

The Management and Use of Trade Union Funds in Public Institutions

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Abstract: Trade union funds are the basis and guarantee for various activities in public institutions. It is of great significance to constantly enhance the vitality of trade unions and the competitiveness of public institutions to continuously improve the management and use of trade union funds, thus giving full play to the role of trade union funds to better serve workers. This paper analyzes the management and use of trade union funds in the present situation and proposes several measures for improvement.

Keywords: Trade union funds; Trade union; Public institutions

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1. Introduction

Economic globalization is progressively deepening in the 21st century, as high-tech development led by information supports the increasing networked world economy and the rapid international capital flow in all directions through the internet ^[1]. Under the new situation, basic-level trade unions are more outstanding, and the scope and scale of their expenditures are more prominent ^[2]. Trade union funds are an important part of trade union finance. Whether the use of funds is reasonable and whether they are used to serve the majority of trade union members will affect the efficiency of trade union funds and the role of trade union organizations ^[3]. Therefore, it is particularly important to optimize the expenditure structure of trade union funds, effectively protect the rights of trade unions, meet the needs of workers, strengthen the supervision of funds, protect the rights and interests of workers, safeguard the functions of trade unions, and constantly enhance the vitality of their work.

2. Current management and use of trade union funds

2.1. Insufficient funds and irrational expenditure

The main sources of funds are the membership dues paid by members and funds allocated by the upper-level trade unions based on the 2% of the total salary. Even the source funds issued for the welfare of Mid-Autumn Festival and Spring Festival are not enough, requiring an appeal to the administration. Special funds are funds that are allocated by a superior and are used for a specific purpose. Although there is a signature and approval system, the chairman of the trade union is only a legal approver, the actual financial power is controlled by the administrative leadership of the public institution, which has an influence over the trade union's independence and the efficiency with which funds are used. The expenditure structure is irrational, seeing a huge expenditure on recreational and sports activities and welfare, with minimal expenditure on the protection of rights ^[4]. Trade unions usually spend a lot on activities. Hence, most

workers are only aware of their work in recreational activities, such as distributing welfare, playing, singing, ball games, and photography sessions. Therefore, when their rights are violated, they do not seek help from trade unions. The workers have a poor sense of belonging to trade unions, and the centripetal force of grassroots trade unions is not strong. This is not only due to the lack of understanding of the role of trade unions, but also the issues in their expenditure.

2.2. Weak supervision

Budget constraint and execution force are weak, and the budget preparation plan is not detailed enough, leading to inconsistencies in budget preparation, with arbitrary budget implementation ^[5]. Some aspects in the implementation of the budget are hampered by insufficient funds, or the budget is not implemented at all, therefore the budget is not legally enforceable. The audit committee exists only in name; without understanding the expenditure budget in the collection of trade union funds, it cannot fully perform the role of supervision. The examination of union funds is limited to special inspections, the disclosure of union funds is insufficient, and some units only have part-time accountants, without part-time cashiers, resulting in weak supervision.

2.3. Lack of attention to the work of trade unions by cadres

The work of mass organizations in public institutions is carried out closely around the central work. Most cadres think that the central work is the main work, whereas the work of mass organizations is secondary to it. The effort of union workers is not appreciated, the advancement process is inefficient, and there is a serious brain drain. Personnel advancement in public institutions can be divided into administrative levels and professional and technical levels. The Qingtu and Provincial Science and Technology Progress Awards have measurable indexes for professional and technical advancement in business departments. The degree of recognition of trade union workers is limited, and there are only a few categories, which do not have much effect on the advancement of senior titles. Moreover, senior research talents cannot be retained. The outstanding performance of business department personnel, promoted to management positions engaged in trade union work, results in the phenomenon of amateurs leading professionals. For administrative level promotion, such positions are deemed as auxiliary positions by cadres as performance is not required, staff efforts are not recognized, administrative and technical advancements are slow, promotion channels are inefficient, and there is a major brain drain issue. Most union officials and financial staff are part-timers, and some even have several jobs.

3. Measures to improve the management and use of union funds

3.1. Allocate more funds from the administration than the detailed program to ensure sufficient funds

It is necessary to take into account the rationality and feasibility of budget preparation at the beginning of the year, make full use of the financial statement data, and prepare a scientific and complete budget preparation plan, detailed to each activity time, scale, and fund amount, in order to improve the accuracy of the budget. At the same time, the budget preparation for project management includes activity expenses, comfort costs, business expenditures, and other project management expenditures, along with the assignment of a project number.

