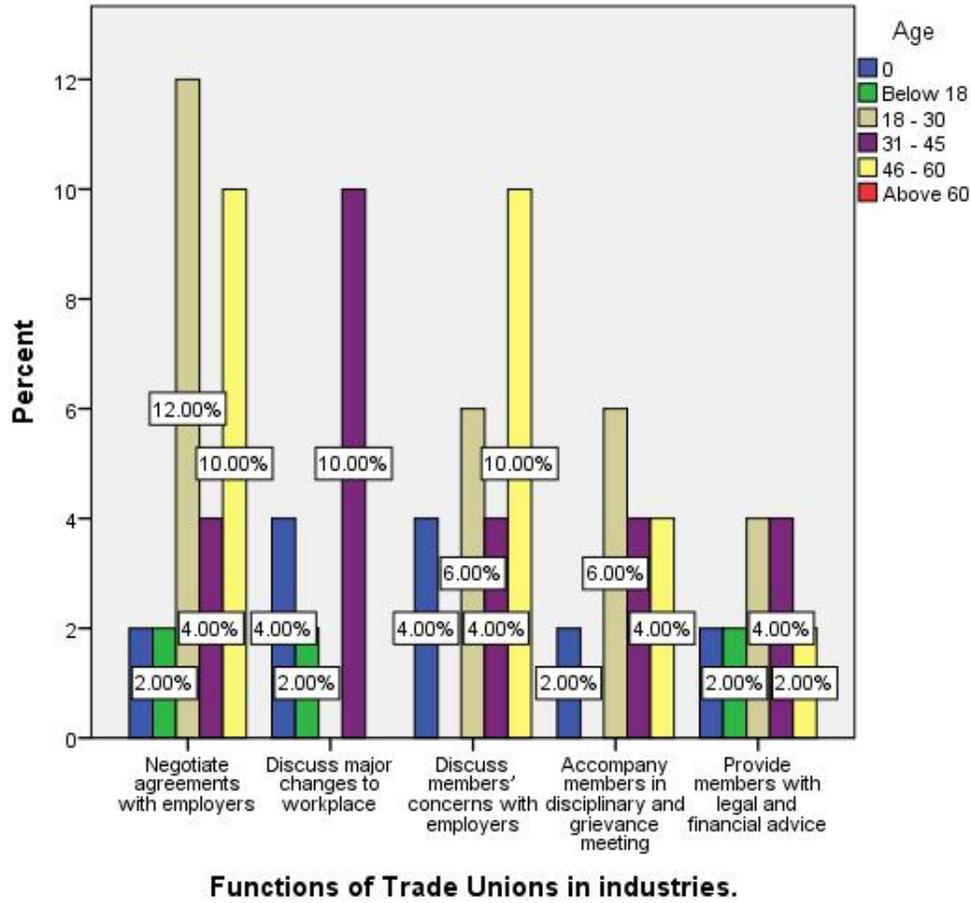
FIGURE 3:



