

FABIAN POLICY REPORT



community
For a better working world

A NEW COLLECTIVISM

*How private sector trade unions
can innovate and grow*

*Edited by Cameron Tait and Tobias Phibbs, with an introduction by
Frances O'Grady and contributions from Jack Dromey, John Monks,
Sue Ferns, Melanie Simms and more*



The Changing Work Centre was established by the Fabian Society and the trade union Community in February 2016 to explore progressive ideas for the modern world of work. Through in-house and commissioned research and events, the centre is looking at the changing world of work, attitudes towards it and how the left should respond. The centre is chaired by Yvette Cooper MP and supported by an advisory panel of experts and politicians.



Community is a modern trade union with over a hundred years' experience standing up for working people. With roots in traditional industries, Community now represents workers across the UK in various sectors.

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A Fabian Society report
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Like all publications of the Fabian Society, this report represents not the collective views of the society, but only the views of the individual writers. The responsibility of the society is limited to approving its publications as worthy of consideration within the labour movement.

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Introduction

by Frances O'Grady

SOME DAYS YOU get a glimpse of what trade unionism could be. Earlier this year, I met Lewis and Shen, two of the young workers who have taken on the might of McDonald's. Their energy and determination is inspiring.

But Lewis and Shen are unusual. They are active trade unionists in their twenties. And they work not just in the private sector, but in one of its highest-turnover industries – hospitality.

Too few young workers are in trade unions. And yet combining with their colleagues in a union is the most powerful tool working people have at their disposal. Collective organising gives ordinary working people the power to force their bosses to the table and make them negotiate.

And that's what unions have done, for nearly 200 years. But now, with membership falling, particularly in the private sector, we need to work out how we reform trade unionism for the 2020s.

Too many private sector and younger workers don't think of unions as representing people like them. They have never met anyone who is in a union. The slow pace of union digital adoption puts us out of contention for the attention of those we want to join. And above all, we do not have a compelling proposition of trade unionism for people who don't work in an already-organised workplace – which includes most private sector workers.

Plus, capital is changing. Business models are changing. And working lives are changing too. It's not the case that work is suddenly fair and well-paid for everyone. Trade unions should be part of fixing the new forms of exploitation we see. But unless we change our movement, we won't be.

That's why I am delighted to introduce this collection of essays. All the contributors are champions of a strong and effective



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private sector trade union movement. Some ideas may feel uncomfortable. But that is a plus: we should spend more time thinking and working out how we build an offer that will help us recruit more private sector workers.

As the former Scottish miners' leader Mick McGahey said:
"We are a movement,
not a monument."

The last few years give me hope. We have seen an upswing in union organising in high-profile workplaces. At Sports Direct, Unite are steadily increasing their membership – and they have already won higher wages for the staff, started agency workers on the path to permanent jobs, and dragged the boss to parliament to explain himself. GMB have won a series of victories proving that so-called self-employed drivers in private hire and delivery are in law workers who are entitled to holiday pay and sick leave. Usdaw, organising in the high-turnover retail sector, have to run fast to stand still – but they now increase their overall membership every year. Bectu's innovative organising model in the entertainment industry helps self-employed skilled technicians negotiate fair rates for everyone.

And the TUC is getting behind union organising too. We train thousands of

workplace reps every year, to help unions develop smart strategies that bring the benefits of trade unionism to unorganised workers. For the past six months we've been working with two unions to pilot a new joining journey to get non-traditional workers into trade unionism.

Our biggest priority is organising young private sector workers. Our programme is being co-created with young private sector workers themselves. After a year of research and development (which you can read about at tuc.org.uk/building-stronger-unions), we've begun to prototype a model of trade unionism that appeals to young workers and is tailored to their lives. The offer will be built around the union movement's traditional strength of helping people get on in life. It will give a new way in to trade unionism, one which we hope in the long term will deliver the benefits of collective bargaining to the under-30s. I look forward to launching a full pilot during the TUC's 150th anniversary year, 2018.

The founders of the trade union movement took on the cosy consensus of their day – that bosses could do what they liked with impunity – and proved them wrong. Now trade unionists need to innovate to take on a new generation of bosses who believe that collective power among working people is a thing of the past. As the former Scottish miners' leader Mick McGahey once said: "We are a movement, not a monument." It's time for a change. **F**

Frances O'Grady is general secretary of the TUC

Towards a membership renaissance

Trade unions have a mountain to climb to stem four decades of membership decline, but it is not insurmountable. *Cameron Tait* presents the findings of new Changing Work Centre research on how unions can create a resurgence in private sector membership.



*Cameron Tait is head of the
Changing Work Centre*

OVER THE LAST 40 years the UK's trade union movement has fallen from the strongest in the developed world to a movement facing a fight to remain relevant. Overcoming historic and international trends will be difficult, but recent research from the Fabian Society and Community's Changing Work Centre suggests there is a pathway to a membership renaissance, if unions can come together, overcome competitive differences, and forge a new partnership with government and business.

The Changing Work Centre undertook a programme of research on the future of private sector trade unionism between 2016 and 2017, including a face-to-face survey of 1,339 workers representative of the workforce as a whole, a series of focus groups with non-unionised private sector workers between the ages of 18 and 35, and a consultation with more than 40 trade union general secretaries, senior staff members, and lay activists. This essay introduces the research findings.

The challenge for unions

Membership in the private sector is now less than a third of what it was at its peak in 1979, falling from 45 to 13 per cent of the commercial workforce. Legislation, industrial change and shifting attitudes have all played a role in this change. As a result, unions organising in the private sector are more restricted by anti-union regulation, a rise in smaller workplaces has made it more difficult for unions to organise, and a generation of workers are coming through the labour market who have never worked in an organised workplace.

To make matters worse, this low point is not necessarily the end of the decline. Our research suggests future industrial change could make life more difficult for unions. This is because the five fastest growing private sector industries have amongst the lowest levels of trade union membership (see figure one). All five of the private sector industries with the highest projected employment growth have below 13 per cent density, the average for the private

sector as a whole. In particular, only 2.5 per cent of people working in hospitality, the third fastest growing industry in the UK, are members of a trade union. Meanwhile, many of the industries in which unions have traditionally been strong are employing fewer people.

Changing attitudes represent another headwind for unions to overcome. Over the last 15 years people have become more individualistic in their attitudes to work. Our survey shows more of the workforce now want to deal with their pay individually, which marks a stark contrast to previous surveys which have shown a preference for collective pay bargaining (see figure two) and this finding was confirmed in our focus groups with young private sector workers. These results could be explained by a growing lack of familiarity with collective pay bargaining in the workforce, but the upshot for unions is the same: the argument for collectivism at work needs to be won, particularly with Britain's young workers.

Enduring support for unions

The challenge for unions is substantial but not insurmountable. Despite the long-term decline of trade union membership, trade unions are still the UK's largest voluntary movement and they remain a powerful force in the labour market. And the public attitudes research we conducted also suggests private sector workers have an appetite for stronger unions.

Our survey of the workforce shows the decline in union membership has not been matched with a decline in public support. Three in five private sector workers

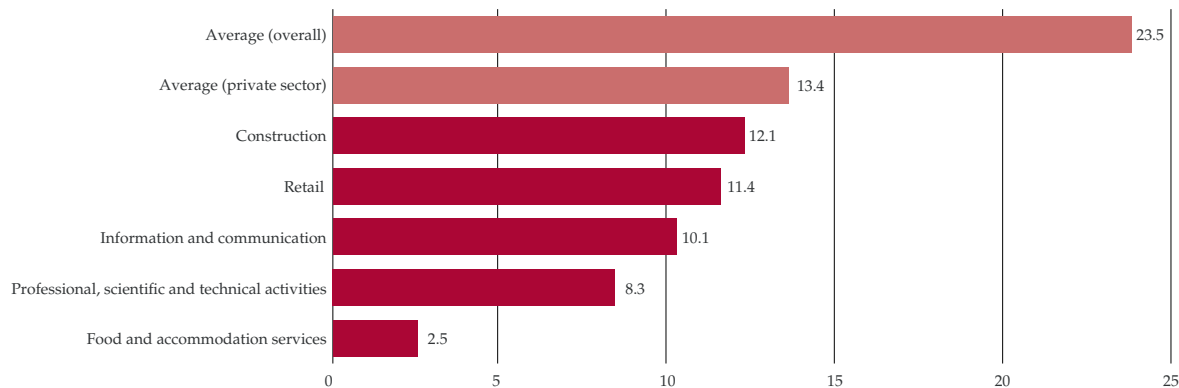
(59 per cent) think trade unions are necessary to protect working conditions and only a minority (20 per cent) of private sector workers agree with the statement 'trade unions have no future in modern Britain'.

The focus groups with non-unionised private sector workers echoed this support for trade unions, but highlighted a number of important challenges for the trade union movement. Firstly, workers are instinctively positive about trade unions. When asked about unions, the participants' main focus was on the constructive work they do, like improving pay and conditions.

Unity, community and coming together for the common good were recurring themes. The non-unionised workers also had a good understanding of what unions do, but a corollary of this latent understanding is that unions will need to do more than just explain their role in order to recruit new members.

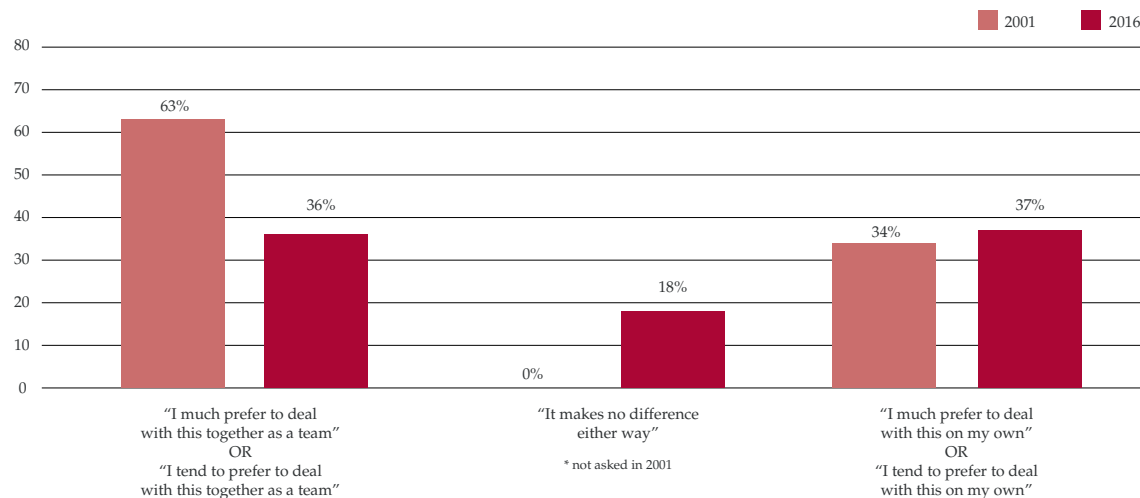
Secondly, many private sector workers think unions are simply 'not for me'. Unions were described in our focus groups as working well for people in public sector, long-term or highly skilled jobs. The young private sector workers also said unions felt

FIGURE 1: Trade union density in the fastest growing industries



Note: The five industries are from Runge J. The Changing World of Work (NIESR/Unions21, 2016) along with health and social care as the six fastest growing industries. The latter industry was omitted as it is a predominantly public sector funded industry. The trade union density figures are from the Labour Force Survey (ONS, 2017).

FIGURE 2: Responses to “How would you prefer to deal with each of the following problems... negotiating salary” in 2001 and 2016





distant from their day-to-day experiences. They viewed unions as institutions from history or 'guardian angels': benevolent but distant forces for good. The guardian angel image (see figure three) neatly summarises the warm feelings these workers had towards unions and the challenge for unions to show these workers how they are relevant to their day-to-day lives.