All union funds are to be collected. Wage income is the primary source of income for employees. For public institutions, there is no difficulty in the collection of funds, unlike some enterprises with low efficiency, where basic wages cannot be issued and life is not guaranteed, neither is the collection of union funds. Based on the current circumstances, we will continue to expand the scope of trade unions and speed up the construction of trade unions at the grassroots level, so that where there is mass labor, there is trade union labor. Labor union funds will be included in the total wages of regular and retired employees as well

as non-regular employees. We will promote the construction of online trade unions, establish a large database that is secured and shared, promote the integrated development of the internet and trade union work, as well as build a complete online trade union system in a more efficient and timely manner. Workers and the general public should be better united around the Party as trade unions are strengthened, and they should unwaveringly listen to and obey the Party.

3.2. Increase the expenditure on rights protection services to protect the legitimate rights and interests of workers

In the new era of socialism, the main social contradiction has been transformed into a dilemma between people's ever-growing needs for a better life and the uneven and inadequate development. Wage income is the main source of livelihood for employees in public institutions, the core economic interests of employees, and the most direct and realistic interests of employees. The wage distribution system, especially merit pays, is severely behind as a result of the protracted reform of public institutions. Even on the grounds of reform, frozen salaries, post changes, and unchanged salaries with changing post cannot be solved. In addition, the inability to find a place to hold conversations has seriously affected the working environment. Basic-level trade unions should actively participate in and promote the establishment of a reasonable wage distribution mechanism. As a defender of the legitimate rights and interests of workers, trade unions, in their work of safeguarding rights and interests, should reckon the interests of workers as no trivial matter, grasp the key of safeguarding labor economic rights and interests, focus on income distribution, coordination of labor relations, and other aspects, as well as effectively safeguard and realize the right to labor remuneration, social security, and other rights and interests of workers. In the actual work, when workers encounter difficulty or when their legitimate rights and interests are infringed upon, trade union cadres should step forward, serving as leading spokesmen and representing the leading interest for the victim. Litigation is risky; if you do not win, you lose not only time but also attorney's fees and legal fees. In this context, most victims consider themselves unlucky. Even if a lawsuit is filed, public institutions will employ full-time attorneys to help the unit prepare against the victim, leaving the victim in a helpless situation. Hence, in order to adapt to the new era, increasing the expenditure on rights protection services is required in order to help defend the rights and interests of workers. The professional quality and capability of rights protection services should be improved. Around the new normal worker rights and under the new situation and problems, it is necessary to focus on working masses who are most concerned about the interests of practical problems, coordinate the relationship between income distribution and labor, legal aid, and rights protection services, in order to win people's hearts with service work and service effectiveness. Allow the working class to believe that trade union cadres are as reliable as a family. We will strengthen investigations and studies on safeguarding the rights of employees and further improve the security system. In response to the new situation and problems, in-depth investigations and studies have been conducted on practical issues, such as labor relations coordination and legal aid. We have also carefully collected information on the work, life, and thoughts of employees, and promptly learned their appeals for safeguarding their rights, so as to help them resolve conflicts. It is important to coordinate external resources and deepen the research on key issues relating to the protection of workers' rights and interests as well as strengthen exchanges and cooperation with scientific research institutions, competent government departments, and legal institutions, so as to use these research results to provide workers with higher quality and more effective rights protection services ^[6].

3.3. Improve the quality of supervision

It is important to standardize the supervision mechanism and improve the quality of supervision. In addition to improving the management of funds and the supervision mechanism, it is also necessary to improve the

budget preparation of trade union funds and the standardization of trade union financial management, so as to optimize the management system of trade union funds. With that in mind, from the beginning of preparation to the end of the implementation, there are standardized procedures. Through the national trade union financial information platform, we should strengthen the level of financial information management and timely grasp the financial status of trade unions. Through comprehensive coverage of the budget, execution, final accounts, and other links, the level of trade union financial management should be improved to achieve data sharing and data comparison. Other than that, it is imperative to strengthen the training of financial personnel, regularly train the financial personnel of basic-level trade unions, constantly improve the professional quality of financial personnel, give full play to the role of trade unions in financial services and guarantee, as well as ensure that the financial work of trade unions achieves high-quality development.

