Abstract

This paper analyses the role of trade unions in shaping identities in workplaces in Taiwan and features a case study conducted with participant observation, in-depth interviews, and a survey in a privatised steel corporation. A comparison of workers and their representatives in terms of their various labour identities reveals their different experiences in workplace and the trade union’s effect on changing their perceptions. As the collective identity at work is quite weak, the trade union may act strategically to gain recognition through developing members’ labour identity.

Introduction

Taiwanese government has introduced the representative systems since 1929 when the Labour Union Law was stipulated. After the enactment of the Labour Standard Act and the lifting of martial law in 1980s, Taiwanese trade unions have gradually developed and have slowly transformed from a political means to autonomous voice. Nevertheless, the issue of identities is emerging in Taiwan when discussing politics, ethnicity, but work. In workplaces, class identity is so implicit that workers rarely think about their subordinate positions. The identity of social class is unimportant (Marsh, 2002). This study examines identities in Taiwan in terms of a comparison of ordinary workers and their representatives, and further discusses how trade unions facilitate labour identity.

The structure of this paper is as follows. The next section reviews the systems of labour representation in Taiwan. The third part reviews identities at work. Section four presents the research case and methods. Following are discussions about trade union and identities of labour representatives and of workers. The final section provides a brief conclusion.
Worker Representation in Taiwan

The state dominated industrial relations in Taiwan for many decades and regulated systems of worker representation including both union and non-union mechanisms (Pan, 2001; Wei, 2003; Wu, 1999). However, democratisation and liberalisation have gradually transformed the industrial relations system as the voice of labour has emerged (Rice, 2006). This section briefly discusses the circumstances and developments of representative mechanisms in Taiwan.

Trade Unions and Collective Bargaining

The Nationalist government initially brought trade unions into existence to support industrial strategies, so enterprises regarded trade unions as the basic units in organisations and agreed to develop unions as the state and enterprises’ auxiliary means (Chen, Ko, & Lawler, 2003; Lee, 1999; Rice, 2006; Shieh, 1997; Wu, 1999). The Labour Union Law, which was announced in October 1929 and amended in July 2000 as well as June 2010, used to classify two types of trade unions: industrial unions and craft unions. An industrial union is organised by more than 30 employees within the same industry, in the same area or in the same factory or workshop, i.e. the Chunghwa Telecom Workers’ Union and the Taiwan Railway Labour Union. A craft union is composed of more than 30 workers who do not have constant employers but share the same professional skills, such as the Taipei Translators and Interpreters Union. In terms of various levels, trade unions in the same city or county can initiate a federation of trade unions, above which a general federation of unions is established at the national level. Therefore, a geographically three-tier system of trade unions exists in Taiwan.

According to the governmental statistics (Council of Labour Affairs, 2010), the aggregate union density in the quarter ending September 2009 slightly increased 2.8 per cent to 38.1 per cent, comparing to the same period of previous year. There were 952 industrial unions with the total membership at 15.9 percentages, and 3,566 craft unions with 52.5 per cent of union density; and in terms of regional and national levels, there were 139 federations of trade unions and 78 general federations of unions.

---

1 The latest amendment of the Labour Union Law in June 2010, which will take effect on 1st May 2011, has changed the types of unions into three kinds: (1) corporate union, a union organised in an enterprise or workplace, used to be called industrial union; (2) industrial union, a union organised by workers in the same industry; (3) craft union, a union organised by workers with the same profession or skill. However, this paper only discusses the two existing types of unions and the term industrial union refers to the unions in workplaces.
Decline of industrial unions is visible in the past decade, as the aggregate number of industrial union members has been decreasing; but the craft union density, though slightly declining as well, gradually increases since 2008 whilst more people become members of craft unions (Council of Labour Affairs, 2010). The main purpose of joining a craft union is to be covered by the national labour and healthy insurances (Chen et al., 2003; Kuruvilla, Das, Kwon, & Kwon, 2002; Wei, 2003). To be entitled to the benefits of labour and healthy insurance systems, one person has to be registered as an employee in company or a member of craft union, because only enterprises and craft unions are legitimated as insuring units. Unlike the prediction of Kuruvilla et al. (2002) that both industrial and craft unions would suffer more declines due to the economic changes these days, craft unions are attracting more people who need national insurances but do not have regular employers or who have suffered economic crisis as unemployed. Nevertheless, craft unions act as so-called ‘labour insurance union (Wei, 2003: 49)’ and their main function is not representing members to bargain with associations of employers.