Finally, a number of participants thought that trade union reps and leaders are not 'like me'. The focus group participants felt unions have a diversity problem that is putting off prospective members. One participant remarked:

"There's definitely not enough representation for women, and if you're from an ethnic group of any shape, there isn't [representation] and I think that's sometimes, as well, a turn-off for me, because they don't identify with anything that I do. So why am I going to pay you money to represent me when... they don't know my story. So why am I paying you to help me?"

Unions will need to meet this challenge head on by ensuring their reps, committees and leadership teams are more representative of the industries in which they organise.

A membership renaissance

Our research with trade unionists showed they are clear about the scale of the challenge they face, with one general secretary saying, "we can't rest on our laurels – we

FIGURE 3: Focus group participant's drawing



have to adapt.” But union leaders also reject claims that private sector union membership is in permanent decline, with every trade unionist interviewed saying they expected to see union density begin to grow in time.

Stemming membership decline will require changes in the way unions recruit, organise and service workers. But reversing 40 years of falling density will require more than change to individual union practice. It will require unprecedented levels of collaboration and partnership, with unions working together to bring millions more into the movement, and working with government and business to

ensure the voices of workers are fully heard as the UK economy enters its fourth industrial revolution.

Reversing 40 years of falling density will require more than change to individual union practice

On the basis of the insight from trade union leaders, officers and activists, our research sets out 11 recommendations (below) to build a renaissance in private

sector trade union membership. Many of them draw on existing good practice.

These recommendations together can pave the way the revitalisation of trade union membership that can apply and sustain upwards pressure on wages, working conditions and fulfilment at work for decades to come. **F**

This essay is a summary of the report Future Unions: towards a membership renaissance in the private sector, published by the Fabian Society and Community's Changing Work Centre in November 2017. The full report is available to read at changingworkcentre.org

11 recommendations to pave the way for a trade union membership renaissance

1. Answer the ‘what can you do for me?’ question.

Unions need to be able to give prospective members a tangible idea of what they should expect as a member, using case studies and qualified promises to echo the marketing strategies of disruptive start-up businesses.

2. Be representative of the workforce.

Unions need to set out plans to ensure their reps, committees, staff teams and leadership are as diverse as the industries in which they organise.

3. Introduce discount membership rates.

Unions should offer discounted membership deals to under 35s and to workers in unrecognised workplaces – to bring in younger members and to acknowledge workers in unorganised workplaces tend to get less from their membership.

4. Provide ‘instant breakdown cover’ for workers with pre-existing problems.

Unions should follow the lead of the AA by committing to provide non-members with instant support for pre-existing issues in exchange for a fee and an upfront commitment to membership.

5. Reach out to the workforce of the future.

Unions should understand the journey that brings workers into their industries and occupations and deliver outreach activities in key parts of this pipeline, in order to educate future employees about how unions can support them in their career.

6. Invest in technology to reach hard-to-reach workers.

Unions should invest in the development of tools, apps and other tech-based solutions to make it economically viable to organise isolated and dispersed workers.

7. Establish career development centres.

Unions must support workers who don't expect to be in their job or sector for life by helping them develop their careers – to help people prepare for the future, while also bargaining for the here and now.

8. Make the most of available data.

Unions are sitting on an abundance of data, much of which can be put to better use to improve the effectiveness of campaigns, recruitment strategies and overall decision-making.

9. Set standards across multiple workplaces.

Unions should consider establishing or promoting sectoral standards to improve work across multiple workplaces.

10. Collaborate to increase bargaining power.

For next year's 150th anniversary of the foundation of the TUC, unions should come together to agree a new collective mission to reverse historic membership decline. This should involve giving the TUC a new role as a clearing house for union membership, through which workers can ‘join the family’ of the union movement.

11. Build a new partnership with government and business.

Unions should extend a hand of friendship to good, responsible employers with a new cross-union kitemark scheme to reward good employment practice. In return, government and business should acknowledge the vital contribution unions can make, especially as the fourth industrial revolution gathers pace, and give unions access to all workplaces and end union-busting. This partnership should form the basis of a new industrial relations framework for the UK, complemented by sector-level forums for unions, employers and, where necessary, government to co-create plans to boost productivity, fill skills gaps, and improve work for all.

A radical agenda for trade unions in the private sector

Successive governments have prioritised labour market deregulation over worker voice. *Jack Dromey* and *John Monks* set out how a new ministry for labour can create the conditions for strong unions and tackle inequality.



Jack Dromey is Labour MP for Birmingham Erdington and shadow minister for labour

John Monks is a Labour peer and former general secretary of the TUC

IT IS CLEAR now that the rise of inequality from the early 1980s coincided with the decline in trade union membership and more particularly in the coverage of collective bargaining. Collective bargaining now only covers around 29 per cent of workers, and outside important exceptions such as engineering, construction and steel, industry-wide agreements have disappeared. The bargaining that does take place in the private sector is overwhelmingly at company and plant levels, and this is often vulnerable to changes in management styles and policies. It has been affected by outsourcing (and in the public sector, privatisation), the use of agency labour, and the rise of zero hour contracts. As the crossbench peer Lord Skidelsky has argued: “The worst environment for innovation is rampant economic insecurity and excessive inequality.” It is clear that the UK’s lousy record on productivity is due, in part, to poor management and worker insecurity.

A new settlement

Trade unions are a force for good. Strong, indeed hard-nosed, trade unions are those which are able to face up to employers but who also see themselves as an agent for change, driving a high pay, high quality, high productivity culture.

A new settlement must involve progressive and responsible, strong and effective trade unionism committed to boosting productivity and performance, promoting long termism and ensuring that the benefits of growth are more fairly distributed. A new settlement must promote a collaborative approach to work cultures and work relations, with a new emphasis on respect for workers and valuing their skills. Potentially every worker should be regarded as a professional to be held in esteem by employers and colleagues in a corporate culture that recognises that the difference between the average and the world class lies in the extent to which you unlock the endless potential and creativity of employees.

Central to this new settlement should be a reform of government departmental responsibilities. Since the abolition of the old department of employment, responsibility for the labour market has been split between the department for business, energy and industrial strategy and the department for work and pensions. Despite some notable successes, particularly the national minimum wage, labour market policy has lacked a clear, committed and passionate advocate at the heart of government. To be frank, there were times, even in the Labour-governed years, when the principal remit of BEIS seemed to be

preaching deregulation to our European Union partners and bragging about the lack of protections and rules for British workers (and, implicitly, the weakness of British trade unions).

It is therefore important for a new settlement that a new ministry of labour is established which would unify labour market policy. Central roles for the new department would be the promotion of collective bargaining and a voice for workers. It could also assume responsibility for skills and labour law, transferred from BEIS. It would be an influential department that would need dynamic ministerial leadership.

The new department, in conjunction as appropriate with other departments, would need to address the following range of issues, starting with tackling growing inequality.

Rebuilding sectoral collective bargaining

“I believe that the economics profession and policy community have downplayed inequality for too long. Now all of us have a better understanding that a more equal distribution of income allows for more economic stability, more sustained economic growth, and healthier societies.”

Christine Lagarde, head of the International Monetary Fund (January 2013)



For 20 years or so, the UK economy has seen a steady shift away from wages and salaries and in favour of profits. Most of the resulting fall in the wage share has been borne by the lowest paid. Globalisation and technical changes have contributed to this but the causes are mainly domestic, notably the weakening bargaining power of labour and the increasing role played by the finance sector following deregulation in the 1980s. Labour has already developed policies on the living wage but the questions remain – what can be done to raise the share of workers in national income and wealth? And how can this be done? One thing is for sure, trade unions need a changed framework of power if they are to become more effective.

What can be done to raise the share of workers in national income and wealth?

A Labour government should therefore seek to put in place measures to encourage collective bargaining at sector levels and to secure fair pay across the UK. This would be a prime task for a ministry of labour and for ACAS.

The objective could be to establish joint councils or living wage councils of employers and unions on a sectoral basis which are given incentives and encouragement to agree decent minimum rates (including overtime rates), hours, holidays and pensions, together with procedures for union recognition; and also for the handling of disputes and grievances. It is in the clear interest of better employers to spread their good practices and decent pay rates to competitors who may be undercutting them. Fair treatment of workers, therefore, and fair competition, not driven by a race to the bottom, are partners, not opposites.

There are already sector skills councils, such as in the automotive and construction sectors, and it has been Labour party policy to encourage employers and unions to build on these in the direction of collective bargaining, for example in the care and hospitality sectors. That policy needs to be given new impetus and be applied with determination and drive. It would have to be implemented over time and flexibly, with the public authorities charged with its introduction empowered to respond to the needs of each sector. This would mean that in sectors without the apparent infrastructure to support collective bargaining, wages councils should be instituted. Public contracts should also stipulate a duty on

employers to observe living wage rates and other conditions set sectorally. These bodies would provide a forum for handling a range of labour market problems, for example, the gender pay gap.

An initiative of this kind would also require the reinstatement of rights lost under the current government, and protection of trade union rights, including the right to take industrial action. On this last point, it will be important to modernise aspects of collective labour law, reflecting standards established by international bodies, including the use of electronic and workplace balloting. Ending blacklisting, unequal treatment of agency workers and zero hours contracts will also be essential.

In many other western European countries, collective agreements are extended legally to all employers in the sector whether or not they are members of the relevant employers' association. The UK had some experience of this approach in the old schedule 11 of the Employment Protection Act. It would be novel for unions to favour what in effect would be legally binding agreements but such a mechanism providing basic entitlements for all workers to would strengthen collective bargaining. The government of the Republic of Ireland has been moving to re-establish its system in the wake of a legal challenge from electrical

contractors in 2013. We should add, no one is suggesting 'lowest common denominator' agreements, these basic entitlements could then be built on in company bargaining.

Measures of this kind would bring the UK much more in line with the mainstream in western European economies where collective bargaining coverage is near universal and is promoted across the political spectrum as public policy. Until the Thatcher era, that was the cross-party consensus here too. Labour should re-establish such a system to form a part of its strategy on long-term, balanced growth, tackling inequality and better corporate performance and conduct.

A worker voice in corporate governance

It has been increasingly apparent that the UK model of corporate governance is deeply flawed. It prioritises the interest of shareholders over those of other stakeholders, including workers. There are no formal systems in place to allow these other voices to be taken into account in company decision-making, nor to ensure that the views of employees are heard or understood by company boards. This contrasts with the position in much of the rest of Europe, where 18 countries provide for workers to be represented on most (or some) company boards.

The pay levels of top executives have soared, particularly in the UK, and these increases are not justified by any realistic measure of performance. The gap between the pay of executives and of average employees continue to widen. At the same time, the UK's share of world trade continues to fall, innovation levels are low and investment lags behind our major competitors. Our current model is damaged, too often producing weak, risk-averse and short-termist cultures in too many of our companies. Giving workers a voice in the way companies set their strategies and goals for the future would inject vital new energy into corporate life in the UK, bring fresh perspectives to boards and a new focus on long-term growth and success along the way.

The representatives' functions would be to take long-term perspectives about the future of the business, to uphold values essential to that future such as promoting skills and high performance, investment in the latest technologies and in innovation, and developing good citizenship on matters

such as climate change and decent labour standards at home and abroad. They would be expected to focus less on deal-making and more on organic growth, along the lines of many companies in Germany and the Netherlands where a worker voice is considered essential to their business model. Clearly, training workers' representatives would be a major and continuing task so that they can contribute effectively and constructively. This is about forging new corporate cultures that emphasise partnership and the common good, which would be a new approach for many in management and workforces in the UK.