**LEGEND:** This figure shows the function of trade unions in industries based on annual income.



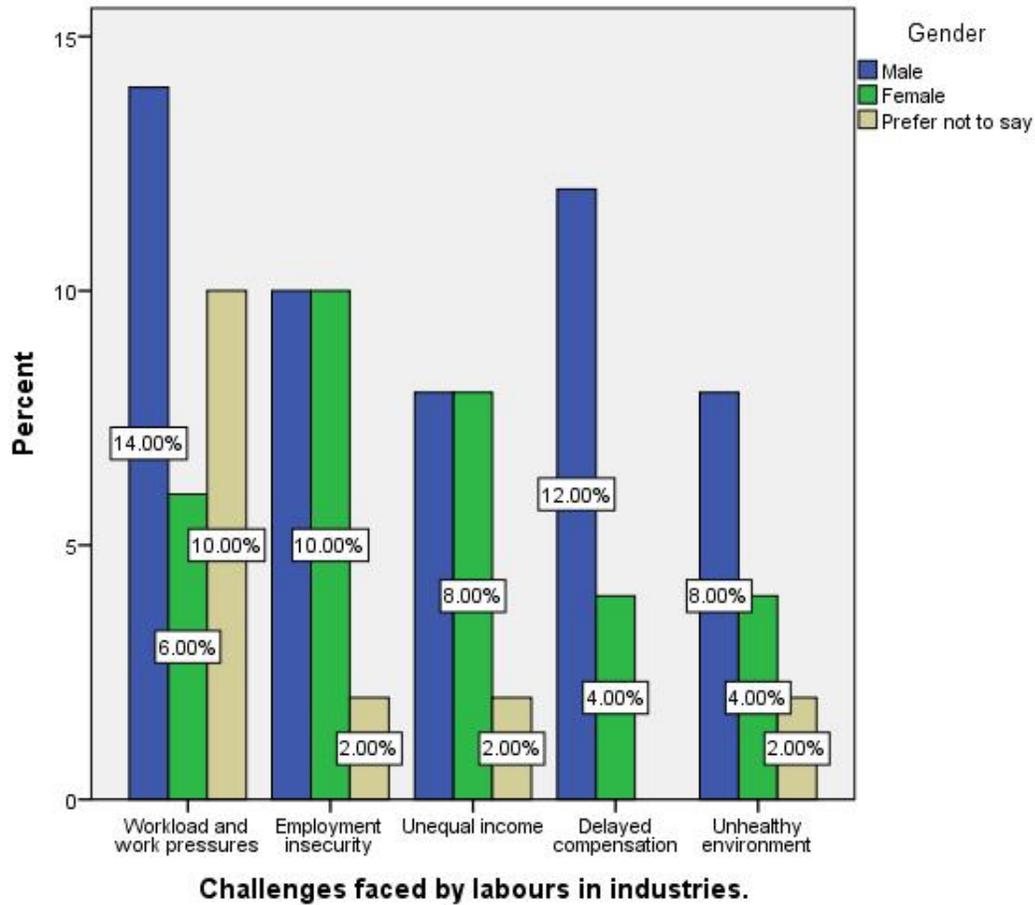
FIGURE 4:



LEGEND: This figure shows the function of trade unions in industries according to age.



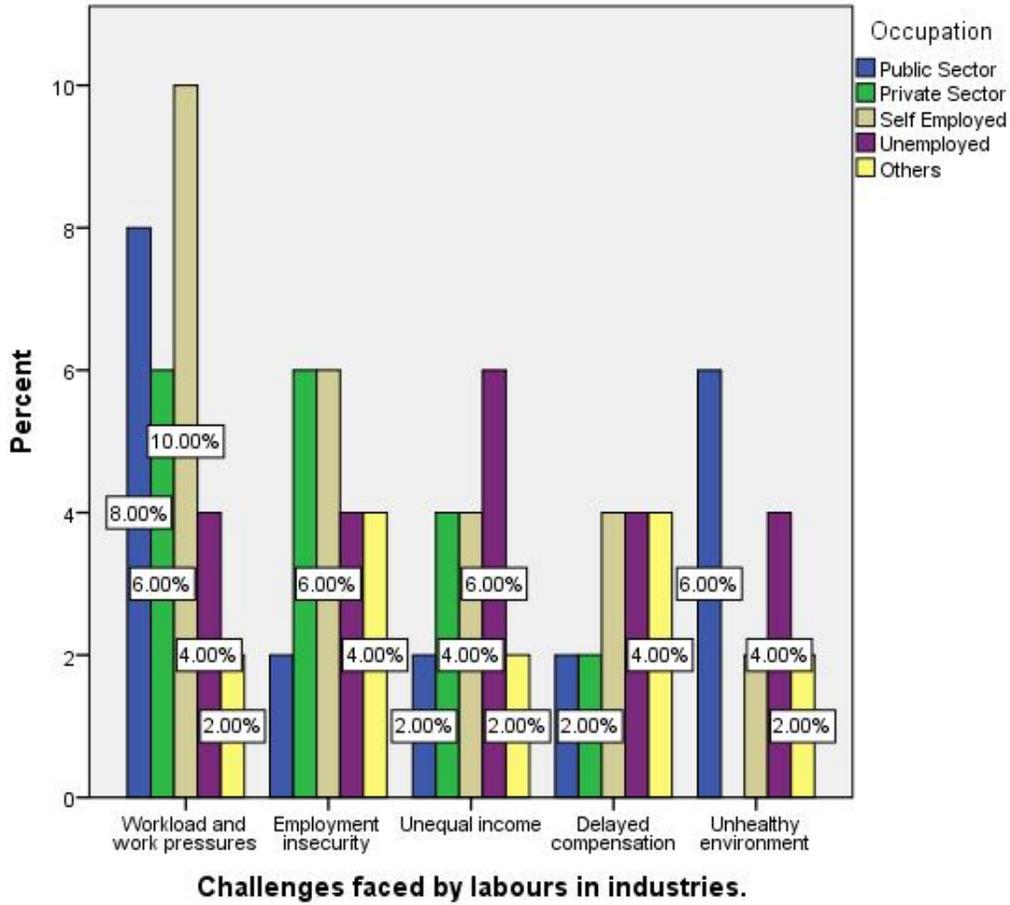
FIGURE 5:



