

**EXTENDING
COLLECTIVE
BARGAINING:
EXTENDING
UNION INFLUENCE**

Union

EXTENDING COLLECTIVE BARGAINING: EXTENDING UNION INFLUENCE

Other titles in our Debate series:

Hit hardest, scared longest: Young workers during the crisis
Delivering for Young Workers
Making the Point
The Generation Game, Does Age Matter
Resilient Unions
The future for union image

Unions21

Registered office:

Unions21
c/o ATL
7 Northumberland Street
London WC2N 5RD
www.unions21.org.uk



© 2012 No part of this publication may be reproduced, transmitted or stored in a retrieval system, in any form or by any means, without prior permission in writing from Unions21.

CONTENTS

FOREWORD	5
Sue Ferns, Chair of Unions 21	
INTRODUCTION	
EXTENDING UNION INFLUENCE	6
Paul Nowak, Head of organisation and services, TUC	
WHATEVER HAPPENED TO ICE?	8
Sarah Veale, Head of Equality and Employment Rights Department, TUC	
UNIONS AND OCCUPATIONAL REGULATION	10
Dr. Maria Koumenta, Queen Mary University of London	
REACHING OUT	12
Carl Roper, National Organiser, TUC	
UNIONS AND THE ECONOMIC ALTERNATIVE	14
Mike Clancy, General Secretary Designate Prospect	
LESSONS OF THE LIVING WAGE	16
Maurice Glasman, Labour Peer and founder of Blue Labour	

FOREWORD

Unions 21 exists to provide an 'open space' for discussion on the future of the trade union movement and help build tomorrow's unions in the UK. We are resourced by contributions from trade unions and others who work with trade unions that recognise we need to keep the movement evolving in an ever changing world. We encourage discussion on tomorrow's unions through publications, conferences, seminars and similar activities.

The Debate series of publications present opinions upon the challenges trade unions are facing, solutions they may consider and best practice they may adopt. These opinions are not endorsed by Unions 21, but are published by us to encourage the much needed, sensible and realistic debate that is required if the trade union movement is going to prosper.

Sue Ferns
Chair of Unions 21

EXTENDING UNION INFLUENCE

Paul Nowak, Head of Organisation & Services, TUC

This year – for the first time since 1942 – the TUC’s affiliated membership fell just under 6m. In the private sector unions represent only 1 in 7 workers; in the public sector, membership is under unprecedented pressure due to a combination of swingeing jobs cuts and so called public service ‘reforms’ which will potentially result in fragmentation, marketisation and privatisation becoming the norm in sectors as diverse as health, education & criminal justice. For many of Britain’s workers unions are something confined to newspaper headlines and the occasional Newsnight or Question Time appearance by a general secretary. For too many, trade unionism is not a lived experience, a part of their day to day working lives, something that they belong too or are active in.

But amidst the very real and persistent membership challenge facing UK unions, we think we can draw some comfort from the practical day to day efforts that unions are making to hold onto membership and extend union influence. Moreover, these practical efforts suggest there are further opportunities to reach out into parts of non-union Britain that unions barely touch at present.

This publication sets out how unions can best build on their ‘organising’ efforts over the last fifteen years, efforts which – before the financial crash hit in 2008 – went a long way toward stopping the two decades of membership decline which set in at the beginning of the 1980’s. How can we best use the Information & Consultation arrangements to extend union influence and lay the building blocks for securing recognition? What can we learn from the rise of occupational licensing and other forms of employment

regulation? How can we expand our influence in the private sector by organising freelance workers in non traditional sectors and how can we ensure community organising is a living, breathing model of trade union organisation rather than a rhetorical aspiration? Is there scope to explore new ‘gateways’ to union membership as our colleagues in New Zealand have?

Central to all of these ideas is the thought that we cannot see trade union revitalisation simply through the prism of membership and membership growth. Yes, we need to encourage more people to join unions (and to become active within their unions), but we should think about extending union influence as simply more than signing up more members.