A starting point could be the reform of the information and consultation regulations (ICE) to give workers automatic rights and to oblige employers to establish ICE arrangements in line with the EU directive, which does not stipulate a trigger mechanism. Beyond that, the UK could require the establishment of elected company councils in firms above a certain size, say 50. These councils could be established by agreement with a recognised union or unions, or, failing which, a statutory default option would apply. The councils would cover all employees and would elect members to serve on them. In turn, they would elect a member of the remuneration committee of the board and the board itself. Theresa May proposed workers on boards and then retreated. That was wrong. The independent voice of workers should be heard at the highest level of corporate culture and not through, as the prime minister proposed, a board member deputed to represent workers on the board, a half-baked and undemocratic notion.

Skills and decent jobs

It has long been recognised that a major effort is necessary to improve the skills of many British workers and college leavers. Skills and decent jobs need to be located as a central part of an intelligent industrial strategy that works to Britain's strengths. The basic elements of a system already exist in the form of industrial councils and industry skills partnerships; and this consensus needs to be built on. Additionally, Unionlearn, the scheme operated with government support, has made a very positive contribution to this area and should be expanded and strengthened. Unions are uniquely placed to encourage those many workers whose school experience may not have been positive to have the confidence

to have another go and try to improve their skills. Unionlearn should be an important part of the skills programme for the future. More generally there is a need to increase investment in training and there is a case to use tax relief to help achieve this. Employers who do not train and rely on poaching should financially support those who do train.

The whole skills agenda needs a boost to make it more attractive, more glamorous and more central to the life of the country. At present vocational education and training is too often regarded as inferior to academic education and yet it is crucial to personal, corporate and national success. To inject a fresh impetus into the subject, how about giving everyone a training passport – a record of achievement – recording all their learning experiences, and encouraging them to undertake some new learning experiences every year. Employers could help by providing days off to assist this process and perhaps a sabbatical period for all every 10 years.

A bold vision

A programme of the kind set out above would be bold and controversial. With strong leadership from Labour, it would attract wide support, including from the better employers, provided the government is determined, dynamic and passionate about what it is aiming to achieve. It is long overdue that the UK economy raises its game and adjusts its model. British workers must not be second-class citizens, more vulnerable than advanced EU counterparts. Raising productivity, promoting skills and boosting equality are central to the British future.

To widen support for this programme, we need to aim particularly at employers who want to do the right thing but are prevented from doing so by being undermined by their less scrupulous competitors. The programme outlined above is anti-bad employer, not anti-business. It is about equipping the UK with a new, robust competitive model in place of current over-reliance on financial services and property. It is a programme to ensure that the UK does better by doing business in an improved way, and in a manner that benefits all its citizens, not just a small percentage of them. It is a programme based on respect, on values and on vision, behind which people can be mobilised to realise that Britain can do better, and its people deserve it to do better. ■



Going for growth

Reversing falling membership levels will be tough for unions, but it is possible. *John Hannett* writes about turning decline into year-on-year growth at the UK's largest solely private sector union.

IN 2016, UK trade union membership fell by 4.6 per cent, to 6.2 million. It is easy to become despondent, but we must not accept that continued trade union decline is inevitable, or that unions are no longer relevant. According to the latest Ipsos MORI poll, almost eight in ten people in Britain agree that trade unions are essential to protect workers' interests. However, we know that less than a quarter of workers are union members, so there is a gap between the abstract idea of unions as 'a good thing' and people taking the step to join one. The only way to bridge that gap is by organising. Often, the barrier to people joining a union is simply that they have never been asked to join.

We should also not forget that private sector trade union membership has started to buck the trend. Since 2010, private sector trade union membership has actually grown by 139,000. With more than 437,000 members, Usdaw is the UK's largest union operating solely in the private sector. Whilst most Usdaw members work in retail, the union also has many members in transport, distribution, food manufacturing and chemical trades. Such industries typically employ a highly transient workforce meaning that Usdaw has to recruit around 70,000 members per year just to stand still.

The end of the 'closed shop', along with the prominence of part-time contracts and the rise of the convenience retailer, all pose significant recruitment challenges for Usdaw. Despite these challenges, over the past 15 years, Usdaw has delivered record levels of membership growth through

placing the development of our union reps at the centre of our organising strategy.

Setting an agenda

Following a period of decline, by 1994, Usdaw membership had fallen to 283,000. It was clear that the union had to re-examine how we operated and how we sold ourselves to potential members. Following an extensive period of reflection, Usdaw adopted a new model of organising as part of a wholesale modernisation of how the union operates.

As part of this modernisation process, through a programme entitled LEAP, Usdaw introduced a business model to a trade union operation. Key to this programme was the process of evaluating our performance across four key areas: organising, people, delivery and finance. The LEAP model enabled the union to not only identify what good work looks like but also to objectively measure ourselves across all key areas of the union's work.

A key part of this was our organising model, under which the role of an Usdaw shop steward expanded. Instead of members only contacting the union when they had a problem, Usdaw made a conscious move to become an organisation where our members can engage with us on a regular basis. Through offering initiatives such as lifelong learning and engaging campaigns, the union deliberately became much more visible and an organisation that was no longer simply there for when things go wrong.

The organising approach targets recruitment as part of the employee's induction process; with union reps typically allowed half an hour at the induction to talk to new members of staff. By explaining the benefits of membership to new starters, union reps can embed a culture of Usdaw membership in the workplace. Within the first 18 months of adopting this strategy, we recruited over 22,000 new members in one single employer.

It was clear from this work that we needed to do more to equip our managers to be able to deliver the new programme. Many of our managers had worked their way up through the organisation and did not have a management background. To resolve this, we developed a competency framework of core skills and behaviours

along with a bespoke training programme for all managers.

Further developing

In 2003, Usdaw became the first trade union to launch our own academy programme. Under the programme, reps spend six months on secondment to Usdaw attending specifically designed training courses and working on Usdaw organising projects in a variety of workplaces.

In 2009, Usdaw launched the Academy2 programme to further bolster our organising efforts. This programme is open, by invite only, to those reps who have successfully completed the initial academy. The major focus of this programme is to develop a team of union reps within workplaces that can maintain a self-sustaining Usdaw presence.

The role of the academy, and the work of the reps that take part, has been invaluable to Usdaw's organising efforts. Through the programmes, Usdaw has been able to increase our visibility in workplaces, create and develop well established teams of union reps and recruit substantial numbers of new members. During 2016, the reps on our academy programmes were directly responsible for recruiting over 18,500 new members into Usdaw.

Ingraining growth

Whilst the academy was delivering strong growth, it became clear that we needed to establish a clear picture of best practice across the union. In 2009, Usdaw launched the 'managing your patch' programme. This piece of work identified that a well-structured area organiser's patch would have the following:

- High membership levels
- A high Usdaw profile in the workplace
- Well trained and active reps
- Effective industrial relations

Each area organiser is assessed through the managing your patch criteria as part of their work plan. We measure and review every aspect of our performance and growing the union is something that everyone is responsible for. This isn't the pursuit of growth for its own sake, but to



strengthen workers' collective voice and get the best possible results for them, both in terms of collective bargaining and campaigning.

Supporting and developing reps

Following analysis of our rep profile, it became clear that Usdaw could do more to support reps during their first two years in the role along with providing additional development possibilities to our more established reps.

In 2012, Usdaw launched our 'supporting and developing reps' programme. New reps now receive contact within the first few weeks of becoming a rep, signposting them to important information. Following this, they will have an induction with their area organiser to discuss some of the roles of a rep and organise the new rep's training programme.

It continues to be recruiters on the ground that have delivered successes

Usdaw also relaunched all of the support materials and rep training programmes. Ensuring that reps feel confident in the role and receive proactive support from the union within the early stages of appointment is key to retaining their desire to be an effective trade union representative and we have seen our rep dropout rate fall significantly.

Maintaining relevance

Usdaw's campaigns are an essential part of our strategy to improve members' working lives and those campaigns help to raise our profile in workplaces too. We are just about to launch two campaigns on the issue of mental health; with reports that up to 300,000 people lose their jobs each year as a result of dealing with mental health, this is an area that is becoming increasingly important to our members. As part of our young workers' week, Usdaw is highlighting the links between social media and mental health. As well as traditional face-to-face conversations, this campaign will utilise snapchat filters and other innovative forms of communication to get our message across.

Our standalone mental health campaign will provide members and reps with free coffee and tea bags as part of a wider message encouraging people to talk about the issues they face. These campaigns are being launched following significant feedback from our reps. This desire to remain relevant is key to our organising agenda.

New agreements

It is not just our member-led campaigns which need to evolve; Usdaw as an organisation has had to continue to adapt to an ever changing economy. In recent years, we have signed new agreements in B&M Bargains and Ocado, reflecting the changing nature of retail in the UK. We also continue to run high profile campaigns for recognition in emerging companies such as Lidl and Aldi. These campaigns

have required hard work and dedication, and whilst we have developed a relevant presence on social media, it continues to be recruiters on the ground, talking to workers and signing up new members, that have delivered successes.

At the same time, we need to ensure that we reflect the changing make-up of the workforce within our current employers. Traditional high street jobs, as well as those in manufacturing and distribution, are continuing to come under pressure as a result of new technology. In light of this, many organisations, such as the British Retail Consortium, have predicted massive job losses across the sectors in which Usdaw organises. However, this hasn't been Usdaw's experience. It is true that we have seen the job profile of Usdaw industries change. As a result, we now have to provide guidance to grocery van drivers delivering into people's homes or we are dealing far more with the effects of people staring at computer screens for long periods of time.

A time of change

Usdaw's turnaround, from an organisation that was losing significant numbers of members to one which has seen membership growth for 20 out of the past 21 years, has not been easy. Nor are we in a position where we can be complacent.

The key to all of Usdaw's organising initiatives has been the development of an effective, knowledgeable and well supported union reps' network able to deliver a strong Usdaw presence within the workplace. Whilst we have tried placing adverts on radio stations, on billboards, on public transport and on social media, we have still not found a better method of recruitment than the personal stories and experiences that can be shared through a face-to-face conversation.

It is clear that the world of work is changing along with the way in which our members are interacting with each other. There is a need for unions to adapt to these changes so that we remain relevant, but at the same time we must not forget the strengths and abilities which have helped build the movement over the past 150 years. **F**

John Hannett is general secretary of Usdaw



Working together

Kay Carberry

THE OTHER DAY I didn't get to see the film I had been looking forward to because I met a picket line outside my local Picturehouse cinema. They were young Bectu members fighting for a living wage and basic workplace benefits. The ones I spoke to were new members, glad the union was sticking up for them and giving them practical help.

Prospect's Bectu section isn't alone in using new and imaginative organising techniques to win over some of the roughly 24 million private sector workers who aren't union members. Unions are using technology to identify and contact potential members and give them easy ways to join. There are tech-based networks of members and activists – some of them among young professionals who get a chance to socialise as well as advice and career development opportunities. Unions are experimenting with free membership periods; organising campaigns that saturate small workplaces in a local area; noisy campaign-led organising efforts targeting young people in low paid precarious jobs.

There's plenty of traditional face-to-face recruitment going on too, and a lot of effort goes into trying to get more members where the union is already recognised. But still, none of this is easy and it's not enough. First, the innovative, agile organising approaches we're seeing are mostly small-scale and on the margins. Time will tell if they're sustainable. Second, the traditional approach only scores sizable successes where there is settled recognition and larger workplaces – and all credit to those unions like Usdaw which sustain and increase their membership year on year against formidable odds.

