

## Quick Answers

### Question 1

**Explain, using information from the extract, two reasons why the power of trade unions may decline in the future.**

- Fall in membership (1) lower funds / less bargaining power (1)
- Rise in unemployment / workers being replaced by machines (1) trade unions may be reluctant to take industrial action for fear that members will be replaced by unemployed / non-member workers (1)
- Government may reduce the power of trade unions (1) making it harder for trade unions to protect workers' rights (1)
- Movement from primary to tertiary sector (1) which may be less unionised / better working conditions (1)

### Guidance

- Some points may be interchangeable e.g. rise in unemployment (1) resulting in fall in membership (1)

### Question 2

**Analyse the impact of strikes on an economy.**

- Disrupted production (1) loss of output (1) decreased productivity (1) less economic growth (1) increased cost of firms (1) reduced profits (1) rising prices / inflation (1) unemployment (1)
- Better working conditions of the workers (1) higher wages (1)
- Exports decreasing (1) increase current account deficit / decrease current account surplus (1)
- Less investment by MNCs (1)
- There may be capital investment to replace workers (1)

*Question 3*

**Discuss whether or not increasing the strength of trade unions will benefit an economy.**

**Up to 5 marks for why it might:**

- Stronger bargaining power with employers (1) may improve working conditions of workers (1) increase health and safety (1)
- May raise the wages of workers (1) may reduce poverty (1) may increase labour productivity (1) through increasing worker morale/motivation (1)
- May counterbalance the power of employers (1) protecting the rights of workers (1)
- May provide worker training (1) increasing skills/productivity (1)

**Up to 5 marks for why it might not:**

- May lead to more industrial disputes (1) e.g. strikes/go slows (1) reduce output (1) may discourage investment/discourage MNCs (1) which would damage long run economic growth (1)
- May cause inflation (1) by raising labour costs (1) make products less internationally competitive (1) increasing a current account deficit/reducing a current account surplus (1)
- Higher wage costs could reduce profits (1) raise unemployment (1)

**Guidance**

- NB: Max 5 marks for a static answer (i.e. that discusses benefits and drawbacks of trade unions, not the impact of the increasing strength of TUs)

*Question 4*

**Identify two influences on the strength of a trade union's collective bargaining power.**

- size of membership

- financial position
- level of employment
- government legislation
- willingness to take industrial action

**Guidance**

- If more than 3 answers given only consider the first three.

*Question 5*

**Explain the likely impact of trade unions on the welfare of their members.**

- Increase or maintain wages of members (1) increase or maintain material standard of living (1)
- Improve or maintain working conditions (1) e.g. improved safety / less stress (1)
- Protect workers' rights (1) e.g. working hours / sick pay / paternity leave (1)
- Protect jobs (1) reduce risk of unemployment (1)
- Provide training (1) helping employees find better jobs / better paid jobs (1)