The UK is, if not unique in Western Europe, then certainly atypical, in that union membership and collective bargaining coverage are almost concomitant. By and large we bargain on behalf of a slightly large number of people than we actually organise – but the figures are broadly comparable, and as membership falls, so too does collective bargaining coverage. As we set out in a previous Unions 21 publication¹, this close link between bargaining coverage and density and membership in the UK poses two key problems. First it is hard for unions to break new ground – particularly in the private service sector, as employers are effectively incentivised to resist unionisation. But secondly, it also both reflects and fuels an approach to organising workplace by workplace, company by company, bargaining unit by bargaining unit. As outlined elsewhere in this publication this approach to organising is incredibly resource intensive and limits our scope

to really reach out to the huge numbers of unorganised workers across key parts of our economy.

Importantly, several unions have begun to push the limits of this approach, thinking innovatively about extending collective bargaining and organising too scale. A recent report written for the TUC by ESRC research fellow Chris Wright, explored these approaches in some depth – in sectors as diverse as meat processing (UNITE), outsourced parts of the civil service (PCS) and construction (UCATT)². Central to all three of these examples is unions using supply chains in a strategic way to regulate labour standards even where union membership and collective bargaining coverage are low. In turn, this leverage can support union efforts to build membership and secure recognition. Of course, this sort of approach is not a substitute for grassroots organising. But a traditional ‘organising’ approach on its own is probably not enough when faced with employers in sectors with little or no incentive to concede unionisation. Identifying and exposing an employer’s reputational vulnerabilities; applying pressure through supply chains; leveraging in clients or end users; developing alliances with other stakeholders – these are all elements of successful campaigns that seek to extend union membership and influence beyond what we would regard as a traditional organising campaign.

This publication rightly focuses on what more **unions** can do in the here and now. We know that the revitalisation of the trade union movement cannot be placed on hold until we have a more supportive government or a better legislative framework – both of which could help unions to grow. But in focusing on what more **we** can do **right now**, we should also think about how we mobilise others to our cause.

How, for example, can we get good unionised employers to speak up more strongly for better rights at work and for the positive role that unions play? All too often in sectors as diverse as

telecoms, distribution, retail and manufacturing, unionised firms are put under incredible competitive pressure by companies whose pay, terms and conditions are underpinned by the national minimum wage, legal minimums and individual rights– not by collective bargaining. The firms which employ our members are undercut, not because their competitors are smarter or more efficient, but because they can squeeze labour costs in a way that unionised firms can’t. So we should think about how we work with significant unionised private sector employers to protect and drive up pay and conditions across key sectors. Again, using supply chains to improve pay and conditions could be important, as well as taking advantage of the opportunities presented in the public sector by the new Social Value Act.

We also need a clear political strategy – a strategy to get politicians talking about the positive value and role of unions and collective bargaining. We need to demonstrate that stronger, growing unions are not just good for unions and their members, but are also part of a positive economic alternative, and the cornerstone for wage-driven growth. Rising pay inequality, falling living standards and the insidious rise of the legal loan sharks and pay day loan companies, have their roots – in large part – in falling union membership and collective bargaining coverage. As Professor Keith Ewing has recently pointed out, *‘Restoring the fortunes of trade unionism is not an end in itself, but a means to an end.’* The end is more and better jobs, rising incomes, a revived economy and a fairer, more equal society. It’s an end that requires strong, effective, influential unions.

¹ Resilient Unions: Strategies for Growth, Unions 21, 2010.

² Organising Beyond the Employment Relationship, Chris F Wright, TUC, 2011.

WHATEVER HAPPENED TO ICE?

Sarah Veale, Head, Equality and Employment Rights Department

The 1995 TUC Congress adopted a seminal report, “Your Voice at Work”. The report followed lengthy discussions within the TUC about what a Labour Government could do to support effective worker representation.

The Report set out proposals for a new legal framework which would combine the “best traditions of British collective bargaining with new rights under European law”. The latter – consultation rights with European Works Councils – had been contentious in the TUC, being viewed by some as representing a watering down of full recognition rights. The Report combined what it described as the three rungs of worker voice: individual representation, rights to be consulted and rights to recognition.