But if we want a future where union density in the private sector grows sig-

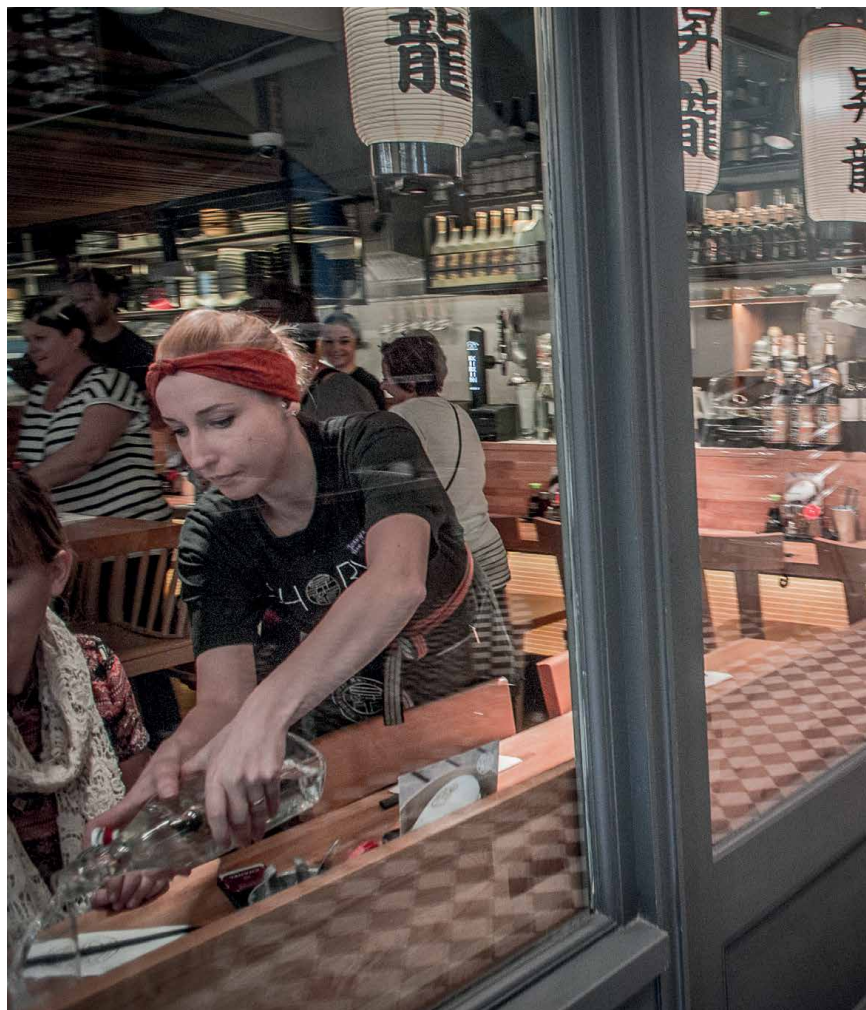
nificantly above the current 10 per cent, we need radically different approaches alongside the tried and tested old-school methods.

Trade unions know this but face formidable challenges. They know that traditional workplaces where the old organising models apply are not enough for the movement as a whole to build membership towards anything approaching the summits of decades past. The labour market and workforce have changed dramatically since union membership peaked three decades ago. What worked before is largely irrelevant in a labour market increasingly structured around subcontracting, franchising and small workplaces, with increasingly borderless, agile and fluid employment relationships.

Unions are acutely aware that the type of workplaces they traditionally organised – large-scale, static workforces on directly employed contracts – are being replaced by more fragmented, dispersed and precarious employment models.

At the same time, unions know that my generation of trade union members is retiring while for most young workers joining a trade union wouldn't cross their mind and they are just glad to have a job.

The problem for the movement as a whole is that unions are having to deal with immediate and immense external challenges, at the same time as looking after their current members and trying to grow the membership. This doesn't leave much energy for tackling long-term collective membership decline across the



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whole trade union movement. There isn't room for a strong enough sense of being all in it together. There's too much effort on competing to organise a diminishing pool of traditional workplaces. This is understandable and can get immediate results, but it leads to duplication, confusion and inevitable inter-union conflict – and it makes little impact on the overall number of non-union members.

There's too much effort on competing to organise a diminishing pool of traditional workplaces

Out there in the organising jungle, we've seen more and more inter-union disputes over members in the past three years. These don't only happen in specific, predictable sectors, and it's not always the same unions who get embroiled in these clashes.

Some of this is directly linked to changing industrial structures. For example, franchising models bring tensions. Where primary companies keep changing the subcontracted transport firms that handle their logistics, including warehousing and distribution, you can get conflicts between different trade unions who have different relationships with national and multinational logistics firms, as well as having specific depot-based relationships.

Then there are disputes in places where workers are in more than one union. Single union arrangements are becoming more unusual. In many workplaces there are clear demarcation arrangements for which union represents which group of staff, although union mergers are increasingly making that less clear. But elsewhere it's less obvious and in many cases there are multiple unions representing the same category of workers. Most unions accept this as a fact of life and manage relationships at a local level. But there are more and more examples of unions giving a green light to local organisers to recruit and organise across previously agreed boundaries.

You can understand this, given the pressure unions and union officers are

under, and it's not hard to find other reasons why there is simply less solidarity and unity than before across the trade union movement.

But all this results in time and effort expended by all parties in trying to reconcile conflict. This leads to confusion among the workforce over which is the most appropriate trade union to represent them and bargain on their behalf. Then, inevitably, membership goes down and workplace organisation is weakened.

This competition and conflict has got to change if membership overall is to do better than flatlining at best. There's plenty unions can do within the existing rules – for example the TUC rules on disputes give guidance on sectoral cooperation, and multi-union agreements can work well.

Elsewhere there is scope for more local organising agreements between unions – avoiding demarcation clashes over groups of workers and agreeing joint campaigning and organising actions, with reps being clear that growing their own union doesn't include poaching someone else's members.

More collaboration is possible as well when it comes to 'green field' organising campaigns – whether these are targeting supply chains, building relationships with employers, using traditional issue-led campaigns or campaigning with social movements. There are very few employer groups that are the exclusive preserve of a single trade union. Cooperation is better than different unions crossing paths at the door of the same employer, duplicating collective effort and confusing potential new members.

Ultimately though, for private sector trade unionism to have a thriving future, we will need to rely on more than pragmatic, short term, one-off collaborations and other tactical alliances. It's not going to be enough just to see a more rigorous application of TUC dispute rules. It's necessary but not sufficient just to head off conflicts and cooperate on immediate organising efforts. We need a more collective, strategic, longer term approach that doesn't compromise individual unions' independence or character.

There's a lot more scope for unions to work together more systematically and more openly, and actively collaborate on where their organising strategies should

be focused. There really are enough potential members for trade unions to think carefully and strategically about where to invest limited organising resources.

There's enough collective creativity and resource in the trade union movement to try out new organising models alongside the traditional approaches – collaborative efforts based on hard-headed assessments of mutual benefit. These could perhaps include cooperation on virtual networks; servicing models (membership-lite) that provide stepping stones to full membership; joint approaches to establishing rights for unorganised workers through the courts; jointly targeting specific sectors like coffee shops and high street restaurant chains with transportable membership offers; building and sharing lists of potential members via digital campaigns.

This is not to advocate scattergun, random experiments. It has to be thought through and systematic. No union has resources to waste. Tackling modern organising challenges needs a central, collective organisation to provide coordination, research, ideas and support. Which is where the TUC comes in.

The TUC will shortly be unveiling its big 2018 campaign aimed at young workers that will be the centrepiece of its 150th anniversary year. You will see imagination and innovation channelled into helping unions reach out to young people like those at the Bectu pickets. Like any other worker those cinema workers only want – at the bare minimum – fair pay and conditions, security and predictable hours, and a chance to get on at work. Many young workers, the next generation of trade unionists, get nothing like that – they have low expectations and don't think anything can change. They're the future of the trade union movement, but most of them are not members and believe that unions are not for them.

This campaign sets out to prove those young workers wrong. This will be the campaign that establishes the TUC as the focus of the collective effort the whole movement needs to make to transform the future of trade unionism in the private sector. **F**

Kay Carberry is the former assistant general secretary of the TUC



Diversity in everything we do

Trade unions must become more representative of the industries in which they organise.

Naomi Pohl reflects on progress made and the challenge ahead.

THE BRITISH MUSICIANS' UNION (MU) has had over 30,000 members since the early 1950s. When we have seen a major drop below the 30,000 mark this has always been the result of new technology causing a temporary crisis in the employment of musicians. Over the years, we have learned that railing against new technology, while our members may expect it of us at times, rarely has the desired effect. It has proved far better for us to adapt, engage in negotiation of appropriate rates, and look for new employment opportunities.

One example of this in our history was the emergence of library music. Our members were prohibited from accepting session work to record library music, but in fact these sessions often went ahead without our sanction. As a result, we don't have complete performer line-up information for library tracks recorded in the 1970s and this makes clearance of samples today very difficult. This is a bugbear for some of the session musicians who were prolific at the time, but cannot now prove which tracks they performed on. Now we negotiate terms for library music sessions and this is a significant area of work for our members.

The modern-day MU takes a pragmatic approach to various technological advancements which we may have discouraged last century. I like to think that our ability to adapt to change in the industry in a reasonable time frame and accommodate the needs of employers and engagers, while maximising income for our members, keeps us relevant and helps to maintain our

membership levels. It is also down to the wide range of benefits we provide, which appeal to all our members, whether they are in the freelance majority or they are employed. The way we organise freelance workers and the self-employed may be of interest to those unions who operate in a more traditional world of full employment rights and permanent contracts.

So, onto improving diversity in the trade union movement, and what of the MU's 30,000 members today? Do they fully represent the range of musicians working in the industry or are we missing a trick in terms of recruitment and retention?

While we are proud of our stable membership figures and grateful that we have not seen the decline other trade unions have in recent times, it is something of a frustration that we cannot apparently significantly grow. In order to continue to fund the range of benefits we provide, which increases in cost year on year, we have increased our annual subscription rate by around 50p per month for a number of years. This may or may not be sustainable in the long term. We must avoid reaching a price point that deters new members and particularly young members entering the profession. It would be far better if we could increase in number and keep subscriptions unchanged.

Attracting young members is a challenge for all unions, especially as we rely heavily on the subscriptions paid by older members for whom being a member of a trade union reflects their values and is a key factor in retaining their professional status. We currently offer a £20 student membership, which is a loss leader but we hope will give musicians a chance to experience what we offer early on and ensure they return to us when they are working professionally.

I have always thought young musicians join the MU for our services alone, but there is an increasing desire for collectivism among young people and this is something unions should tap into. For us this means leading with our campaigns and, as we go into 2018, these include campaigns focused on music education, the value of orchestras, tackling unpaid work ('music is not a hobby, it's a profession') and lobbying for continued freedom of movement for performers post-Brexit. We like to think

young musicians will find at least one MU campaign that galvanises them.

Like other unions, we struggle to appear diverse and inclusive when the majority of our committee members are white men of a certain age. This is the case neither by accident nor design. The profession has always been male-dominated and although this is changing, the majority of our experienced activists still fall into that category. They often attract the most votes in elections because of their experience and possibly because they are voted for by their peers. That said, we are seeing a significant shift and our committees are far more balanced in gender terms than ever before. We are being proactive to ensure this continues.

Our membership is roughly one third female and our executive committee is now divided equally along gender lines

Our membership is roughly one third female and our executive committee is now divided equally along gender lines. Most of our regional committees are at least one third female but a couple are still very heavily male dominated. Perhaps more seriously, given that the male to female ratio is going in the right direction, there is an obvious lack of diversity in other areas. On average, MU committees have one BAME member and less than one disabled member. Plus we have an encouraging number of gay activists and stewards, but still a low representation on committees. There are no trans or non-binary committee members to my knowledge and this could be a barrier to young members becoming more active in the union.