In addition, the membership of an industrial union is compulsory if a union exists and is registered to the local labour administrative bureau according to Article 12 of the Labour Union Law. When people start working in a unionised workplace, they are involuntarily enrolled in that industrial union and typically their fees of membership are automatically deducted from their salaries afterwards. When a workplace is not unionised, workers have the right to establish a union but not obligatory. Moreover, trade unions in state-owned and privatised enterprises are always better organised with sufficient funds and numerous members because of the past state policy of supporting economic development.

Collective bargaining is regulated by the Collective Agreement Law, which was enacted in 1930 and then modified in 2008. Accordingly, trade union is the only legitimate body to negotiate issues of specifying employment relations and conclude a written contract with an employer or an association of employers. However, the coverage rate of collective bargaining is very limited (Kuruvilla et al., 2002; Wei, 2003). Only 49 collective agreements have been signed by the end of September 2009, but there were 4,735 unions with a total number of 3,162,346 members and the employed labour force aggregated 10,278,000 persons (Council of Labour Affairs, 2010). Collective bargaining in Taiwan is ‘rare and underdeveloped (Wu, 1999: 22)’. Additionally, no collective agreement has been concluded in science-based industrial

---

2 The discussion does not include the new Labour Union Law to be effective on 1st May 2011 which loosens the limitation of rights of organising unions.
parks where high-technology industries inhabit (Council of Labour Affairs, 2010). Trade unions are the only legally representing body of workers in collective bargaining, but there is no trade union in science-based industrial parks at this moment.

During the governance of the Democratic Progressive Party between 2000 and 2008, the logic of collective bargaining had four determining factors: politically economic contexts, political and/or industrial elites, characteristics and status of actors in industrial relations, and power relationships and interaction of workers and management (Wu, 2003). Wu (2003) addresses that a ‘human right oriented’ policy of collective bargaining has been developed to achieve more votes and public support. Accordingly, the government started modifying the three pillars of collective labour rights in Taiwan since 2000: the Labour Union Law, the Collective Agreement Law and the Settlement of Labour Disputes Law.

Furthermore, the right of collective bargaining used to be statutory but voluntary. Workers and management had to negotiate whether to bring collective bargaining to their workplace prior to the formal bargaining. If one side of representatives were not willing to negotiate, the other side could not do anything to require collective bargaining. In January 2008, the modification of the Collective Agreement Law changed the right of collective bargaining to obligatory according to Article 6. If one party called for collective bargaining, the other side could not refuse without any reasonable excuses. Hence, the government aims to shrink unfair labour practices and to encourage bargaining in good faith in workplaces (Y.-T. Huang, 2008).

**Non-Union Representation**

Non-union representative mechanisms are characterised as three types according to their initial formalisation: by the state, by the management, and by non-profit organisations i.e. trade unions (Heery, Healy, & Taylor, 2004: 21-28). Some commentators argue that management are in favour of introducing some kinds of non-union mechanisms because worker involvement and participation would harmonise industrial relations and increase the productivity in workplaces ((Baugher, 2003; Lansbury & Wailes, 2008).

The first kind of non-union representation in Taiwan can be traced back to 1929, when the Nationalist government enacted the Factory Law to create factory committees. A factory committee was organised monthly by the same numbers of representatives of both workers and employers to discuss issues regarding employment relations, such as increasing work efficiency, improving the relationship
between factory management and workers, assisting with the implementation of work contracts and factory rules, reforming the terms and conditions of the factory, and planning workers’ fringe benefits. Meanwhile, statutory committees are the main sort in businesses, consisting of four legal committees convened by both labour and management representatives in all enterprises, including labour-management committees, employees’ welfare committees, labour safety and health committees, and supervisory committees of worker’s retirement reserve funds. The most important one is labour-management committees because almost all issues in the workplace can be proposed and discussed at the forum. The other three meetings are specified with different areas in workplaces as their titles suggest.