Recognition and individual representation rights arrived on the statute book in the Employment Relations Act 1999. In 2002, after much wrangling in the EU between the European Social Partners, the Information and Consultation Directive emerged. This marked a new stage in the development of the EU’s regulatory strategy, establishing a general consultation framework for national undertakings.

The UK Government could have simply introduced the legislation more or less as it appeared in the Directive, or even amended some existing UK legislation, as they did with the Posted Workers’ Directive. They could have taken a much more prescriptive approach, as they did with the Working Time Regulations, and set out in detail how each part of the Directive would apply.

Instead they chose a Social Partnership approach, which was the TUC preferred mode.

During subsequent negotiations between the TUC, the CBI and the Government, the TUC was anxious to safeguard existing recognition arrangements but also to use the new legislation to extend union influence through the collective consultation processes required. The CBI made clear from the outset that they did not see the new legislation as a collective measure and repeatedly insisted that information and consultation could legitimately be achieved through one to one arrangements. This meant that both sides were viewing the legislation as a potential threat, although the TUC also saw it as a great opportunity.

A Framework agreement was reached, which reflected agreements and disagreements between the TUC and the CBI but meant that the subsequent Regulations had broad support across industry.

Impact of the ICE Regulations

In practice, the ICE Regulations have been something of a damp squib. WERS 2004 showed that the then imminent prospect of the ICE Regulations had not resulted in an upturn in the proportion of workplaces covered by consultative committees.

Since then, other surveys have indicated that the Regulations have led to increases, both in the incidence of formal I&C arrangements and modifications to existing arrangements. In an LRD (2006) survey of union representatives, one-third

of respondents reported having I&C arrangements that had been drawn up, amended or reviewed in the light of the Regulations.

However, there is little published quantitative data on the incidence of ‘pre-existing agreements’ or ‘negotiated agreements’ as defined by the Regulations. Anecdotal evidence suggests that there are very few, despite the protection they offer against the Regulations’ statutory procedures being triggered by employees – probably because few expect their employees to trigger the Regulations’ procedures. There has also been little litigation under the Regulations, although the leading case, *Amicus and Macmillan Publishers Ltd*, arguably demonstrates the potential for unions to use the law against defaulting employers.

Why isn’t ICE working?

Key aspects of the UK’s version of the Directive’s provisions may be acting as barriers to the effective implementation of the Regulations. One is the required support of 10% of the workforce to trigger statutory negotiations, which mirrors the domestic recognition legislation but is a higher hurdle to jump as it involves the whole workforce, not just those in an agreed bargaining unit. Specifying a lower proportion of employees and enabling recognised unions and other existing employee representatives to initiate statutory negotiations was the preferred TUC option at the time but was strongly resisted by the CBI and not taken forward by the then Government.

The other is the absence, despite the efforts of the TUC, of a guaranteed role for recognised unions in the Regulations’ procedures and in the default I&C arrangements. Reverting to a ‘union priority’ or ‘supplemented single channel’ approach, instead of requiring all-employee ballots for the election of I&C representatives under the default provisions, would be consistent with the WERS findings – that ‘hybrid’ union/non-union I&C arrangements constitute the mainstream format for I&C in unionised organisations. Along with other

appropriate amendments, it would also ensure that recognised unions are formally integrated into the legal framework for I&C. By doing this the government might go some way to overcoming union ambivalence towards – and lack of engagement with – the ICE Regulations.

Time to re-visit the Regulations

No-one could call these provisions for information and consultation negligible. While they clearly do not have the force of a co-determination approach, a determined and representative union could clearly use the regulation to establish both a voice and a key stakeholder role within an organisation on vital strategic issues such as the future direction and economic challenge – and some have done so.

In a significant speech in January, putting flesh on the bones of the Coalition’s approach to curbing excessive executive pay, the Business Secretary Vince Cable gave a nudge to the regulations. He emphasised that under government plans, boards and remuneration committees will have to explain how they have consulted and taken into account the views of employees in setting executive pay rates – and suggested that information and consultation rights could be an important route.

