

New Members, New Structures

British-German Trades Union Forum Conference Report



Anglo-German Foundation
Deutsch-Britische Stiftung

**Hans Böckler
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British-German Trades Union Forum

New Members, New Structures

Conference Report

2004

Third British-German Trades Union Forum

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April 2004

**Anglo-German Foundation
for the Study of Industrial Society**

Hans-Böckler-Stiftung

**Friedrich-Ebert-Stiftung,
London Office**

Anglo-German Foundation for the Study of Industrial Society

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Text compiled by Christopher Pick

**Anglo-German Foundation for the Study of Industrial Society/
*Deutsch-Britische Stiftung für das Studium der Industriegesellschaft***

34 Belgrave Square, London SW1X 8DZ

Tel: +44 (0)20 7823 1123 Fax: + 44 (0)20 7823 2324

E-mail: info@agf.org.uk Website: www.agf.org.uk

**Hans-Böckler-Stiftung
Hans-Böckler-Straße 39
40476 Düsseldorf
Tel +44 (0)211-7778 153/4
Fax +44 (0)211-7778 256
E-mail: Nikolaus-Simon@boeckler.de
www.boeckler.de**

**Friedrich-Ebert-Stiftung, London Office
Friedrich Ebert Foundation
609 The Chandlery
50 Westminster Bridge Road
London SE1 7QY
Tel: +44-(0)20-7721 8745
Fax: +44-(0)20-7721 8746
E-mail: feslondon@dial.pipex.com
www.feslondon.dial.pipex.com/**

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Summary

How to respond to the political, social and organisational changes of the late 20th and early 21st centuries was the challenge confronting German and British trade unionists at the third British–German Trade Union Forum, held in London in April 2004.

The Forum aims to develop closer ties between trade unions and trade unionists in Germany and the UK and specifically to provide the opportunity to learn from policy and practice in the two countries. Its annual discussions are unique, for it is the only transnational body that brings together European trade union activists working at different organisational levels. The Forum is a collaboration between the Anglo-German Foundation, the Friedrich Ebert Stiftung and the Hans-Böckler Stiftung.

Some 30 union activists – from leaders and senior policy-makers to workplace organisers – plus policy-makers, researchers and academics took part in the 2004 Forum. The two days of intensive debate and discussion focused on understanding why unions in both Germany and the UK are facing a potential membership and organisational crisis and how they are developing innovative policy and activity to meet this challenge. Keynote speakers included Brendan Barber, General Secretary of the Trades Union Congress, and Michael Sommer, Chair of the Deutscher Gewerkschaftsbund.

The trade union movements in the two countries find themselves confronting similar threats:

- Globalisation – the ability to move both capital and labour around the world – which has led to offshoring/outsourcing. Over the past 20 years much large-scale manufacturing (especially of consumer goods) has moved outside western Europe. Now the same thing is happening in the service sector – and before long any process that can be completed down a digital stream (from air traffic control to radiography) has the potential to be carried out anywhere.
- Economic and social change, which has severely eroded the traditional recruiting base of trade unions: white men working in manufacturing industry. Millions of manufacturing jobs have been lost. The number of jobs in the service sectors has increased, but these sectors are traditionally non-unionised, and employment is largely in small and medium-size enterprises, where again recruitment is difficult. Contract and agency work is increasing.
- Declining union membership. The number of union members, and the density of union membership, has fallen steadily in both countries. Unions are failing to widen their appeal – to women, to minority ethnic groups, to young people, to people working in non-unionised employment areas (e.g. IT). Lower membership leads to reduced political influence, both in the national arena and specifically with the SPD/Labour Party, where policy differences are exacerbating tensions.
- Unions' failure to connect with today's aspirational society, where employees' priority is to get on in the workplace rather than get even with management.

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Unions have lost the ability (and perhaps also the will?) to recruit and retain members.

To offset this pessimistic analysis of the state of trade unionism in the UK and Germany (which found almost universal agreement), participants put forward many positive suggestions and examples of policy and practice. In broad summary, these were:

- Get the ethos right. Like recruits like, so if everyone – however well-meaning they are – involved in a union (or just a workplace branch) is white, middle-aged and male, it will be hard to convince workers who don't fit that description that the union has their ideas and interests at heart. Other crucial factors are the language unions use and the organisational culture they project.
- Don't assume that young people are not interested in politics – but understand that their politics are based on ideas of ethics and decency, not on traditional party divides. Encourage them to become active, but don't expect them to give up their life to the union.
- At branch meetings, do not let wider political questions dominate to the detriment of industrial issues – which are the reason people come to the meeting. And keep meetings short and to the point.
- Establish a training culture. Training can be about classroom learning, but also involves learning from others' experiences – another way of bridging the age gap among activists and helping established members update their skills.
- Recognise that people are ambitious and have sophisticated aspirations. Unions should assist members to develop their careers by providing careers advice, training, job search, alongside their traditional function of supporting them in work-related issues.
- Establish dedicated projects/teams to recruit in non-unionised workplaces and in new work areas, e.g. media, IT. To be effective, people responsible for recruiting (whether union officials or volunteers) should come from the same work background.