In addition, the implementation of worker directors on the board has only been regulated for state-owned enterprises, and then expanded to privatised businesses. This concept originated from the German co-determination system as a practice of industrial democracy, but the outcome varies since Taiwanese structures of economy and employment relations are different from Germany (Wei, 2002).

**Labour-Management Committee**

According to the Convocation Rules of the Labour-Management Committee announced in 1985 and amended in 2007, the organisation, structure and issues of a labour-management committee are regulated. However, the legal constraint of the Convocation Rules of the Labour-management Committee seems not existing and there is neither penalty nor fine for employers who refuse to hold the labour-management committee (Wei, 2003).

Executing boundaries of labour-management committees are the rights of reports, discussion and suggestions. Representatives report on the execution of the decisions made in the previous meeting, labour turnover, production plans and business conditions, and so on; discuss on matters relating to the harmonisation of industrial relations and labour-management cooperation, matters relating to working terms and conditions, the planning of labour welfare and the increase of labour productivity; and suggest these issues as well. Decisions taken at the committee are forwarded by the business to the trade union or to the department concerned for implementation, and are reported in writing to the local competent authority for reference. In case the decisions taken are impracticable, they may be referred back to the next meeting for further consideration.

The paradox is that the rights of representatives are not as ‘real’ in practice as a system of the ‘co-determination’. Issues dealt in labour-management committees are
matters relating to the harmonisation of industrial relations and labour-management cooperation, relating to working terms and conditions, the planning of labour welfare and the increase of labour productivity, but are not the critical issues concerning workers’ working terms and conditions or the enterprise’s basic operation. Committees do not have any crucial impact on businesses (Cheng, 2000; I.-C. Huang, Uen, & Huang, 2003). Decisions made at the labour-management committee are not obligatory, even though the meeting takes place regularly and smoothly (Cheng, 2000; I.-C. Huang et al., 2003; Wei, 2003). If the enterprise were not willing to implement decisions taken by the committee, workers could not ask any unbiased outsiders for conciliation or arbitration, even if they conceived the enterprise did not respect the labour-management committee. This essential problem of the institution provides employers with the means to avoid sharing power with workers.

**Worker Director**

The issue of worker directors on the board was initially proposed to the public by the Chunghwa Telecom Workers’ Union in January 1996, which has been the most active Taiwanese union since 1996 when its union president was elected from the rank and file for the first time. However, the government did not consider the issue at the time. In June 2000, the Legislative Yuan, the highest legislative organ, passed the amendment of the Administrative Law of State-Run Enterprise, which becomes the only statute of worker directors in Taiwan, to include worker directors recommended by the trade union and appointed by the enterprise to be the representatives of state capital on the board. According to Article 35, boards of state-owned enterprises have to set up worker directors to represent state capital whilst every 20 percentage of state capital is represented by one seat of worker director.

Huang and Lin (2004: 13-17), from a legal perspective, argue that although the candidates of worker directors are nominated by the union, their rights, obligations, and qualifications are as same as other state-appointed directors, which may result in difficulties in selecting worker directors. Additionally, the role of worker directors is ambiguous because of their relationships with the state-owned business, the state, as well as the union (Wei, 2002: 244-246). Hence, trade unions of state-owned enterprises have passed their own regulations on election and recall of worker directors, mainly focusing on how to select the appropriate candidates, but also emphasising their obligation to union and workers, and indicating the establishment of advisory committees to support worker directors; so apparently unions are more cautious about the practice of worker directors on the board (S.-H. Huang & Lin, 2004: 158-164).
Regardless of the flaw in legislation, many state-owned and privatised ventures have introduced worker directors, such as the Aerospace Industrial Development Corporation (state-owned), the Taiwan Sugar Corporation (state-owned), the Chunghwa Telecom (privatised), the China Steel Corporation (privatised), the Land Bank of Taiwan (privatised), and so on.