The TUC is pursuing this new found interest. The ICE regulations do not give employees any rights to information about pay systems, let alone consultation rights on executive pay. Nonetheless if boards are to be required to explain how they have consulted employees this will laterally strengthen the regulations and may wake employers up to the need to have collective consultation mechanisms in place.

It looks as though a new opportunity to strengthen collective voice in the workplace is developing; we need to make sure that it is an opportunity for union voice.

UNIONS AND OCCUPATIONAL REGULATION

Dr. Maria Koumenta, Queen Mary University of London

Occupational regulation refers to legally defined requirements and rules that govern entry into occupations and subsequent conduct within them. Types of regulation such as *licensing*, make it unlawful to practice an occupation without a license which confirms that the practitioner meets prescribed standards of competence, while other forms such as *certification* and *accreditation* are less restrictive in that although they involve minimum skills standards, entry to the occupation is not confined to those that possess them.

Conservative estimates place over one third of the UK workforce under some form of occupational regulation, but the figure could be as high as 50 per cent and has consistently been rising since the 1950s. Its history can be traced back to the medieval craft guilds and in that sense it predates various labour market institutions including trade unionism. But does it also have stronger survival traits? And if so, what lessons can unions draw from this labour market institution?

Unionisation and occupational regulation are not dissimilar in many ways. Both have emerged as a means of applying stronger collective pressure to upgrade the occupational position and represent the special interests of their members. Occupational regulation however has the capacity to create an artificial scarcity of individuals with legal, technical or socially recognised ability to perform occupational tasks, while professional

upgrading takes place through the enhancement of occupational profiles and the strengthening of professional identities. As such, this labour market institution is reminiscent to the closed shop and craft models of unionism both either extinct (the closed shop was outlawed in 1992) or relatively uncommon nowadays in the UK. Further, membership of professional associations governing modes of occupational regulation is associated with private goods, namely a wage premium for some as well as access to various services including journals, newsletters and conferences, liability insurance, opportunities for networking and recruitment events, access to training and a professional title enhancing employability. Contrary to some of the benefits associated with trade unionism, these services do not accrue to both members and non-members. As such, there is little scope for free-riding and receipt is conditional on continuous membership. Interest representation tends to be more straightforward since professional associations organise around occupational identities, not the case since the trend towards union members and large general unions. Additionally, membership and benefits are transferable from employer to employer unlike some of the benefits associated with unionism, which depend on union recognition by one's current employer. Finally, as far as employers are concerned, occupational regulation is perceived as a productivity enhancing workforce attribute with implications for company

image, insurance premiums and external monitoring of product quality.

Two trends are also particularly interesting. First, membership of professional associations governing occupational regulation is higher amongst 20-39 year olds, the same group that have been found to be the 'never-trade union' members. Second, attainment of occupational regulation status is increasingly common amongst low and medium skill as well as low paid occupations in the service sector (e.g. security guards, fitness instructors) where trade union penetration has traditionally been problematic. Indeed, research has demonstrated that such status is associated with perceptions of upskilling and professionalisation amongst members.

What can unions take away from this analysis? Enhancing demand for unionisation is clearly a key component of unions' revitalisation agenda. However, such demand raising efforts have been narrow in scope. Demand is likely to primarily come from employees. Reducing the scope for free-riding over membership benefits and investing more in developing new services and support for members could be a more viable strategy in a context of growing individualism and, amongst some groups with little taste for traditional forms of militancy and collective action. Further, the services offered by unions could be broadened to address wider workforce concerns such as career opportunities, training and employability. Given the current economic climate and the increasing prevalence of non-standard and precarious forms of employment in the labour market such benefits are likely to strike a chord with many prospective and existing members. Unions could also seek to build alliances with professional associations. Key in such an approach would be unions to be able demonstrate that their activities can be complementary to those of such bodies and supportive of their strategies for professional recognition and legitimacy. The Hairdressing Council for example has for a number of years been lobbying for mandatory

state registration (a status currently enjoyed by occupations such as health practitioners) without success. Joining forces in such a pursuit could potentially strengthen union appeal amongst hairdressers and would give unions access to a traditionally difficult group to organise.