In order to address the imbalance on our committees, we launched an initiative we refer to as 'encouraging activism', where each region of the MU (we have six regions across the UK) hosted a meeting with diverse attendees to explain the union's democratic structure and how they can get involved and effect change. In some regions, this initiative has already changed things for the better. It is something I hope we will build on over time.



Unfortunately, we do not currently carry out a regular equality monitoring exercise and this is to our detriment. We will be starting to in 2018 with a survey of members to gather statistics, and then we will have a better idea of whether our membership reflects the industry. My general impression is that we do attract musicians from all backgrounds and that our membership is reasonably diverse. The services we offer, such as chasing unpaid fees and offering advice on contracts, appeal to all musicians and we do not discriminate in terms of the services we provide. In fact, we used to have a premium membership category for high earning members but the executive committee (EC) decided to discontinue this as it is a matter of principle for us that all members of the union have equal access to what we offer. We are making headway in terms of offering large print and braille documents, improving the accessibility of our website, and booking accessible venues for all MU events and meetings. These steps are essential to ensure there are no real or perceived barriers to joining a union.

In 2016, the MU EC established its equalities sub-committee which involves a small group of EC members and co-opted members representing various protected characteristics. Equality and diversity fall under the remit of our education department and we have an official and organiser who share responsibility for these key issues. Recent initiatives include developing a template transitioning at work policy, publishing a parental leave toolkit, and producing written advice for members who require reasonable adjustments to assist them at work. We attend Pride events across the country each year and are also represented at the TUC's LGBT+ conference, black workers' conference, women's conference and disabled workers conference. In 2017, we sponsored Pride's Got Talent which raised the profile of the union's support of Pride.

We collaborate with other unions and industry bodies on relevant campaigns and it is important we react quickly when an issue arises. For example, our members recently asked us to consider mounting a campaign to address the lack of female

acts on festival line-ups and we are now working to tackle this in conjunction with the Association of Independent Festivals amongst others. We have also hosted a couple of open meetings for members who have suffered discrimination or sexual harassment at work, in the wake of allegations surfacing against prominent men in the entertainment industries.

It is important that union officials consider diversity in everything they do. When selecting photographs for our website, members' magazine and other publications, our communications team are careful to ensure the diversity of our membership is reflected. The same goes for selecting panellists for union events. That said, the lack of diversity in our own workforce is a cause for concern for me personally and I am sure this is an issue that is shared by many unions. I am the first female assistant general secretary and we are yet to elect a female general secretary. Our workforce includes an equal number of women and men now, but it takes time for people to progress to senior management roles. Beyond gender diversity, we are aware there is room for improvement as we only employ a handful of staff from BAME groups, plus to my knowledge we do not have a single disabled staff member. I certainly want to address this issue as I am concerned that we may alienate musicians who do not see themselves represented, in whatever way, in our staff structure.

For unions which represent less diverse industries than ours, such as firefighting which is very male-dominated, the challenges are considerably greater. I believe the key is in identifying issues that affect minority groups, for example, a lack of appropriate uniform for female workers, and mounting high profile campaigns. It is also crucial to ensure the membership benefits on offer are genuinely attractive and accessible to all members.

As far as my union is concerned, we still have a long way to go but we have improved significantly in a short time and I intend to ensure the rate of change increases. I know my aspirations are shared by my colleagues and the majority of our prominent activists. ■

Naomi Pohl is assistant general secretary, music industry at the Musicians' Union



Creating the conditions to deliver for the low-paid

Many of the workers who would stand to benefit most from trade union membership are working in the most lightly organised sectors.

Trade unions must reach out to low-paid, insecure workers in the private sector, writes *David Arnold*.

TRADE UNIONS HAVE a role to play across all of the labour market, but it is in low-paid parts of the private sector, including retail, wholesale, hospitality and parts of the gig economy, where they could potentially make the most difference – and in doing so, demonstrate their enduring value as effective institutions at stamping out exploitation and inefficiency in our economy. Unfortunately this part of the

labour market is today where unions, with their legacy membership and organisation concentrated in the public sector, transport and utilities, are weakest.

In the past this has led some to suggest that union reform should concentrate instead on the freeloaders in workplaces and sectors in which unions already have a presence and build outwards from there. But the pace of change in the labour market and the continued rate of decline in membership means that this approach has run out of road. This chapter argues that whilst championing the low-paid does represent some real challenges, these are not insurmountable. Indeed, if unions can see such an approach as an investment, commit to pooling some resources and be prepared to create conditions for innovation, including learning from examples such as the Workers Lab in the US, they could make a real difference in a relatively short space of time.

Of course, when we talk about delivering for the low-paid we should acknowledge the important role that the TUC and the wider union movement play in shaping the national policy debate and securing labour market interventions that already make a difference to millions. However, as will be suggested below, whilst policies such as the current national living wage (NLW) and possible

future measures, including those set out in the Taylor review and Labour's 2017 manifesto, are hugely significant, they should not be seen as a substitute for efforts to improve trade union organisation in the workplace. The two need to work hand in hand.

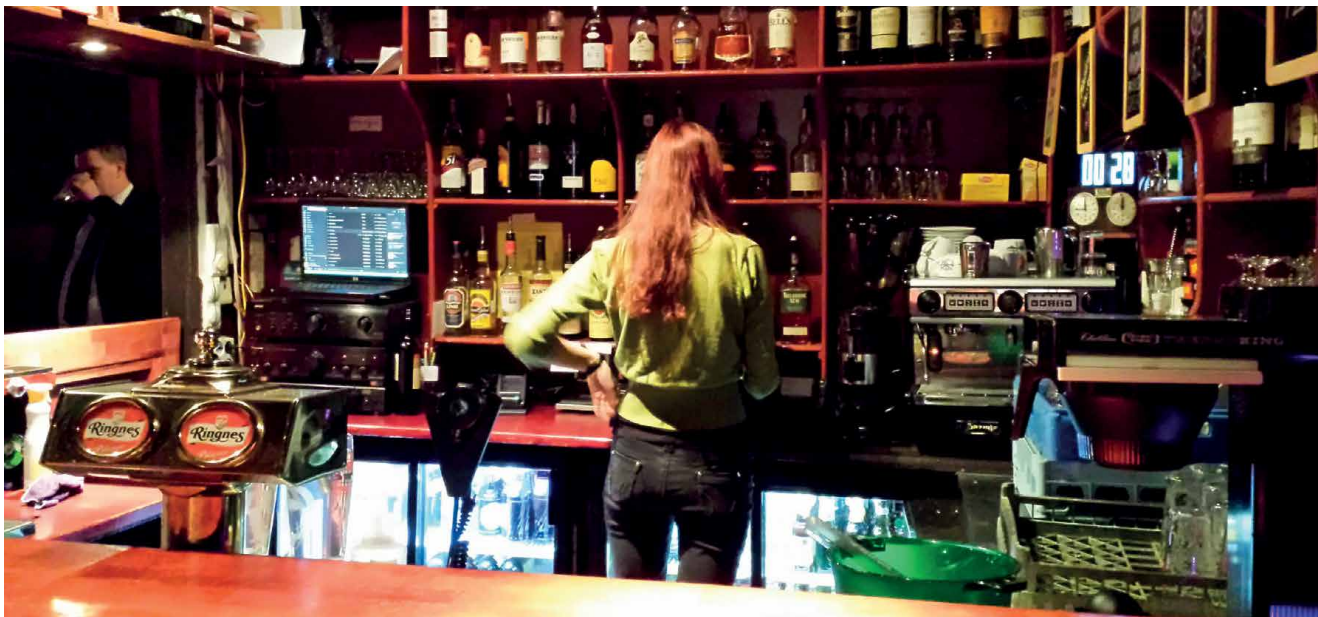
Challenges facing today's low-paid workers

The NLW is clearly providing a major boost to the low-paid. Since its introduction in 2016, the NLW has resulted in the biggest decrease in low pay since 1970s. By 2020, 3.7 million people will be beneficiaries, many of them women and part time workers.

However, significant problems remain. Nearly a quarter (23 per cent) of all employees are stuck below the needs-based real living wage and 4.3 million people will still be earning less than two thirds of the median wage when the NLW is fully rolled out in 2020.

Added to this there are growing problems around pay differentials, with an increasing number who previously earned just above the national minimum wage or NLW finding themselves on the wage floor with few opportunities for progression. In wholesale and retail it is estimated that one in four will be on the wage floor in 2020, whereas in hospitality it will be two in five.

What's more, insecurity and workplace pressures felt by employees right across the



labour market are likely to impact just as much, if not more, on the low paid. These pressures include unreasonable workloads, too few or too many hours, lack of control, insecurity, the 'one-way flexibility' associated with 'gig' working, being subject to disrespectful behaviour, unfair criticism, being expected to do work below one's level of competence and being ignored.

Not only are the challenges outlined here fertile ground on which trade unions should be able to construct convincing propositions to prospective members that answer the 'what can you do for me' question. They also point to the limits of policy interventions, which by their nature, tend to be one size fits all and risk creating new challenges in their wake. As such, effective trade union organisation in low paid workplaces should be seen as the missing link in the chain, increasing, for example, the chances that the NLW can be the first rung on the ladder and part of a fairly negotiated occupational structure – rather than a generator of wage compression and frustrated aspiration at the lower end of the labour market.

Investing in the future

To make progress, all unions need to think of organising the low paid as a long-term investment in the future of the movement, as well as seeing it on its merits as a moral cause. A key factor that should help to make the case for such an approach is that the sectors with the largest number of low-paid workers are also the sectors that are growing in terms of their overall share of employment and the areas in which unions are currently strongest are becoming less significant in terms of employment share. As such, if unions want to grow and bolster their credentials as organisations that speak for all workers, it makes sense to move more decisively into parts of the economy that are largest and expanding.

Retail and wholesale, and accommodation and food service activities combined now account for more than one in four of all workers. But in retail and wholesale only one in ten is a union member. In accommodation and food services only just over one in 50 is a union member. And whereas more than one in three people working in transport and utilities is a union

member, less than one in ten work in these sectors combined.

Organising for cross-sector solidarity

In this context, a space is urgently needed in which to think through organisational models that will enable the movement to both direct organisational resources to low paying sectors and create an income stream to promote innovation in the more difficult parts of the labour market. It is crucial that the TUC lead this work and that every effort is put into engaging the bigger unions, who have previously steered clear of many union reform initiatives.

A practical starting point should involve unions from different sectors exploring pilot partnerships. Examples could include public sector trade unions working together with unions in the retail sector to deliver joint projects that support worker voice and promote fair and transparent career structures and rewards. Whilst such an idea might sound heretical, there are some examples out there of unions who have worked together to address specific challenges, be that working with the TUC on initiatives such as Unionlearn, or on experimental collaborations, such as the project involving Unison, GMB and Royal College of Nursing at the care home provider Four Seasons. Looked at through the lens of investment in growing sectors of the economy and the necessity of taking measures that improve the health of the movement as a whole, a further step towards cross-sectoral solidarity doesn't look quite as insurmountable.

A lab for workers

A further step would be to create an innovation fund, specifically aimed at supporting new initiatives, start-ups and micro unions in the gig economy, including organisations such as the IWGB. This could be modelled on the Workers Lab in the US, which has been established to experiment with and promote different models and organising strategies that can boost power and pay in those parts of the labour market that are difficult for the established unions to operate in. Examples of organisations supported by the Workers Lab include:

- *Restaurant Opportunities Centers United*, who provide training and career

support and mobilise consumers to advocate for pro-worker policies. Workers Lab has provided financial backing for the development of smartphone enabled learning programmes aimed at helping workers to progress into higher paying restaurant jobs.