**Identities at Work**

The conception of ‘identity’ emerges from multiple sets of meanings. Leidner (Leidner, 2006: 427) defines one set is based on the identities of individuality and collectivity. Individuality embraces ‘the life history, and set of social relations that constitute the person,’ but collective identities concern ‘patterns of shared identification’, such as race, nationality, gender and class. Another set of identity meanings concerns people’s self-identity and the identity other people attribute to them. The former concerns how people recognise themselves and how ‘each individual develops an idea of who and what they are (Watson, 1995: 126)’, and the latter is how others perceive them. The third set revolves around personal identity versus social identity. Personal identity comprises definitions and conceptions people have found to represent them exactly based on their past experiences, whereas social identity contains the arranged position between their personal identity and the definitions and conceptions demanded of them in their present social context (Thompson & McHugh, 2002).

Thompson and McHugh (2002) further indicate that identity sociologically includes concepts of self as well as concepts of roles and reference groups, and this sense of identity helps people not only defend against challenges from outer control but also helps them to interact with other people who could help them in their defence. People struggle to exert control over their environment and fight against pressures to define their identity for them in order to sustain their identity. Therefore, ‘identity is the basis of individual involvement in organisations, and the basis for navigating and negotiating transactions between organisational strategies of control and individual strategies for securing identity (Thompson & McHugh, 2002: 339)’.

Leidner (2006) believes that four aspects are interconnected between identity and the sociology of work. First, one person is usually shown as advantageous goods on the labour market from his or her self-discipline and development. Then, the idea of career always directs to how to arrange one’s life and construct one’s identity. Third, many kinds of culture, disciplines, and choices construct identity through the work of
different professionals, officials, dealers, consultants and so on. Finally, the roles of worker and consumer should be vague and close. When poststructuralist thinking is applied to organisational control it allows us to move towards worker’s subjectivity aroused by labour process theory in various ways. First, consideration is shifted to some extent from collective identity to more tricky individual identity. Second, although the workplace is a location of power relationships and of identity, the resources to maintain a protected and sovereign work identity are actually derived from circumstances beyond the workplace. Third, discussion of workers’ subjectivity has been expanded to encompass actions towards management rather than only resistance to management. Fourth, individuals’ concern to build an absolute identity is a result of captivation in power relationship (Leidner, 2006).

Baugher (2003) examined the worker identity among workers who joined in employee participation schemes in a General Motors plant in the United States. He found that those who participated became a ‘man in the middle’ in the workplace, feeling the tension between upper management and the rank and file. However, more than three-fourths of his interviewees believed their main responsibility was to represent their team members whilst they are positioned between operators and management. He considered some classic theories including Marxist, Weberian and Durkheimian, and concluded that the Durkheimian perspective on workplace norms is the most important factor in constructing workers’ loyalties.

Industrial relations in Taiwan was extraordinarily peaceful without labour voices before the lifting of Martial Law in 1987, and the state manipulated trade unions as creatures of its political propaganda (Chen et al., 2003; Lee, 1999). Companies managed employees using various contrivances limited only by national regulations. Workers were subordinated to capitalism as well as to the state. In contrast, after the lifting of Martial Law, plant closures and labour disputes emerged rapidly, whilst the state passively intervened in and some cases failed to intervene at all in an attempt to escape from the disputes. The absence of the government involvement resulted in more despotic employers and more exploited labourers (Shieh, 1997).

Comparing his study with Burawoy (1979), Shieh (1997) researched subcontracted networks of workers and workers paid-by-the-piece in Taiwan and indicated that shaping the subjectivity of labour is a dynamic process of development. Work paid by the piece implies complete commercialisation of labour. Workers and employers have a common view of labour and labour force of piece workers as real commodities. Employers who simultaneously do piecework alongside piece workers
regard piece workers as their co-workers or partners and consider that there is only a pure bargaining relationship of prices between two sides. Labourers of piecework believe that the work-wage relationship is only an exchange on the commodity market rather than the labour market and then agree not to be paid additionally for weekends or holidays. As a result, workers are not aware of that the employment relationship exists until a labour dispute occurs (Shieh, 1997).

