

# Labor movement development in chile: 1990 to present

Technology, Development



Chile underwent a change in 1990 to a democratic form of government. As a result of this transformation to democracy, the labor movement within Chile has undergone massive development. As developments have been undergone, several areas of the labor movement have especially experienced change, including collective bargaining,

Under the prior authoritarian rule of Augusto Pinochet, collective bargaining negotiations by labor units was strictly limited to “ initial wage readjustments, the time period for inflationary adjustments, and the levels of inflation adjustments”. (Frank, 2002) In his in-depth study of the labor movement in Chile, Professor Volker K. Frank explicitly states that “ the most important of all changes concerns the new law on collective bargaining”.

The reform that came about during the early 1990s involved a corporations last offer to a union and their rights to proceed with the business of their corporation based on the union reaction, as well as the rights of the union to strike based on a corporation following certain criteria.

Because the first reforms that impacted the labor movement in the early 1990s fell short, more reforms were enacted in the middle 1990s. Professor Frank explains that “ This new legislation envisions major changes that would indeed limit the employers’ abusive powers, which a very flexible labor market has given them in the first place. In this sense, unlike the first reform of 1990-92, this second one does move much more toward a ‘ protective’ labor market”. (Frank, 2002)

This major development in the labor movement is most key because of the enhanced protection afforded the laborer by a government becoming more democratic.

The labor movement in Chile is far more complicated than reforms to collective bargaining laws or limitations on abusive powers. By first analyzing those key changes, however, one can better understand the tremendous development Chile has indeed undergone.

## **Reference**

1. Frank, V. K. (2002) The Labor Movement in Democratic Chile, 1990-2000. University of Notre Dame: Helen Kellogg Institute for International studies.