**LEGEND:** This figure shows the challenges faced by the labourers in industries based on gender.



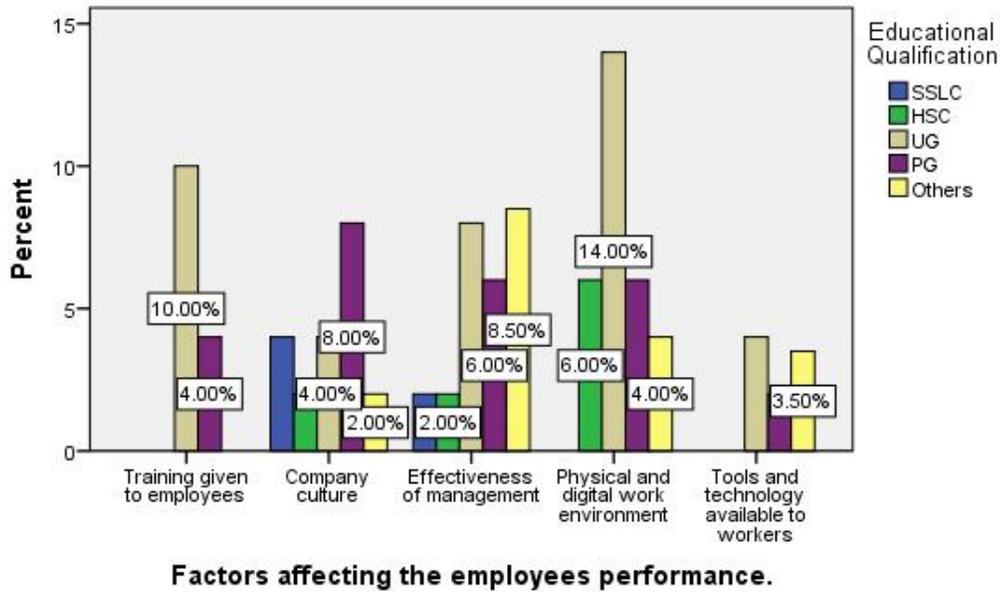
FIGURE 6:



LEGEND: This figure shows the challenges faced by the labourers in industries according to occupation.