Most important of all was the emphasis many participants placed on prioritising organising, i.e. recruiting new members and retaining existing ones. Union membership is no longer natural and automatic – new members have to be actively sought and recruited. This means employing dedicated organisers at both national and local levels, investing substantial resources in organising, and not expecting overnight growth – achieving a sustained membership increase is a long-term goal.

Introduction

Shared challenges and shared solutions

The Forum was launched with a challenging overview by Jeremy Waddington, co-author of the recent Anglo–German Foundation comparative study of trade union mergers in Germany and the UK. Dr Waddington is Reader in International Human Resource Management at the University of Manchester Institute of Science and Technology and Project Co-ordinator for the European Trade Union Institute, Brussels.

Jeremy Waddington argued that, although the British and German trade union movements operate in very different political and economic contexts, during the last quarter century they have faced a number of similar challenges:

- Membership and union density (i.e. the proportion of the workforce belonging to a union) have declined.
- Unions have failed to recruit in the expanding areas of the two economies, especially private-sector services. Gaining members in these areas requires unions to reorient to represent more diverse workforces (women, young people, minority ethnic groups); more members in small workplaces; members who switch jobs frequently; and members working for employers traditionally resistant to unions.
- Mergers undertaken for defensive rather than strategic reasons (e.g. declining membership, financial weakness).
- Decline in collective bargaining in the UK, paralleled in Germany by a decline in the number of employees covered by works councils (*Betriebsräte*), which implement national collective bargaining in individual workplaces.
- Decentralisation of collective bargaining where it does remain, leading to challenges for unions, e.g. increased number of agreements; difficulties supporting members; difficulties maintaining cohesion between members employed on different terms and conditions.
- Increasing questioning of the traditionally close relationship between the trade union movement and the SPD/Labour Party, compounded by policy differences.
- Increasing out-of-country investment by major employers eager to avoid unionisation. German investment is concentrated in eastern Europe; UK investment is more widespread.

Major differences remain between unions' role in the two countries.

- In the UK unions are subject to more intrusive legal regulation than in any other EU member state, and employer opposition to unions is greater than at any time since

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1945. In Germany, legal restrictions on unions are much less extensive – the legislation introduced by Chancellor Kohl's governments was much more limited in scope than Prime Minister Thatcher's.

- High employment in the UK should – in theory at least – present unions with good recruitment opportunities. These have not been fulfilled, and the failure to achieve increased membership (2002–03 saw the first membership increase since 1978–79) raises questions about recruitment and organising policies.
- Reunification hit German unions hard. Unions had to establish a costly infrastructure in the former GDR; but the resulting membership increase was short-lived, large numbers of members leaving when they lost their jobs in the economic downturn.

Jeremy Waddington concluded by setting out key policy challenges for unions in both countries:

- *Reverse the decline in unionisation* by establishing recruitment and organising approaches appropriate for workers in private-sector services.
- *Establish union structures, organisation and activity* that will overcome the isolation many members experience at their place of work, improve union communication with members, extend union activity to European levels, and make connections between employees with similar interests but employed in different industries and members of different unions.
- *Define the role of union confederations.* Mergers are leading to fewer but larger unions that are taking on many of the traditional functions of confederations (e.g. building links with government and the EU, providing services). What role remains for confederations? And should unions continue to be linked with the European Trade Union Confederation through both geographical linkages, co-ordinated by the national confederations, and sectoral linkages, co-ordinated by the European Industry Federations?

Session 1

Where do we stand – recent developments in union membership and organisation

Delegates met in two national groups for an introductory briefing on the situation in the 'opposite' country.

The German situation – briefing by Prof. Dr Jürgen Hoffman, Hamburger Universität für Wirtschaft und Politik (Hamburg University of Economics and Politics)

In the post-war reconstruction some 16 major trade unions (mostly blue- rather than white-collar) were established in the Federal Republic; most were industry-based, a few were job-specific (e.g. postal workers, railway workers). Although union membership was relatively low (30 to 35 per cent of the workforce between the 1950s and 1970s), members were strongly committed to their unions and accepted the outcome of union wage negotiations.