Increases in demand for unionisation can also come from consumers if they can be convinced to substitute union for non-union made products. This would involve unionisation becoming a signal of workforce quality including high levels of training, institutionalisation of and adherence to professional codes of conduct, as well as diffusion and incorporation of innovation within the occupation. Admittedly, some public sector unions have been successful in projecting such an image in various campaigns but these pursuits still remain at the margins of union activity. Such an approach could also go some way in shifting employers' negative attitudes towards unions.

Occupational regulation is a labour market institution that is overtaking unionism in prevalence by offering a 'product' that an increasing large proportion of the workforce wants to buy. It is also highly popular with employers and consumers. Given that unions have lost their capacity to enforce supply-side restrictions via closed-shop arrangements, membership growth can only come from increasing demand for unionisation. It is in this context that occupational regulation can certainly provide some inspiration.

REACHING OUT

Carl Roper, National Organiser TUC

We know that in the UK the single biggest reason why people aren't members of unions is that they have never been asked. The proportion of employees who have 'never been' members of unions has more than doubled since 1985 and is now over 50 per cent.

We know too, that one of the key challenges that unions face, is to come up with a way of bringing union membership within the reach of the majority of the working population who work in non-union workplaces. In the private sector 7 in 10 workers work in a workplace where there is no union presence at all – no recognition agreement, no collective bargaining, not a single union member on-site.

It's clear that the CAC route to recognition, whilst still valuable, will on its own be an insufficient tool if we are to organise on anything like the scale we need to. Organising and securing recognition covering groups of workers in individual companies and workplaces will always remain a key element of union organising, but it is often too drawn out and resource intensive to remain our primary approach.

Paul Nowak, in his introduction spoke of the potential that lies in alternative ways of extending bargaining coverage and union influence more broadly by organising across sectors and along supply chains. A completely different, but equally innovative, approach to extending union membership and influence has been taken by the New Zealand Council of Trade Unions.

The 'Together' initiative launched in 2011 by the New Zealand Council of Trade Unions (NZCTU)

aims to provide employees in workplaces where there is no recognised union a chance to join the union family. Members of 'Together' get advice and representation and, importantly, 'membership' is portable between jobs.

On the face of it, this initiative looks like a return to the individualised membership and wholesale serving model that dominated union efforts to build membership before the New Unionism initiative of the late 90s. But what makes 'Together' innovative and interesting is how it contributes to the overall effort to build stronger unions in New Zealand.

Firstly, you can't join 'Together' if there is already a union recognised where you work. If you work in a unionised workplace and apply to join 'Together' you are directed to the relevant union.

Secondly, members of NZCTU affiliated unions are encouraged to build 'Together' by signing up their friends and family. With 'Together' union parents have – for a small fee – the opportunity to extend the support of trade unions to their kids even when they work in a workplace where there is no union.

Finally, unions get to use 'Together' data to publicise their campaigns and, crucially, to inform union decisions about where they should target their resources and organising efforts.

There are a number of challenges to any similar initiative being launched in the UK. Two obvious ones spring immediately to mind. Firstly, it throws up questions about the role of the TUC – do unions see any value in the TUC playing such an active role in reaching out to non-members?

Secondly, 'Together' stands as an acknowledgment that building stronger unions in New Zealand requires a genuinely collective effort – one that involves the NZCTU of course – but more importantly, one that involves unions working together and pooling resources to reach out beyond their current membership. It could be argued that the launch of the Organising Academy in 1998 marked a similar acknowledgement in the UK. Is now the time to ask if unions here have the collective appetite for a new, large scale membership initiative?