- *Color of change*, which is a large online racial justice organisation that runs digital advocacy campaigns. Workers Lab are currently exploring opportunities to organise with Color of Change in Silicon Valley, looking at ideas that involve mobilising high skilled and in-demand software engineers and designers to use their leverage to demand better conditions in solidarity with the gig workers and other contractors that their companies engage.
- *The Working World*, which promotes cooperatives in low income communities. Workers Lab is supporting this initiative that aims to deliver a new pro-worker contracting model for the agricultural sector.

In all cases the Workers Lab seeks to support projects that build power for working people which are scalable and sustainable. Although these examples are very specific to the USA it is not difficult to see how something similar could be developed in the UK, not least to help develop new ideas that promote meaningful and effective membership for agency workers and those in the gig economy, and which support worker-community alliances.

At the current time the TUC's development fund has an income of £3m. Many of the projects that this fund supports are extremely valuable, including their reaching out to younger workers initiative. This could be augmented with a similar sized innovation fund, specifically aimed at supporting new organising ideas in those parts of the economy where our current unions struggle. This could be administered by the TUC, and paid for initially from a small levy on businesses. ■

David Arnold is policy officer at Unison and senior fellow for innovation and change at Unions21

How do unions eat the digital elephant? One bite at a time

From tech disrupters to artificial intelligence, changing technology represents a major challenge to how trade unions work. But it also brings new opportunities for marketing and fundraising – and to organise new members in untapped industries, writes *Sue Ferns*.



Sue Ferns is deputy general secretary of Prospect

TRADE UNIONISM HAS been at its most successful when taking on changes in the economy and responding to new dynamics in capitalism. From our earliest days, unions have thrived when people have reacted to injustice and organised for a voice in the means of production. Yet the political and economic challenges the movement faces now are significant. Unions have not yet cracked the organising challenges of an atomised employment model, the gig economy or digitisation.

The emerging digital economy is not just about challenges, however. Savvy unions have opportunities to utilise new technologies and changing attitudes to digital to create new communities of interest and to organise workers in new ways. Prospect is not the perfect union on this agenda, but we are embracing changing technology as part of our organising and communications DNA.

Given the professional areas that Prospect represent, it is perhaps unsurprising that many members were at the forefront of both the original information technology revolution and the more recent digital revolution. We have traditional strength in communications industries, the sciences and professions that have been early adopters of digital technologies. With our merger with Bectu in January

2017 we have created a new digital group covering communications, design and software workers. Our interests lie both in understanding digital innovation in the economy and the changing nature of work, and in making technology central to our organising approach. Prospect now has over 20,000 freelance members which makes digital communications essential to our membership offer and also renewal of the idea of collective voice.

A majority of our members now join online and our members increasingly expect to interact with the union through web and social media channels, just as day to day they do with many other companies and organisations. Over the last year Prospect has reorganised our communications department to make digital an integral part of how we work and included in every role. Prospect and our Bectu sector's approach is to experiment with many new channels and approaches to organise digitally, with a view to making them part of the mainstream work of the union where they are successful. This article discusses some of these new approaches and the challenges and opportunities we have faced.

Subscriptions are back in fashion

One of the more regular union debates is around whether cost is a barrier to mem-

bership. The end of many arrangements to deduct trade union membership fees at source means the monthly cost of membership is often more apparent to members, and the growth of online and app-banking means that ending a direct debit is now easier than before.

Better use of websites, engaging digital content and the opportunities of creating digital communities all offer new approaches to activism

Despite this the online subscription sector in general is seeing huge growth with the rise of services like Netflix, Amazon Prime, Hello Fresh and similar. The average monthly spend on subscriptions has tripled in a year to £56 a month. Nine-in-ten people have some kind of subscription. Twice as many 16 to 24-year-olds have a subscription to a service like Netflix as have a TV licence. Most commercial online subscription services offer new subscribers some time either free or at a reduced price. Both Prospect and Bectu



have found these kinds of offers to be very successful in helping us recruit new members. For example, we recently successfully offered a three-month free membership as a flash deal for those signing up during our 'Union Week' recruitment event. We ran this offer for people joining both on and offline. Fears that this would lead to members joining and leaving again after the free period have not been realised, with retention rates high.

A union's online brand

The development of digital communications has opened up new channels for unions to share their stories, especially when compared to the challenges of developing positive stories in the traditional media. Better use of websites, engaging digital content and the opportunities of creating digital communities all offer new approaches to activism. These are especially powerful tools against a backdrop in which larger workplaces are on the decline and new identity agendas, such as on equalities, are increasing.

After using email, finding information about goods and services is the second most popular online activity, with over 70 per cent of all adults using the internet for this. Online reviews are becoming increasingly important in building up the reputation of an organisation and its brand. In the commercial sector consumers

state that word of mouth (84 per cent), then online reviews (73 per cent) are the most important external factors considered before purchasing. However, alongside this there is also an increasing reliance on social media to resolve any problems with services. Overall, 42 per cent would consider posting critical comments on social media if they were unhappy with a brand, rising to 62 per cent among 25 to 34-year-olds. Unions need to ensure they have the infrastructure in place to manage digital opportunities. The lesson from Prospect's recent communications review is that it needs to be planned. This is not simply a cost cutting exercise or move away from print to online communications but a conscious deployment of digital content and new channels to supplement organising and recruitment activities. We have undertaken a wholesale change in our communications department, reshaping roles to support digital content, and bringing in new staff with outside experience of digital and online campaigning. We have invested in new responsive email software to enable us to have both higher quality and better reach with our member communications. We have also created a union app as a portal for our member magazine and to trial a platform aimed at Android, iPhone and mobile users. None of this should detract from our traditional values or face-to-face organising. But it has allowed us to synthe-

size the best of our campaigning with new ideas from other sectors.

One example is our decision to have a Facebook page that allows people to leave reviews. Turning on this function was not a decision we took lightly. We have had to adopt a strategy to both increase the amount of feedback overall and to effectively address any concerns or potential negative feedback we get on Facebook. However, as a union built on accountability and a democratic structure, it seems vital to give this voice to our members if they want to exercise it, and over time it should also pay dividends in recruiting new members.

Crowdfunding opportunities

Crowdfunding is the sourcing of many small donations from a large number of people through the internet. Bectu first used this approach to raise money for the strike fund for the dispute at the Picturehouse chain of cinemas. To date this successful crowdfunding effort has raised over £11,000 from over 400 individual donors.

In many ways this type of crowdfunding effort is not dissimilar to the kind of bucket collections and other fundraising efforts that many unions will have used for high profile industrial disputes. However, the crowdfunding model offers a number of important differences for unions. Firstly, it helps a union operate efficiently

at a scale it otherwise would struggle to do so. For a union with members from the Channels Island in the south to Dounreay and the Shetlands in the north, this is clearly an advantage. Secondly, it allows an ongoing relationship to be built up with those who offer support as they leave their email address. Finally, as the names of all the donors are listed on the page it allows the people giving support to make a public statement of their values. At Prospect we often find facilitating this sharing of values to be a successful strategy. One of our most successful Facebook posts is a virtual sticker to protest the public sector pay cap, which reads 'I'm worth more than 1 per cent'. Many of our members in the public sector shared it with their own followers.

A further refinement of the crowd-funding model is the website Kickstarter. Kickstarter is a US non-profit that raises money for the launch of products and services. It works on the basis that the person giving the money must only pay when the total fundraising goal for the project is reached. Our Bectu sector working with the TUC has applied this principle to organising in visual special effects (VFX) for the film industry. VFX has been traditionally less organised than other industry sectors, meaning that, for example, VFX artists are less likely to get a credit for their work than other people working on a film. The Bectu project uses the Kickstarter principle by asking people to sign up for union membership on the basis that their membership will only be activated when enough of their other colleagues have signed up to seek recognition.

Paid digital marketing

Unions have always spent some money on paid marketing to raise their profiles. This has ranged from small-scale advertising in sympathetic publications through to the larger print and display advertising campaigns used by some bigger unions.

However, the growth in social media advertising, particularly on Facebook, provides huge new opportunities for paid marketing. In 2016 spending on digital advertising in the UK was ten times greater than spending on national newspapers. By 2020 it is estimated that over 70 per cent of this digital spending will go to Facebook and Google alone.

Facebook allows a huge amount of targeting of audiences to people in specific sectors, demographics and geographical areas that can prove particularly useful to a trade union like Prospect. For example, we were recently able to use Facebook ads to market an event to EU nationals living in London and working in relevant sectors. It provides a huge amount of data about what is and is not successful and can be used to drive people towards everything from becoming part of our Facebook audience to signing up online as a member. Some have questioned whether unions should use Facebook in this way, both because of concerns over the small amount of corporation tax that Facebook pays in the UK and because of the pressure that the shift to digital advertising has put on to traditional newspapers which are often relatively unionised employers. However, this kind of difficult compromise is one that unions often have to make and it is not confined to the digital sector. Some unions have for example advertised in the Metro newspaper which is owned by the Daily Mail and General Trust, a company that has traditionally not been friendly to the trade union movement.

**By 2020 it is estimated
that over 70 per cent
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Digital is changing how many work

The changes outlined above relate to how we are organising digitally in workplaces similar to those in which we organise and gain collective recognition in more traditional ways. However, the impact of digital has also meant a radical change to the world at work for many, with a sharp rise in freelance and similar working arrangements. The latest Office for National Statistics figures suggest that self-employment is now at a record high, accounting for 15 per cent of all people in work – or nearly 5 million people. Responding to innovation and change is in the DNA of trade unions, but this new emerging

economy throws up very different challenges to previous periods. Prospect and our Bectu sector have been grappling with these changes for some time. Together, we have over 20,000 self-employed members. For many of our members their work is highly skilled but the precarious nature of contracts makes work imbalanced. The better use of new technology allows us to share more information among members, to engage on things like training needs and regular late-payers, as well as surveying members more often. It is allowing us to think about new communities of interest and how to create a collective voice in branches and industries in which freelancing is common.

Where next for union's digital organising?

Even at a union like Prospect, the digital revolution in organising is just beginning. And our steps on this journey so far have invited as many questions as answers.

For example, many tech disrupters have very few staff but achieve high levels of customer service and satisfaction. Netflix has just 3,500 staff serving more than 100 million subscribers (a ratio of 1:28,500), by contrast Prospect has around 250 staff for 142,000 members (1:560). Although the product and support are very different, it is likely that members' expectations of the service they will receive for the price that they pay will continue to increase.

Artificial intelligence could also have a big impact. For example it is estimated that 114,000 UK jobs in the legal profession will be automated in the next 20 years, so it seems very likely that the way union legal departments work will be affected in some way.

Another issue will be how the democratic and governance structures of unions adapt and change to reflect a more fragmented workforce, connected by technology as much as by a place of work. It seems unlikely that our current structures will remain fit for purpose.

Addressing challenges like these will not be easy for trade unions, but will be vital if they want to harness the opportunities that are now being presented by digital. Only by taking them will unions address the challenge of organising and in doing so remain relevant to the workers of tomorrow. ■



Workers doing it for themselves

Self-employment is on the rise in the UK. *Lauren Crowley* sets out how trade unions can provide freelance workers with the flexibility and rights at work they want.

WE ARE IN the middle of a revolutionary moment. Rapid growth in self-employment, the growth of the gig economy, and the rise of automation represent a seismic shift for the world of work.

The trade union movement must respond with a revolution of its own, or face an irrelevance that will have major consequences for workers everywhere.

Five million people in Britain are now self-employed, new technology is facilitating the growth of the 'gig economy' and fundamentally changing the nature of work, and automation is already happening in many businesses.