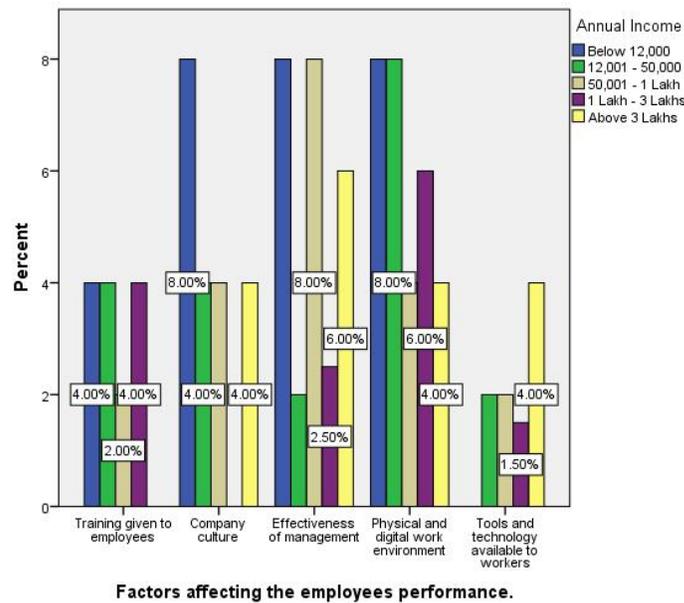


FIGURE 7:



**LEGEND:** This figure depicts the factors affecting the employees performance in industries based on educational qualification.

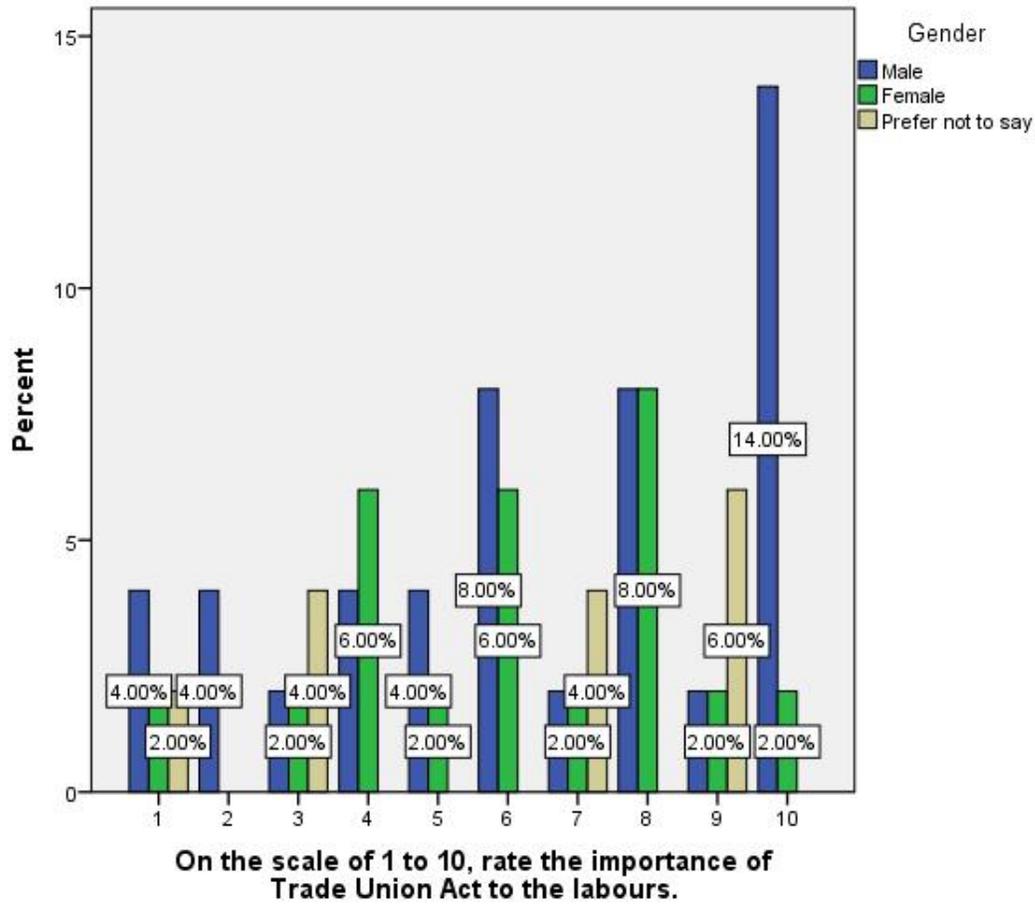
FIGURE 8:



**LEGEND:** This figure depicts the factors affecting the employees performance in industries according to annual income.