The impact of such an initiative might be enhanced if unions also increased their visibility in local communities. The realisation of the potential that lies in unions becoming more engaged with individuals and groups of people has been one of the more welcome developments in recent thinking about union growth strategies. This is especially the case since a number of unions – Unite, Unison and TSSA to name a few, and even the TUC through our Local Organiser pilot projects – are not just talking about community organising but have and are using it as part of their overall organising and industrial strategies. It's an important approach in not only building support amongst the general public for union campaigns but also in promoting trade union values in a way that demonstrates their relevance to the world beyond the workplace.

Community faced campaigning also allows unions to draw on our movement's most valuable assets – our 200,000 volunteer workplace representatives and activists. A survey undertaken for the TUC in 2008 by the University of Hertfordshire found that union reps were eight times more likely than members of the general public to be active in groups and organisations based within their respective communities. The report recognised this wealth of activism as a reminder of the potential for using this social capital to raise the profile of unions in the wider community.

The implications of the 2008 financial crash may have increased the challenges that unions face, but it has also reinforced their importance. Whether it's the day to day fight to defend decent terms and conditions, pay, pensions and job security, or the bigger picture challenge of ensuring we increase the proportion of GDP that finds its way into the pockets of working people and their families, unions remain the last best hope for millions of working people regardless of whether or not they currently carry a union card.

As the TUC lead on organising and recruitment I hope that the ideas presented in this article and indeed the publication as a whole will be the subject of debate and even some contention across the trade union movement. That is a debate to be welcomed, particularly if the result is a movement re-energised, re-focused and confident in both its purpose and how best to achieve it.

UNIONS AND THE ECONOMIC ALTERNATIVE

Mike Clancy, General Secretary Designate, Prospect

The consequences of fiscal contraction as the primary response of the Coalition to the deficit are being felt across the UK economy. Double dip recession and no one outside government believing that public sector job losses will be offset by private sector employment growth. The economy is stagnant and failing to produce good quality, sustainable employment in any significant measure. In the context of Eurozone crisis and slowdown in the Chinese economy, there is little room for optimism. In parallel global financial institutions: IMF, World Bank, continue to preach austerity and further reductions in government spending as the means of deficit recovery.

There are signs that political and other pressures, for a credible alternative economic response are resonating. Economic stimulus as opposed to fiscal contraction is winning support, not just on the streets of Eurozone countries, whose citizens have had enough of the austerity experience but also amongst progressive economists and politicians who can convey the benefits of government spending in a downturn. However a "virtuous cycle" of government investment driving economic activity that stimulates employment growth, which in turn increases tax receipts and supports consumer spending, remains off the coalition agenda.

We can speculate about the Coalition's longevity amidst continued economic failure and banking

scandals, but an election before 2015 remains unlikely because of electoral peril ahead. For some Ministers this is likely to be their only taste of power in their political career; they anticipate the backlash of voters in 2015. Our hope for government committed to the virtuous cycle remains some way off. Also, polling data is not a major cause for optimism that UK voter experience of austerity will be translated into a clear electoral majority for a party committed to a new economic plan.

Union reach and message

If Union membership reflects our success in contributing voice for the alternative, then we have communications issues. We know the numbers: 6.4 million members at end of 2011. Union density 26% and collective bargaining covered 31.2%. The public/private split is stark: 56.5% of public sector membership compared with 14% in the private sector. The collapse of private sector union membership /bargaining reflects many factors: the transition of the UK economy from manufacturing to services; hostile employer attitudes to recognition but also the quality of the union "offer" and its relevance to private sector employees.

Competition in product and service markets, many of which are international or global, is the reality that confronts private sector employees. Success in markets determines their pay and future employment. UK capitalism focuses on short term cost control, business merger/reorganisation and

executive pay incentives to lever profit, rather than investment in innovative products and services that lead markets through their durable appeal or imagination. Progressive commentators are turning the debate to how we harness capitalism to a long-term perspective and as a means of delivering fair outcomes for the majority of citizens – not just a financial or hereditary elite. In this space unions must argue not only for high quality public services, but also private sector trade unionism and the social and efficiency impact of collective bargaining.