In order to strengthen the audit work of trade unions, an audit committee should be established according to the requirements of the labor law, and the union funds, including the fund balance, balance sheets, and other economic activities that require review, should be regularly reported to the general assembly on behalf of the union members. At the same time, the review committee's working opinions, which are sent to the superiors, serve as linkages with the masses. The work of trade unions is conducive to improving the efficiency of the use of key funds and promoting the implementation of the key tasks of trade unions. Labor unions pass the budget examination to prepare cases, accounting data, and project capital through careful examination, supervise the use of labor union funds, safeguard and carry out the key tasks of labor unions, as well as improve the efficiency of using key funds. After strengthening the examination and supervision of trade unions, it is easier to uncover infractions of rules and regulations among the people, thereby promoting the exercise of rights.

We will improve the quality of supervision of trade unions and ensure the reasonable use of trade union funds. The national audit should be promoted as the guideline, while the audit organization of trade unions should be the main body. Based on the supervision of the members in the audit supervision system, it will be beneficial to give full play to the provincial trade union audit personnel with high professional quality and strong authority, carry out the audit of funds of lower-level trade unions, as well as constantly improve the quality and effect of the audit work. It is also important to promote scientific and technological audit, improve the informatization level of the audit, increase the use of informatization tools, establish a network platform for audit work, strengthen the application of big data and audit software technology, improve the effectiveness of audit work, and vigorously promote internet audit ^[7]. Other than that, it is also crucial to strengthen the education and training of audited cadres, organize and arrange exchange meetings, involve cadres in audit projects conducted by superior trade unions, constantly improve the capability of audited cadres in solving practical problems, as well as enhance the comprehensive quality and professional level of audited cadres. The quality and effect of audit work should be improved, along with the mechanism of reporting audit results. Audit results should be assumed to be an important basis for work rectification, rewards, and punishments for cadres, including appointments and dismissals. Promoting financial disclosure of grassroots trade unions, sharing audit results to all members, and constantly improving the level of audit results should also be taken into consideration.

3.4. Give full play to informationization and big data to support the financial management of trade unions

It is necessary to strengthen information construction, improve the level of financial information management, accelerate the construction of financial informatization, establish a unified financial informatization platform for trade unions that covers the whole country, promote the online trade union platform, as well as establish a financial standardized management system and an all-round supervision

mechanism for trade union funds. Improving the provincial, city, county, and township union management accounting systems, their fund collections, accounting, and financial management by assigning permissions and real-time query data step-by-step as well as perfecting the budget and expenditure process will be beneficial. Through real-time supervision and control, fully grasping the financial situation of trade unions in a timely manner will be conducive to higher level trade union multi-dimensional analysis and to identify problems at work ^[8]. Through scientific system design and long-term accumulation, collecting and summarizing trade union funds at all levels will be conducive to building a comprehensive, accurate trade union financial database to achieve data sharing, data comparison, data automatic summary, comprehensive coverage of budget preparation, implementation, final accounts, and other links.

With the advent of the network era, information technology has brought a comprehensive and profound change, delving into organization strategy, human resources, production, and marketing management, thus becoming an inevitable trend. Financial statements can be quickly and automatically generated in the network environment. Financial information can be accessed and downloaded from web pages anytime and anywhere, supporting management decisions at all levels, significantly enhancing the timeliness of information, and improving the overall level of financial management. Electronic monetization of settlement and payment eliminates the need to use paper bills, such as cheques, bill of exchange, and cash settlement, as it is automatically transferred in the form of online electronic money, which is conducive to centralized capital control and real-time monitoring of capital expenditure, accelerating capital turnover, reducing capital cost, as well as improving settlement efficiency ^[9]. Accounting work can then be done at any time. Conversely, the traditional mode of accounting is in stages, with fixed accounting dates. Under informationization, accounting personnel can account for information data at various stages anytime and anywhere, while financial management personnel can use the system to access all aspects of detailed information, allowing them to gain a better understanding of the capital flow and the phased development of public institutions. It improves the timeliness of data and enhances the effectiveness of financial management. Accurate budget management and the financial management information system not only provide financial data information, but also allow cross-regional and regional network to achieve centralized data management for business decisions to provide comprehensive, effective, and complete financial information, increase the storage of effective information, and lay a solid foundation for accurate budget management. The financial management mode has changed from the local decentralized management to real-time centralized management, breaking the time and geographical constraints, analyzing and controlling the financial situation, as well as preventing and controlling financial risks in real time. Informatization and networking can reduce the operating costs of public institutions, increase the accuracy and efficiency of cost accounting, as well as promote flexibility in the office mode. The traditional centralized office mode is gradually being replaced by online office, decentralized management, and mobile disposal relying on the network. In the network environment, new financial management standards and norms can be rapidly popularized and responded to; financial managers can obtain financial indicators through the network, making the financial management work more standardized, meeting the requirements of the management and decision-making parties, as well as improving the quality of financial management and the level of business management. In terms of network sharing, to operate in the traditional accounting mode, accounting personnel often need to spend more time and energy on data or information collection and manually draw on the data from each department. With the use of information technology, each department can upload relevant information onto the network, effectively collecting and sharing all kinds of information, so that the accounting personnel can gather information effectively through the system to retrieve the shared data. The system automatically classifies and summarizes the data, which can greatly improve the efficiency of accounting work ^[10].