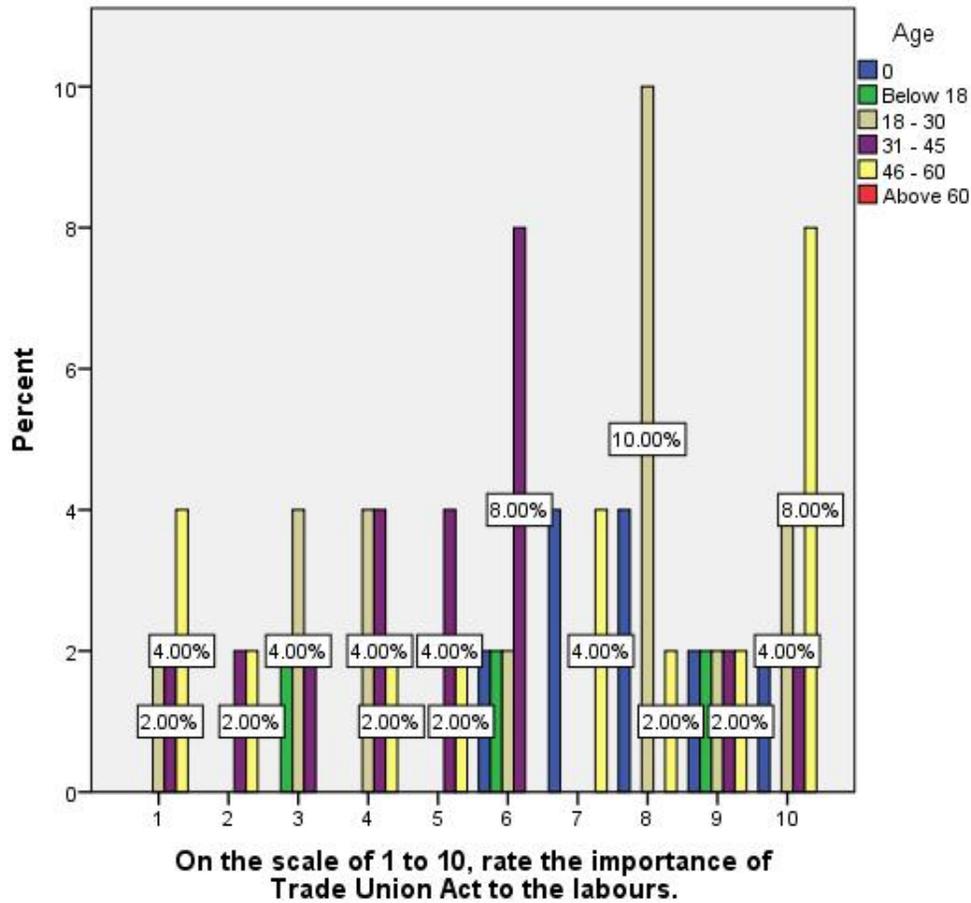
FIGURE 9:



LEGEND: This figure shows the rating of the public on the importance of Trade Union Act based on gender.



FIGURE 10:



LEGEND: This figure shows the rating of the public on the importance of Trade Union Act according to age.