Initial analysis of the impacts of automation has shown that self-employment is likely to continue to grow in response. We let our members down if our answer is to stand in pure opposition to globalisation and technological advancement. Both are happening, whether we like it or not. It falls to trade unions to find ways to make this change work for working people.

Community believes flexibility and fair work are not mutually exclusive. The challenge for trade unions is not to rid the world of self-employment and the gig economy, it is to make these growing ways of working work for everyone in a meaningful, fair and decent way.

Economists have observed that self-employment and insecure forms of employment tend to rise when developed economies are struggling. For example, self-employment has risen in Greece to over one third of the workforce (twice the EU average) and the

trend has been replicated across a number of other economies in southern Europe. This was also true of the UK in the 1980s when self-employment started to rise in the face of mass unemployment; and it is true of Community's experience in certain parts of the UK where traditional employment is limited or traditional industry is declining.

We saw a rise in self-employment in Redcar after the steelworks closed in 2015 as our members in the area chose different employment routes. A few would have preferred a permanent employee job, but this is not our experience of self-employed workers as a whole and it should not be our view about self-employment in general.

The trade union movement's response to these changes in the labour market has been mixed. There are legitimate concerns that unions share about the potential for exploitation but responses differ as to how this can be prevented and how workers who want to be self-employed can be supported.

In many cases self-employment or freelance working creates more opportunity, encourages transparency, flexibility and innovation and we should not look to inhibit this or take away from the benefits that consumers gain because of this innovation.

It would be wrong to assume all companies using self-employed workers are exploitative. There is a balance to strike that encourages innovation, meets the needs of consumers and is fair to workers. Work must work for everyone and it must be fair and decent.

Why do trade unions need to change?

Traditional trade union models and structures may not survive the changing world of work. The growing parts of the workforce are demonstrably different to the way the labour market looked when trade unions were founded. Increasingly people switch jobs, careers and sectors. The traditional employment contracts trade unionists are used to seeing are no longer as common. More and more workers do not have contracts at all. This requires us to think differently about how we approach, recruit and represent these workers. And without doubt it requires us to think differently about how we approach and work with employers.

Even when working in traditional employment settings Community's experience is that traditional trade union approaches may

not always be the most effective or right way to keep achieving the best for workers.

This is backed up by the research undertaken by the Changing Work Centre. Young people in focus groups said they quite liked their employers and wanted to work with them. They recognised that they may have issues, but they wanted to resolve their issues in a way that didn't cause tension with their employer at a later point. Anecdotally, our younger members also prefer to work in this way – only resorting to harder tactics as a last resort. They want their union to support them through each stage of resolving each issue, including the nuclear options if necessary, but unions unsurprisingly put potential members off by neglecting to promote the partnership working they do successfully day in, day out.

How does this fit with the way that trade unions work today? A piece of Unions21 research compared responses to trade unions between 1993 and 2012, finding people tended to view unions as 'angry' in the early 90s, but twenty years later they saw them as 'furious'. The emotive language used to describe arguments ('battles'), criticisms ('attacks') and campaigning ('fighting') was concluded to be contributing to the negative perceptions of trade unions.

That is not to say there is not a place, when needed, for traditional trade union approaches and tactics. It is likely that workers will join trade unions in different sectors and workplaces as a result of a mix of traditional and new ways of working that inspires them to do so.

How do trade unions need to modernise?

It is crucial that trade unions go back to the essence of why they were created to establish the new way forward: collective power.

Across the world trade unions have used their knowledge of collective organising to establish new ways of representing workers within non-traditional workforces, and it is fair to say the UK is lagging behind:

- FNV, the Dutch trade union federation, encouraged its members to accept self-employed members in 1999 and in the same year set up the largest specialist trade union in the Netherlands for the self-employed, which now provides services to self-employed workers including legal advice and help with debt collection.

- The Freelancers Union was set up in the US as a mutual to provide services and a voice to self-employed workers, and has recruited 280,000 members. It provides a range of work-related packages which support self-employed workers both in and out of work, such as health, disability and life insurance. It successfully campaigned for legislation in New York that gives freelancers the right to a written contract and to be paid on time.
- The Machinists' Union in the US is developing a system of portable benefits and independent peer review hearings with Uber.
- SMartEU, founded in Belgium and now in a number of other European countries, provides a number of services that assist workers in the gig economy. Looking at a worker's pattern of work, it guarantees cash flow through a mutual guarantee fund and takes on the debt collection on behalf of the workers; it facilitates the invoicing of clients, calculates and pays the worker's social security contributions and income tax.
- In India, the self-employed Women's Association has 1.7 million members and provides services as well as acting to improve members' rights.

In the UK, broadly sector-specific unions such as Bectu, the NUJ, the Musicians' Union and Equity have been innovating in this area for many years, providing collective bargaining arrangements with employer bodies and running general campaigns on improving pay and conditions within a sector.

The challenge is slightly more difficult for non-sector-specific unions who have growing self-employed memberships that are naturally more disparate and work with multiple clients, rather than working for one big company.

There is clearly a role for trade unions to support and empower these workers to organise, as is happening in companies such as Sports Direct and Pizza Express where unions are creating change outwith the traditional industrial models. Community worked with members in Simclar Intl Ltd to win employment tribunal awards, along

with local MSPs, and won awards totalling £1.1m for members despite not being the recognised trade union. Another example is the creation of the Safe Betting Alliance in partnership with the Association of British Bookmakers, Metropolitan Police, local authorities and the Institute of Conflict Management, to design a set of minimum standards to keep betting staff safe, which also led to a reduction in crime within betting shops.

How do trade unions stay relevant in a world where one worker has a multitude of employers, no collective agreements and no shop floor? There is no easy answer. Evidence shows that organising in these areas is expensive, both financially and resource heavy, and the returns in membership numbers are not always as high as unions would like. Workers in these areas are hard to organise and hard to reach. There is little data and research on them.

For our part, Community has set up a partnership with a co-operative called indycube which has established over 30 co-working spaces in Wales over the last six years. Indycube brings empty office and retail spaces to life by providing a working environment – desks, refreshments and meeting space – organised through its online payment platform where users can book desk-space as required over a day, a week, a month, or longer.

Indycube's approach brings benefits to all involved. As a cooperative, members have a say and any surplus goes back into providing a better service for users. The users can collaborate in a business environment and also participate in a real, live working environment. Landlords of the previously empty space receive an income and once empty offices and other spaces are buzzing with work.

We have developed a trade union and cooperative partnership which brings trade union membership to the users of indycube spaces. This partnership will aim to increase the number of spaces available to users right across the UK – expanding the self-employed and freelance network of users and organising them into a collective group with a voice on the issues that matter to them.

Community is also working in partnership with the IPA to establish a number of pilots to enhance the collective voice

of self-employed workers. These include independent peer review panels and the use of a trade union as a third-party mediation factor outwith the traditional recognition model.

The provision of services for self-employed workers is not new. Organisations such as IPSE and the FSB have offered benefits and services to self-employed people for many years. However, collective representation and the strengthening of the voice of self-employed workers is lacking outside the aforementioned sector-specific unions. And the reality is that many of those who face low pay and poor conditions are in these types of employment. So there is a duty on us to change our normal practices to ensure we continue to fulfil the purpose for which we were created: to empower workers to come together and improve their lot.

Pointing out the problems or concerns around working independently isn't enough. Trade unions need to recognise that working this way – whilst not always a choice – isn't solved by saying that everyone needs to be directly employed and involved in a rigid employment relationship with an employer.

The challenge falls to trade unions and their members to modernise so that trade unionism is relevant to workers who want to organise their work differently. This means arguing for fairer working conditions that maintain the principle that self-employed workers are free to work as they please.

Good work is the route to prosperity. It is the answer to inequality and the driver of progress.

Our country's greatest achievements have been won by those who come together, with a common purpose, delivering change for all. These are principles that sit at the core of the trade union movement.

We owe it to our predecessors who fought for progress, and to the next generation who will fight to overcome a more precarious world of work, to strive to get the best deal for workers – delivering greater employment rights while maintaining the freedom of flexibility. **F**

Lauren Crowley is head of research and policy at Community and associate fellow at the Changing Work Centre

Trade unions and the state

The Taylor Review was Theresa May's attempt to address modern injustices in the workplace. *David Coats* finds it a useful start but insufficiently radical, and sets out what needs to be done to redress the imbalance between labour and capital and put good work on the agenda.



David Coats is the director of WorkMatters Consulting, a research fellow at the Smith Institute and an associate at the Centre for Public Service Partnerships at LGIUI

IT IS A commonplace, accepted by most mainstream politicians, that all is not well in the UK's labour market today. That is why Theresa May invited former Labour adviser Matthew Taylor to undertake a review of current employment practices and make recommendations to ensure that the labour market works for everyone. A sceptical reader might think that there is more than a whiff of motherhood and apple pie about this and, as with much of May's agenda, apparently bold intentions are revealed as little more than damp squibs – less a big bang, more a barely audible squeak.

Certainly, an assessment of this kind is accurate in relation to the recent consultation on changes to the corporate governance regime; what had been heralded by the prime minister in her speech on the steps of 10 Downing Street as a guarantee that workers would have a direct voice in boardroom decision-making now offers little more than the prospect of a single non-executive director giving particular attention to workers' concerns. This is hardly likely to change either the tenor or content of the deliberations that take place in Britain's boardrooms.

It would be premature to judge whether Taylor's recommendations will meet the same fate, although there is a strong indication that the proposals have been

deliberately muted to render them more attractive to a Conservative government sceptical about regulatory solutions. Nonetheless, it would be wrong to be too negative, not least because Matthew Taylor's approach has the great merit of offering a comprehensive narrative about the importance of the *quality* of employment; good work for all is central to the review's proposals.

Moreover, Taylor also places more emphasis than one might have expected in a report for a Conservative government on the case for collective worker voice, whether expressed through trade unions recognised for collective bargaining or through works councils with guaranteed legal rights to information and consultation about significant management decisions. In his view, worker voice can lead to higher productivity, better quality work, more effective employee engagement and higher levels of individual satisfaction in the workplace.

As with all policy conundrums the starting point must be to identify the problems that are supposed to be solved by these policy initiatives. Something must be identifiably wrong and there must be a reasonable belief that a new departure will put things right. If we want to understand the strengths and weaknesses of Taylor's

approach then we could usefully start with a short statement of the realities of the world of work today.

Labour market realities

It is possible to be optimistic in describing the performance of the UK's labour market. Government ministers often argue that the UK is experiencing a jobs miracle, with 75 per cent of the working age population currently in employment. Of course, this may change as Brexit takes its toll on the economy, but for the time being one cannot quarrel with the headline numbers. They are impressive.

The problem, correctly identified by Taylor, is that not all these jobs are 'good jobs'. Conventionally, the discussion is focused on the problems faced by those at the margins of the labour market – people with zero-hours contracts or those who are misclassified as self-employed in the so-called gig economy. In reality, the problems are rather more widespread than that. An array of respected social science research has shown that there is general dissatisfaction with the influence that workers have over their employer's decisions; unfair treatment is just as common in mainstream secure employment as it is at the margins; in the wake of the global crisis a majority of people at work feared

that their job status was in some way under threat and there is little indication to date that the situation has improved; levels of autonomy and control over the process of work (a powerful indicator of high quality employment) have fallen over the last twenty years; there is strong evidence to show that the pressure of work has increased since the early 2000s, the speed of work demanded by employers has risen and more people report that they are working to tight deadlines.

For many people in mainstream employment the principal concern is not the fear of imminent job loss but the accurate observation that ‘stuff happens’ in the workplace over which they have no control. They are victims of management diktats not participants in the course of events. If the government is serious about improving the quality of work then it must recognise the problems confronting workers with permanent, apparently secure jobs.