Matching strong, well-organised, stable trade unions are employers' associations. Together they negotiate collective bargaining agreements. These agreements deal with pay and holiday entitlement; they have the force of law and cover (in different ways) about 85 per cent of companies. The agreements are the outcome of autonomous negotiations in which the state does not intervene. Unions and employers' associations also participate, together with the state, in social security and vocational training systems.

German industrial relations are built on two pillars:

- autonomous 'social partners' (unions and employers' associations, see above) negotiating sectoral collective bargaining agreements
- the two-tier system of co-determination at company and plant level. At company level, employees and employers are represented on supervisory boards. At factory level, works councils (elected by all employees) may be set up (but do not have to be) in companies with more than five employees. Works councils, which may not organise industrial action, have various rights:
 - to be informed about workplace conditions, industrial safety
 - to be consulted about personnel issues, restructuring etc
 - to oppose (e.g. dismissals)
 - to determine, jointly with employers, hours of work, holidays, piece rates etc.

Works councils cover about 56 per cent of eligible employees. Since 1990, trade union membership has declined from 31.2 per cent of employees to 22.5 per cent in 2000 and to an estimated 20 per cent or less in 2004. (These figures refer to unions affiliated to the DGB (Deutsche Gewerkschaftsbund, German Trade Union Federation), and therefore exclude, among others, government officials.) Skilled male blue-collar workers form the homogenous core of union membership – white-collar workers, young people, migrants, service-sector employees are at best organised weakly, often not at all.

These statistics reveal that the structure of union membership at the start of the 21st century corresponds to the structure of Germany's labour market during the 1960s.

Unions have failed to adapt either to economic modernisation (globalisation, outsourcing, the rise of small and medium-size enterprises, the growth of the services sector which lacks the strong factory- and union-based culture of the old manufacturing sector, the replacement of standard employment patterns with flexible hours, short-term contracts etc) or to social modernisation (increasing classlessness replacing a more stratified society, greater social pluralism, decline of the former strongly industrial regions such as the Ruhr). Social modernisation in particular has eroded the traditional social-cultural assumption of union membership, leading individuals to decide whether to join a union purely on the basis of short-term cost-benefit criteria. As well as not recognising trade unions, many new service-sector companies have not established works councils. This represents a double blow for trade unions: 75 per cent of works councillors are members of a DGB union, thus making works councils the crucial channel for union recruitment.

Reunification provoked another crisis for unions. The strong pre-1933 trade unionist tradition in eastern Germany was wiped out by the Nazi and Communist regimes. After reunification unions had to build up a costly infrastructure in the eastern Länder from scratch. While immediately after reunification they did experience an initial large and rapid increase in membership in the former GDR, this was succeeded almost immediately by an equally dramatic decline as workers found their expectations frustrated by economic difficulties and job losses.

Union mergers were one response to the crisis. Between them the two large merged unions – IG Metall and ver.di – have almost 60 per cent of the membership of DGB unions. However, these mergers were undertaken for defensive reasons – i.e. in response to economic decline and falling membership – and have so far failed to produce more efficient, slimmed-down organisational structures or a more inclusive, consultative approach to members.

The British situation – briefing by Lionel Fulton, Director, Labour Research Department

The legal framework of labour relations in the UK is very different to that in Germany and generally less favourable to unions. For example, while both countries have detailed systems of labour law (the period of pure voluntarism in the UK has long gone), much else that is taken for granted in Germany is missing in the UK. There is no employee

involvement at board level, no legal right to employee representation at the workplace (although this will change with the Information and Consultation Directive), and there are no legally binding structures for collective bargaining.

Union membership has declined dramatically over the past quarter century. In 1979 (the year Margaret Thatcher came to power) membership was over 13 million, covering about half the workforce. By 1997 union membership was 7.15 million, down just over 6 million. Since then membership has grown very slightly, to 7.4 million in 2003, although the proportion of the workforce who are union members has stabilised at 29 per cent.

The principal reason for this decline lies in major political and economic trends which unions have found it difficult to resist:

- 'Thatcherism', which achieved a fundamental shift in the political discourse, away from collectivism and dependence on the state towards individualism and privatisation, and which specifically aimed to break what was widely considered to be excessive union power.
- Economic depression throughout the 1980s and much of the 1990s, which weakened labour's bargaining power.
- The changing structures of employment, which broke up the traditional large workplaces (chiefly manufacturing) where trade unions had flourished.