V. RESULTS

Fig 1 depicts that the majority of UG students (20.0%) agreed that a trade union act was enacted to protect the employees. Fig 2 depicts that the majority of self employed and public sector employees (16.0%) agreed and strongly agreed that trade union act was enacted to protect the employees respectively. Fig 3 shows that the majority of the public with income Below 12,000 (12.0%) voted that trade union function is to negotiate agreements with employers. Fig 4 shows that the majority of the public with age between 18 - 30 (12.0%) voted that trade union function is to negotiate agreements with employers. Fig 5 depicts that the majority of male (14.0%) voted for workload and work pressures are the challenges faced by labourers in industries. Fig 6 depicts that the majority of self employed workers (10.0%) voted for workload and work pressures are the challenges faced by labourers in industries. Fig 7 shows that the majority of UG graduates (14.0%) voted for physical and digital work environments as the factors affecting the employees performance. Fig 8 shows that the majority of the public with income between 12,000 to 1 Lakh (8.0%) voted for effectiveness of management and physical and digital work environments as the factors affecting the employees performance. Fig 9 depicts that the majority of male (14.0%) rated 10 for the importance of trade union act



to the labourers. **Fig 10** depicts that the majority of people with age 18-30 (10.0%) rated 8 for the importance of trade union act to the labourers.

## VI. DISCUSSION

**Fig 1** depicts that the majority of UG students (20.0%) agreed that a trade union act was enacted to protect the employees. **Fig 2** depicts that the majority of self employed and public sector employees (16.0%) agreed and strongly agreed that trade union act was enacted to protect the employees respectively. **Fig 3** shows that the majority of the public with income Below 12,000 (12.0%) voted that trade union function is to negotiate agreements with employers. **Fig 4** shows that the majority of the public with age between 18 - 30 (12.0%) voted that trade union function is to negotiate agreements with employers. **Fig 5** depicts that the majority of male (14.0%) voted for workload and work pressures are the challenges faced by labourers in industries. **Fig 6** depicts that the majority of self employed workers (10.0%) voted for workload and work pressures are the challenges faced by labourers in industries. **Fig 7** shows that the majority of UG graduates (14.0%) voted for physical and digital work environments as the factors affecting the employees performance. **Fig 8** shows that the majority of the public with income between 12,000 to 1 Lakh (8.0%) voted for effectiveness of management and physical and digital work environments as the factors affecting the employees performance. **Fig 9** depicts that the majority of male (14.0%) rated 10 for the importance of trade union act to the labourers. **Fig 10** depicts that the majority of people with age 18-30 (10.0%) rated 8 for the importance of trade union act to the labourers.

## LIMITATIONS:

One of the major limitations of the study is the sample frame. There is a major constraint in the sample frame as it is limited to a small area that is taken online through Google forms. Thus it proves to be difficult to extrapolate it to a larger population. Another limitation is a sample size of 200 which cannot be used to assume the thinking of the entire population in a particular country, state or city. The physical factors have a larger impact, thus limiting the study.

## SUGGESTION:

The workplace culture in both sectors can vary widely, with different values and expectations. Union representation and collective bargaining may be more prevalent in the public sector, while non-unionized workers in the private sector may be subject to arbitrary decisions by management. To address these challenges, workers should be informed about their rights and advocate for their interests in the workplace, while policymakers and employers should work to create policies and practices that promote job security, fair pay, and a positive workplace culture.

## VII. CONCLUSION

The challenges faced by workers in the public and private sectors can vary significantly due to differences in economic, political, and social factors. However, there are some common challenges that workers in both sectors may face, such as low wages, limited job security, and lack of benefits. One way that workers can address these challenges is through trade unions, which can help to negotiate fair wages, benefits, and working conditions on behalf of workers.

In India, the Trade Union Act of 1926 provides legal recognition for trade unions and establishes their rights and responsibilities. This act has been amended over the years to address changes in the labor market and to protect the rights of workers. Trade unions can play an important role in addressing the challenges faced by workers in both the public and private sectors by advocating for their rights and interests. They can help to negotiate better wages, benefits, and working conditions, as well as provide support and representation in the event of disputes with employers. The challenges faced by workers in the public and private sectors can be significant, but trade unions can help to address these challenges and advocate for the rights and interests of workers. The Trade Union Act in India provides a legal framework for trade unions to operate and protect the rights of workers, making it an important tool in addressing the challenges faced by labourers in both the public and private sectors.



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