It is worth recalling too, perhaps, that fewer than three in every one hundred workers has a zero-hours contract. Only half of these workers (around 400,000) are low-paid – where low pay is defined as earnings of less than 60 per cent of the median. These numbers are dwarfed by the one in five or six million workers who are low paid. The UK continues to have one of the highest rates of low pay in the developed world, despite the recent increases to the living wage supplement to those over the age of 25 – what the government describes as the national living wage.

The UK’s productivity record since the global crisis has been woeful

Most seriously, the UK’s productivity record since the global crisis has been woeful – and without robust productivity

growth living standards will not rise. The economist Paul Krugman once observed that productivity isn’t everything, but it’s almost everything. Rising productivity delivers resources for investment and further growth in the future (through retained profits); it delivers higher wages, as workers secure their fair share of a growing cake; and it allows for reductions in working hours (because the same or higher output can now be achieved in less time).

Even before the crisis the UK had a problem in ensuring that all people at work shared in their employer’s success. In economic theory wages are supposed to grow in line with productivity but in the UK, for workers in the middle of the wage distribution and below this connection was broken in the early 1990s. This is best explained by a decisive shift in bargaining power from labour to capital. Weak or absent trade unions simply lack the wherewithal to ensure that workers receive their share of the fruits of growth.



Are unions part of the solution?

Taylor fails to confront many of these problems directly and his most radical suggestion is that the government should review the Information and Consultation of Employees Regulations 2004 (ICE) so that more workers are able to make use of their rights to be involved in important management decisions concerning the organisation of the workplace. This looks far too modest to make a serious difference, not least because it does nothing to get workers into the boardroom or affect the behaviour of investors, the owners of organisations in the private sector, who set the incentives shaping boardroom decisions. There are five areas where more radical action is essential.

First, making real change requires the bolder approach that May outlined on the steps of 10 Downing Street, namely getting workers voices heard in the boardroom – although we will need to wait for a change of government for any significant progress to be made in this regard. Two additional options for reform were presented in a report prepared by Sir George Cox at the request of the Labour party during Ed Miliband's leadership. First, the gains from short-term speculation in share ownership should attract a higher level of capital gains tax, with the aim of encouraging more committed, long-term ownership. Second, only long-term owners will have a voice in the governance of corporations. The aim is clear: to create patient capital on the German model. Short-termism in capital markets incentivises short-term thinking in the boardroom, which leads to short-termism in employment relationships. Unless these deep structural problems are addressed in the way that Cox suggests then the prospect of good work for all will remain illusory.

Second, while Taylor's proposals to revise the ICE regulations are welcome, more decisive steps must be taken to ensure that workers have guaranteed rights to the following:

- Information about their employer's long term strategic plans.
- Information and consultation about medium term workforce planning – what's going to happen to jobs over the next five to seven years? Will there be

major restructuring? What can be done to avoid or minimise job losses?

- Information and consultation with a view to reaching an agreement on any significant changes to work organisation and contractual relations. This means that all programmes of major restructuring will be subject to a formal process of negotiation.

Third, trade unions can be part of the solution to the UK's productivity challenge. There is strong evidence to show that unions, in the right circumstances, can work effectively with employers to boost productivity. What matters most is the relationship between the parties. Do they trust each other? Can they solve problems together? ACAS should be given the explicit remit to promote collective bargaining and should act as a repository of good practice, identifying where trade unions and employers have worked successfully to achieve sustainable, productivity enhancing innovation.

Unions, in the right circumstances, can work effectively with employers to boost productivity

Fourth, it has been proposed elsewhere that the Labour party should simply adopt a model of compulsory collective bargaining at sectoral level to fix minimum terms and conditions for the whole economy. Obviously, this is unlikely to be implemented by a Conservative government but it would be equally unwise for Labour to go down this path. Countries with effective sectoral bargaining generally do not depend on the power of the state to enforce these arrangements. Unions and employers are both well organised and have the capacity to engage in conversations of this kind. Whether these conditions are met in the UK must be in some doubt. Moreover, what really makes trade unions strong is the power of their workplace organisation. Mandatory collective bargaining at sectoral level can lead to the hollowing out of workplace structures and declining trade

union legitimacy, a problem experienced by Australian trade unions following the end of de facto compulsory sectoral arrangements in the early 1990s. Any such proposal in the UK would be met with determined employer resistance, which could reduce the prospects of success for the other proposals outlined here.

There is a rather better argument, however, for the development of a strategy to deal with low pay that goes beyond relying on a rising national living wage. In particular, a sectoral approach could be deployed in industries where union bargaining power is currently weak and workers are at real risk of exploitation. Sector forums, modelled on the Low Pay Commission, with a balance of union, employer and independent members could agree a simple minimum standards contract on not just pay levels but hours of work, holiday entitlement, access to flexible working and model arrangements for worker participation. This could be set within a wider set of responsibilities around skills development, accreditation and productivity enhancement to raise the quality of work over time.

Fifth, stronger trade unions would almost certainly lead to a fairer labour market in the UK but unions, rather than relying on the state to do all the heavy lifting, need to be the agents of their own revival. The measures adumbrated above may help, but they are no panacea. As research over the last 15 years has demonstrated, most recently the Fabian Society's report *Future Unions*, unions have an increasingly distant relationship with the majority of people at work – there are now more people who have never been members of trade unions than current members and ex-members combined. This raises profound questions for unions about both their essential purpose and the way they communicate that purpose to people at work today. Perhaps the time has come to strike out on a new venture, recognising that while effective pay bargaining is essential for trade union success it is by no means sufficient. By using the new legal rights described here and by focusing on good work trade unions may find themselves well positioned to reinvent a workplace collectivism fit for the 21st century. ■



Getting the policy context right

Union membership and collective bargaining agreements are in decline. *Melanie Simms* proposes policy measures to change this course, while facing up to the UK economy's long-term structural challenges.

UNION REPRESENTATION MATTERS. It is the single most effective way for workers to ensure their voices are heard by local managers. Union representation is also central to effective collective negotiation about some of the fundamental challenges facing any economy. In the UK, the current challenges of skills gaps, training and productivity are so serious and widespread that the decline of union membership and collective bargaining need to be re-examined as a possible lever to help create negotiated interventions to address those challenges.

Because collective bargaining provides structures to negotiate and compromise around competing interests, it allows a much stronger and more embedded structure of worker voice than alternative mechanisms that are usually driven by employers. Collective bargaining is extremely effective in securing improvements both in workers' terms and conditions of employment and also in negotiating potential solutions to challenges facing employers and the economy more generally because it relies on the open-ended nature of the bargaining relationship. Trade-offs can be accumulated over time and both workers and employers can negotiate collectively, through their unions and representative associations, to ensure their perspectives and voices are heard. But, in parallel with the decline of union membership, the

coverage of collective bargaining in the UK has been in steady retreat since the 1970s, especially in the private sector.

In order to make prescriptions that may help the future of trade unions and collective bargaining, it is important to correctly diagnose the problems. Centrally important is to recognise that the decline of collective bargaining has been created in part by the decline of union representation over the past 30 or so years. In other words, without effective structures to represent the interests of one side of the bargaining relationship (workers), any negotiating mechanism becomes less effective and less legitimate.

The decline of union membership has been driven largely by structural changes in the economy and the fact that these have increased the difficulties for unions seeking to organise and represent workers. Attitudinal changes are often blamed for the lower numbers of young people joining unions, but there is little empirical evidence to support that view. Experiences of organisers at the front line of recruiting union members are clear that young workers are no more likely to be hostile to unions than other workers. So understanding the structural challenges is crucial to a correct diagnosis of the causes of the decline.

The number of people working in large, unionised workplaces has declined dramatically

The first big challenge unions have faced is that the number of people working in large, unionised workplaces has declined dramatically as the economy has moved towards service work. Even where big manufacturing plants exist, they are much more dependent on capital investment than large numbers of workers compared to the past. Young people are therefore much more likely to work in sectors such as retail, hospitality and catering that tend to have smaller workplaces and higher labour turnover. Even when an employer recognises a union – and that is rare in these sectors – it is difficult for union organisers to get into all the units

to recruit and organise staff. In short, large unionised workplaces have been replaced with smaller workplaces where unionisation is difficult, and young workers are much more likely to find themselves working in the latter.

We know from studies of union organising campaigns that unions can be really successful at recruiting, organising and representing workers in these kinds of smaller workplaces when they target them. The structural challenge is that the level of resource required to target the vast number of workplaces like this is far beyond the scope of any union movement. It is expensive to recruit and train good workplace union representatives and it is risky in a context where labour turnover is high.

The policy context increases the risks. In 1999, the Labour government introduced laws that gave unions the right to be recognised for collective bargaining, even when the employer continued to reject the request. That was a very helpful change in the policy context, but it was no panacea for union organising. Rightly, the law requires that the union demonstrates significant support from workers for collective bargaining, usually through a vote. The thresholds are high and there are penalties for losing the ballot, meaning that unions have to be confident of victory. So to be confident, they have to have invested significant resources in speaking to the workers included in the vote. With small, dispersed workplaces that can take a huge amount of time and resource that often is simply not available.

Other countries have different regulatory contexts and it is clear in international studies of trade unionism and collective bargaining that different policy contexts help speed or slow the decline of both union membership and collective bargaining. Some systems, such as in Scandinavia, have the effect of strengthening both union membership and collective bargaining. Others, such as in France, focus more on ensuring the coverage of collective bargaining is high without worrying too much about how many workers are signed up members of unions. The German system lies somewhere between.

Whatever the details, these systems tend to start from an explicit acknowledgement that it is unfeasibly difficult for un-



ions to organise and represent workers in lots of small companies and workplaces. So an agreement secured for a lead employer can be extended to cover workers in other companies. The mechanisms for doing that vary. Typically, there are explicit mechanisms to extend agreements and to give employers covered by the agreement some flexibility in how they apply the terms. A common approach is the use of 'framework agreements' where a deal might be negotiated for a sector and would set a band within which wage increases can fall. Well-organised and successful companies may agree a wage rise at the top of the band, while workers in an un-unionised or struggling company may only secure an increase at the bottom of the band.

But this kind of arrangement requires a very different policy context from that which we have in the UK. It requires union representation and collective bargaining to be structurally embedded in national and organisational practices, including: rights to union representation, often alongside other mechanisms for worker voice (such as works councils); involve-

ment of unions at sectoral and workplace levels; rights to collective bargaining and the right to take collective action; extension mechanisms, and enforcement mechanisms that require parties to adhere to agreements. Very little of this policy infrastructure exists in the UK system of worker representation which gives very little reason or incentive for employers to negotiate with unions.

Of all of the policies listed above, extension mechanisms are one of the most important because they have the potential to address the structural challenges we face. Extension mechanisms allow unions to bargain basic terms and conditions even where they do not have membership strength. When that takes place in the context of forums for employers and unions to discuss and negotiate other issues of mutual interest such as skills gaps and training requirements, it is clear that a wide coverage of collective bargaining can be an effective mechanism to address issues such as productivity levels.

The benefits of collective negotiation are clear. Collective agreements can cover

any issues of relevance to the parties at a given point in time. The process of sectoral negotiation helps develop good work practices and mechanisms to enforce them in employers who might otherwise fail to do so. By putting cross-cutting sectoral issues at the heart of negotiations between the two parties, sectoral collective bargaining can help address the fundamental productivity challenges facing the UK economy. It is, of course, not a universal solution. The two parties need to work together in good faith to negotiate a broad range of issues, and trade-offs can be an uncomfortable compromise to achieve collective progress on wider issues. But with support from the public policy context to enforce agreements, the potential benefits are clear and it has the potential to be one of the most effective ways of negotiating long-term solutions to address the very serious challenges facing the UK economy and labour force in 2017. **F**

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