Prospect, like other unions, has seen an increasing number of members working on atypical working patterns and contracts in recent years. This includes those working as freelancers, consultants, or on variable or 'zero hours' contracts. This pattern emerges across all sectors, and is certainly no longer a private sector issue, particularly in Prospect areas it is an issue for members working in the arts and heritage, education services, and the energy sector.

Fiscal conservatives have been successful at influencing private sector workers to accept the 'equality of misery' argument. Those with limited or no pension provision, no voice through collective bargaining, unilateral employer determination of their employment conditions and punishing performance management systems, appear to readily want others to join them in that existence. If the private sector has poor pensions, so should everyone else. If a company gets rid of the bottom 10% of performers each year why should public sector workers have it any different? Demonstrating the real benefit of union membership for 'atypical' workers is a challenge, but one that unions must meet to cope with a fragmenting labour force. Often members working in these situations believe they do not have any legal rights or protections and are reluctant to join the union.

We must reflect why the principles of organising to resist, or improve through collective means, have

not captured imaginations, turning the debate to one about improving employment conditions and pensions rather than levelling down. Perhaps it is because on the economics of the union effect in market environments, we do not convince employees, let alone their employers, that we are not just a cost risk that will injure company performance or competitive advantage. To address this, Prospect is working on a range of resources to demonstrate the legal rights of atypical workers and the positive impact trade unions have on promoting equality. The union can also offer practical help in developing careers through union learning services.

Briefings for negotiators and organisers have been produced to work through the legal issues and to help identify employment status for atypical workers, including a checklist for members on establishing their status and rights. Additionally a members' guide is being produced, along with recruitment materials focusing on different groups such as freelancers or interns, demonstrating their rights and the benefits of organising in the workplace.

It is right now that our alternative economic message should be most resonant; our values widely shared and membership rising. We are winning the debate, but for unions to thrive, we must continually improve our workplace performance: address our look and our accessibility. We must also cogently argue for the union effect in the private sector. Our core arguments on fairness and equality are not enough in themselves. To justify our place in an economic alternative built on long-term investment, industrial strategy and coherent regulation, we must redefine what unions bring to the table in respect of efficiency, human capital and the release of discretionary effort. That will take some doing.

LESSONS OF THE LIVING WAGE

Maurice Glasman, Labour Peer and founder of Blue Labour

For those of us who build their politics around the dignity of labour, the power of association and the centrality of free and democratic trade unions to a good society there are reasons to feel blue. Wages stagnate, work practices are degraded and the status of labour disregarded and yet trade unions do not flourish as the repository of the hopes of a decent life. The tragic paradox we confront is that there has never been a greater need for a robust trade union movement and yet there is continuous trade union decline and an intensification of its marginality where it is needed most, in the private sector.

A paradox is seemingly contradictory but reveals a truth. It could be that trade unions have not been socialist enough, caring more about the state and policy than about the social and society. It could be that trade unions have become procedural and administrative and have ceased to be relational and political. It could be that trade unions are identified with defending bad work and not promoting the good. It could be that an activist elite have spoken in the name of people who do not agree with them but are too disorganised to resist. It could be that there was too little energy put into leadership development for members. It could be that trade unions have not been able to organise among immigrant workers. It could be that people view trade unions as a drag on improving the economy and part of the problem rather than the solution. It could be that capitalism resents the constraints that trade unions place on their profits and uses all its power to marginalise them. Whatever it is, trade unions have to look to themselves and how they can better defend the status of work and of people under conditions of sustained commodification.

It is in this context that the success of the Living Wage campaign is worth understanding as it could give some good clues to the direction that trade unions need to go in order to renew their vocation as the democratic defenders of society and the human status of workers.

The Living Wage campaign was pioneered in Baltimore in the 1990's, by BUILD, a community organisation within the Industrial Areas Foundation. As its name suggests, the organisation was founded to promote organising in industrial areas and it grew out of the CIO founded by John L Lewis. The Living Wage campaign then spread to London where it achieved remarkable success in the private as well as the public sector. Its distinction is that it was not driven by Unions but overwhelmingly by faith communities within the framework of London Citizens which is itself part of the Industrial Areas Foundation.