Relying on “Internet plus” and the financial platform of labor unions, the annual budget preparation, implementation, and final accounts can be completed. The realization of automatic data summary changes the traditional manual bookkeeping and manual summary mode as well as improves the accuracy of financial statement data summary, which is conducive to the financial staff of trade unions at all levels to focus on improving the quality of annual reports. Online processing breaks the time and geographical constraints, improves the level of financial management of trade unions at all levels, as well as reduces the workload of financial personnel. The network information function can provide detailed and comprehensive financial information, assist the financial management function to reach its full potential, provide accurate, timely, and detailed financial data, as well as form a multi-angle, multi-level, three-dimensional information pattern, allowing for better all-round monitoring of economic activities and effective management decision-making for institutions in laying a solid foundation.

3.5. Create a clean and upright political environment

Since the 18th National Congress of the CPC, the leader of the country has attached great importance to the work of the Party’s trade unions. On many occasions, the leader has stressed that the cause of mass organizations is an important part of the Party’s cause, and the work of trade unions is a regular and fundamental part of the Party’s governance. Leaders of public institutions should respect the work of others, strengthen integrity and self-discipline, as well as create a clean and upright political environment. Creating a favorable environment that has respect for labor in the new era is a strong ideological guidance and value orientation of the essence of the socialist system; it is also a vivid and concrete manifestation of the Party staying true to its founding mission as well as the Party’s highest value orientation in dealing with labor issues. In his remarks on respecting labor, the leader of the country repeatedly stressed that labor is “the most beautiful, glorious, and great work” ^[11]. We should earnestly implement the leader’s call for the innovation and development of trade unions’ work in the new era, vigorously promote the spirit of model workers and of labor, as well as create a good environment where labor and talents are respected, so as to better encourage workers and the masses to make contributions to the dream of realizing national rejuvenation.

It is also important to improve the professional skills of trade union cadres. China’s economy has shifted from a stage of rapid growth to one of high-quality development, and the principal contradiction facing society has evolved into one between unbalanced and inadequate development and the people’s ever-growing needs for a better life. Many changes have taken place in areas of diversified demands for labor interests as well as the protection of rights and interests. The work scope of trade unions has broadened, their work content has expanded, and their work tasks have intensified. New requirements have been put forward for trade union officials in terms of their skills and quality. In improving professional competence and focusing on the new era of meritorious service, we will step up our efforts in safeguarding rights and services, organize practical and effective professional trainings, enrich professional knowledge, enhance professional skills, as well as improve the capability to perform duties. It is important to strengthen trade union cadres, broaden the sources of trade union cadres, pay attention to the selection of trade union cadres among model workers and front-line technicians ^[12], absorb influential trade union chairmen into the working committee, actively train and exercise young trade union cadres, as well as rely on the combination of full-time and part-time jobs, advanced education and training, along with internal and external exchange mechanisms. We must understand the work characteristics of trade unions in the new era, pay attention to solving practical problems, optimize the distribution of labor forces, attach importance to the integration of trade unions with scientific research, personnel, and professional departments, as well as promote the allocation of trade union chairmen and officials at different levels to meet the needs of workers, so as to ensure that trade union officials enjoy political status and career development.

4. Conclusion

The expenditure structure of labor unions should be optimized, the workers' yearning for a better life should be assumed as the new mission of labor unions, the legitimate rights and interests of workers should be safeguarded, the quality and level of rights protection services should be improved, and the workers' safety and sense of happiness should be enhanced. It is also crucial to strengthen the supervision system, ensure that the trade unions' finances achieve high-quality development, improve the efficiency of the use of trade unions' key funds, and promote the development of their key tasks. The realization of financial management informatization, the implementation of network finance, with modern information technology as a platform, the implementation of network financial accounting, analysis, control, decision-making, and supervision, as well as other modern financial management mode can improve the level of financial management. We should attach great importance to the work of trade unions and improve the quality of their staff. The leaders of trade unions should delve deep into the ranks of the workforce and become practitioners of the Party's mass line as well as experts in the Party's mass work.

Disclosure statement

The author declares no conflict of interest.

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