Shieh (1997) introduced the notion of piece-working consciousness resulting from piecework and consisting of four aspects. First, workers view themselves as ‘small bosses’ taking charge of their own risk. Second, the ‘labour only’ consciousness makes workers regard their labour as pure commodities. Third, workers come to the factory when there is work but go home whenever there is no work, moving freely but actually standing by at times without pay. Virtually free consciousness is constructed. Fourth, the blurring of the employment relationship results in a specific consciousness of class with which piece workers believe that the contributors to the workplace are themselves as partners of the business, rather than the management who are the real employers. As a result, Shieh (1992) named Taiwan as a ‘boss’ island.

Marsh (2002) studied social class identity in Taiwan with data from a 1992 survey in which respondents chose one category of six classes: upper, upper middle, middle, lower middle, working and lower classes, and 41% of respondents selected middle class but only 29% selected working class (Chiu, 1992). However, Marsh (Marsh, 2002) argued that social class identity is fairly unimportant in Taiwan because people’s attitudes towards class are not influenced by their class identity and in fact people might not choose one of the above classes if they had the option to say they are not belonging to any class category in that survey.

**Research Case and Methods**

This study features a qualitative case study of a privatised steel corporation, whose trade union is the biggest single-plant union in Taiwan. The company SteelCo was established as a privately-owned corporation in December 1971 in an industrial park in southern Taiwan. It became a state-owned enterprise in July 1977 to support the governmental plan of economic growth. In April 1995, SteelCo was privatised, but the Ministry of Economic Affairs, which is the governmental organ in charge of economic and industrial policies, remains its main shareholder. SteelCo engages approximately 9,400 workers, the majority of whom are male blue-collar workers, as less than 2%
are female and over 50% are operatives. The average age of employees is 47 years old, and the labour force is very stable, with an annual labour turnover rate of less than 1%. SteelCo had a strong reputation as a model of state-owned enterprises, as it not only followed and implemented the state’s guidance and regulations, but also made huge contribution to the economic growth in Taiwan. After its privatisation in 1995, it has still been a well-known corporation, and is famed for its management model.

The case union Steel-U was founded in December 1980, and is located in the Welfare Building of SteelCo, where cafeterias, grocery shop, book store, exhibition area, laundry and post office are located. Initially, Steel-U was founded as a model union to assist the government to implement labour legislation in the workplace and a means to support the nation and industrial development. In May 1993, Steel-U for the first time joined the national demonstration of state-owned enterprises. Steel-U held its first direct presidential election in November 2001, the earliest of its kind in Taiwan, since the Labour Union Law limited an indirect election of union president. It now plays an outstanding leadership role in Taiwan’s labour movement, in spite of the fact that trade unions have played the weakest part in the industrial relations system in Taiwan.

The main research method is doing participant observation as an intern in the case union in July and August 2003. I took an internship in the union to learn and help with Steel-U’s routine operations, to interact with visiting members and to get involved in some events, such as a strike in the factory on the first day of my internship, and the off-site training camp for elected officers. I visited the manufacturing areas in the company of union officers, to learn about the production process and working conditions. At the same time, I lived in the employees’ residential hall and participated in social life in the workplace, as SteelCo provides all kind of on-site entertainment and leisure facilities including a cinema, a gym, a swimming pool, tennis courts, and so on.

Following my participant observation, I held in-depth interviews with the union president, the union chief secretary, three labour representatives, and an administrator from the Human Resources Department in SteelCo between October 2003 and August 2007. The interview questions focused on the operation, problems and difficulties of the trade union, the implementation of non-union committees, and the roles and responsibilities of labour representatives. Furthermore, I gave a survey to 200 workers to find out their views of the union and non-union committees in
December 2007 and 126 of them have returned their answers. I continuously collected meeting minutes, official letters and internal documents for documentary analysis between July 2003 and December 2007 as I revisited the trade union regularly.

Trade Union and Identity of Workers

Workers are the main body of a workplace, but they do not have many opportunities to meet the senior management. Workers may not easily observe the conflicts of capital and labour since they often view the workplace as a big family in which the management take care of them well like family members. Paternalism and Confucianism have shaped the relationship of workers and management (Wu, 1999), so workers do not have a strong identity of their subordination to capital.

However, when workers have a close relationship with their representatives and the union, they may be aware of the asymmetrical situation between labour and management, but communication between workers and their representatives is not good enough. Workers who can most easily get in touch with representatives are those working closest by them, so they can even understand the situation and beware of some confrontation as well. Some workers do not contact representatives and do not even know who they are.