It turned out that concerns for family and for dignity, for recognition and inclusion within the firm were vital. That the faith traditions, most particularly the Catholic Church, non conformists and Islamic institutions were far more trusted by poor workers in London than the secular organisations of the Labour Movement. Paying people enough to live, to feed their families and have some rest, was fundamental to each of them. No one could agree on abortion, creation or the right day to observe the Sabbath but each of them agreed there should be a living wage for those who worked. It turned out that faith and citizenship shared a resistance to the domination of the rich and of money. In more traditional terms it was a

genuine relationship between faith and labour and that proved very effective in motivating people and generating energy.

The second feature was a very strong stress on leadership development from within the workers and congregations so that the people themselves conducted the negotiation. This was a direct throwback to labour organising from a century before. 'The action is in the reaction'. 'Work within the experience of your people. 'Push a negative hard enough and it becomes a positive.' These were the rules of organising that were taught by London Citizens and they echo the maxims of 'educate, agitate and organise' that animated the growth of unionism.

A strong emphasis on relational power and the building of relationships characterises the Living Wage campaign. 'Relationships precede action' was another vital maxim of the leadership training and was pursued. One to one conversations build trust and common understanding between a divided workforce and civic communities.

Initially at the London Hospital and then through Barclays, HSBC, KPMG and throughout the financial and then the university sector the Living Wage was won by and for workers who were overwhelmingly contracted out; the cooks, cleaners and security guards who the Unions have found so difficult to reach and organise. Moreover, it more often than not led to the staff being brought back in house and the strengthening of solidarity within the firm.

What are the conclusions for unions? The first is that unions must find a way of working within the experience and language of workers as they are, and not as they would like them to be. In London that means being able to speak about honour, dignity and family life as good concepts. It means recognising the changes brought by immigration and trying to build a common good with poor workers who do not necessarily have any experience of the labour movement but who

do know about the power of association from their faith backgrounds. It means trusting those workers and training them to lead their own campaigns and not linking that to a wider political agenda in terms, for example, of fighting the cuts. The importance of work and of good work was central to each of the Living Wage campaigns. Living Wage also made sense in terms of the business case. There was a reduction of sick leave and greater staff retention after the Living Wage was won. Above all it involved a politics of the common good in which the firm or the institution came out stronger through treating its workforce better.

In other words, the fundamental lessons of the Living Wage campaign was that the politics of the common good requires leadership development, an inclusive moral language of improvement and an engagement with the moral traditions of workers. The unions need to rediscover the importance of relationships and trusting their membership and talking to them personally rather than through emails or at public meetings. In other words, the importance of organising as a labour tradition is the immediate task ahead of us. I can tell you that it works.

Unions21

INDIVIDUAL SUPPORTER APPLICATION

Unions 21 is a progressive 'think tank' which exists to provide an open space for debate on the key challenges for unions and the world of work. We are funded by contributions from trade unions and those who work with trade unions and we work through publications, meetings, conferences and seminars with politicians, academics and the media as well as trade unionists. Supporters come from across employment sectors in the UK and include more than 20 trade unions, both TUC-affiliated and non-affiliated, with a combined membership of 1.5 million members.

Individual supporters of Unions 21 will be sent copies of all publications including ForeFront magazines and debate pieces, as well as receiving invitations to a wide range of conferences, seminars and other events.

Yes, I would like to become an individual supporter of Unions 21 at £2.50 per month

Name Union (if applicable)

Address

Email Phone

I (please print your name)

Authorise my bank/building society (name and address of bank or building society)

Sort code: Account number:

To pay a monthly standing order of £2.50 per month, on the first day of each month from now until further notice to:

Unions 21, at Unity Trust Bank, 9 Brindley Place, Birmingham B1 2HB

SORT CODE: 08-60-01 ACCOUNT NUMBER: 50728646

Signed:

Dated:

S 21