Ordinary workers might be aware of themselves being subject to the company, but they are not as impressed as their representatives unless they confront with their line managers or departments.

‘I think I am a member of this big SteelCo family, and I'd like to say I’m proud of it. The company treats us well and my colleagues are all very nice. I don't think there’s any problem, so I don’t need to ask any help from the representatives,’ said a worker.

Due to the size of the case company, it is unlikely that most workers know their representatives and understand the representation system. Therefore, the union plays an important role to shape worker’s identity. The union provides a variety of welfare and services to help members to understand that it is to aid and support. Members visit the union office even if they do not know the main function of the union. Simultaneously, the union publishes periodicals and website to announce details of representatives’ efforts and relevant issues. It creates discourses to shape and influence workers’ identities.
Not directly participating in the worker representation system, ordinary workers receive information on representative committees in many ways. Mostly they hear from Steel-U when they visit the union office, read the union periodical and website, or interact with their union representatives or officers. They occasionally follow issues by chatting with fellow workers or by reading internal documents and official letters, but they rarely learn about those committees from their supervisors or line managers because the management do not actively address these issues. The union actively makes members aware of the importance of representation and the efforts of representatives, in order to secure their supports.

Trade Union and Identity of Labour Representatives

In terms of labour identity, worker representatives have stronger collective and class identities than their fellow workers, mainly because representatives get involved in meetings with the management to face arguments or disagreements, and start rethinking the real circumstances in workplace.

In order to manipulate non-union representative mechanisms, Steel-U integrates and develops internal committees to support labour representatives. The union nominates and encourages many members to serve as worker representatives, who might never think of playing this role until they join one of the committees. One representative of the labour-management committee said,

‘I became a representative because the union president came to me one day and persuaded me. I have been an engineer in our company for years but to be honest, I did not actively participate in the union before playing this role. In addition being a representative helps me understand the union and workers more.’

In contrast, some of labour representatives volunteer because they wish to express their ambitions to change as well as to improve the structure of work or to fulfil their personal career. Another representative of the labour-management committee said,

‘I have joined the union for a long time and I could feel the problem between workers and management in my department. I would like to change it so I asked for the support from the union and joined the election of representatives. Now I am happy with what I have done and I believe that I am doing something good for us.’

Labour representatives usually define their roles as striving for labour rights and presenting workers’ interests and perspectives and they feel satisfied with what they have achieved so far. In terms of their subjective identity, they are often unaware of
their subordinate status until they participate in meetings with management and encounter conflicting positions to their own.

However, labour representatives are sometimes not satisfied and feel the conflicting atmosphere between themselves and management in the meetings because of the many unresolved issues. A representative of the labour-management committee said,

‘I found we have different needs from the company, and that’s why we are in the meeting, but I’ve never thought of the differences between labour and management before I had the chance to join the committee. I thought the company and us should be a big family, so I couldn’t believe the first time when I had argument with the management representative.’

They may never have thought of themselves in workplace confrontation before they actually become labour-management committee representatives. One representative said,

‘No issues would arise and be defended, should no confrontation exist between the labour and the management.’

Being representatives in fact transforms their experiences from unconsciousness of distinctive worker interests to identification with the inferior status of labour. Sometimes they are surprised with this kind of changing in their mind, but then they understand it is the reality in workplace, which they are not able to deny.

**Conclusion**

The union encourages and backs up members to serve as representatives. It makes efforts to internalise non-union representation so that labour representatives are supported and protected. At the same time, the union provides all kinds of channels such as welfare and benefits, periodicals and website, and so on, to influence members’ perception of employment relations, from being a member of family to a worker in workplace.

To sum up, workers and their representatives may have different identities at work because of diverse experiences in the workplace. However, the trade union may act strategically to manage the relationship with members as part of shaping their identities. Identities at work may change provided that the union does the best to awaken members’ awareness. As a result, the trade union gains recognition in the
workplace should workers grow stronger labour identity. With the transition of identities at work, trade unions may turn into well-built organisations in Taiwan.

References