The trade union movement, battered but not bowed by these developments, responded on two fronts:

- Political action – largely fruitless during the Thatcher and Major governments (1979–90, 1990–97), but successful in securing from the Blair government (1997–) the right to recognition where 50 per cent plus one of the workforce want it.
- Reorientation – that is, the recognition that unions themselves needed to change, and especially to attract more women, members of minority ethnic groups, and young people.

A more detailed analysis reveals union strengths and weaknesses:

- The proportion of employees who are unionised is now the same for women as for men at 29 per cent. In the past women were less likely to be unionised than men.
- Part-time employees are less likely to be union members than full-time employees: 21 per cent of part-timers are in unions; 32 per cent of full-timers.
- Membership among young workers is low: 35 per cent of employees aged 35 and over are in unions; 25 per cent of those aged 25 to 34; and only 11 per cent of those aged 16 to 24.
- 59 per cent of public-sector employees are union members, compared with only 19 per cent of people working in the private sector.
- The most strongly unionised sectors are public administration (59 per cent of employees are members); energy (53 per cent); education (53 per cent); and health (45 per cent).

The main tasks carried out by unions in the workplace are ensuring health and safety; responding to the way that employees are dealt with by management on behalf of

employees; protecting jobs; and negotiating pay and working conditions. This represents a marked difference with Germany, where the first three of these are primarily the responsibility of works councils. Likewise, the main reason cited by British workers as why they joined a union – support in case of problems at work – is an issue that works councils deal with in Germany. The second strongest reason (improved pay) ought to be a similar strength for German unions, but the industry-wide applicability of nationally negotiated pay in Germany results in a charter for free-riders – why pay to join when you get all the benefits anyway?

Union mergers during the past 20 years have reduced the number of unions belonging to the Trades Union Congress from 102 to 71. The five largest unions now have 4.2 million members between them. This is equivalent to 63 per cent of TUC membership, although a slightly lower percentage of all union members in the UK, taking account of the unions outside the TUC. The merger process has been even faster in Germany, where well over half of all union members already belong to the two largest unions.

Many of the mergers have been driven by finance, as declining membership has forced unions to look for ways to cut expenditure. Despite this many unions continue to operate on tight budgets. For example in 2002, four of the ten largest unions generated a financial surplus that was less than 2 per cent of their total income, and four ran at a loss.

Points from discussion

This section summarises the main points made in a lengthy and lively question-and-answer session that moved into a wide-ranging discussion of policies and strategies. As is to be expected, many contributors made overlapping points; such repetitions have been ignored here.

- For larger unions, the legal framework surrounding collective bargaining agreements in Germany can form a barrier to increasing membership, since agreements apply to all workers regardless of whether they are union members. However, smaller unions (e.g. railway workers, air-traffic controllers) are in a stronger position to negotiate benefits exclusive to their members, and as a result retain, or increase, their membership.
- The merged unions in Germany are top-heavy with full-time officials. One reason is that each merging union wanted to retain its influence in the new structure by having as many officials in post as possible. The ver.di merger only became possible after it was agreed that no officials would be dismissed until 2007. Mergers also reflected the financial problems of reunification – unions enlarged their operations to include the former GDR but failed to retain members there, while also failing to arrest the membership decline in the west.
- The general view now is that mergers on their own are an inadequate response to decline. The problem is that trade unions are closely linked to traditional blue-collar industrial culture, and are alien to the ethos of modern private-sector companies with relatively small numbers of highly mobile employees.

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- The commitment of German employers to collective bargaining is on the point of disappearing. While large employers continue to emphasise that collective bargaining ensures stability, smaller employers say that they can no longer afford it.
- Although the legislative framework of industrial relations is very different in the UK and Germany, trade union movements in the two countries are confronting similar issues: involving young people, ageing membership, projecting a positive image, persuading people of the benefits of joining who may have worked for many years without being a member. Privatisation, globalisation and the move away from manufacturing have had the same impact in the two countries, and the same solutions – mergers and restructuring – have diverted attention from the real challenge of making unions attractive to modern employees in modern working situations.

Session 2

Where do we want to go? Reasons for union reform in the light of present economic and social trends

Brendan Barber, General Secretary, Trades Union Congress (UK)

Brendan Barber set out the two main challenges that trade unionists face in both Germany and the UK:

- Organisational – how can we best structure ourselves for the 21st century?
- Political – where is our place in the battle of ideas?

The varied factors lying behind the current challenges include:

- Globalisation – the ability of labour as well as capital to move around the world.
- Offshoring, which has already led to significant job losses in manufacturing, is now having the same impact in the service sector. Any process that can be completed down a digital stream (from air traffic control to radiography) can be carried out anywhere.
- The switch from manufacturing to services – 4 million jobs in manufacturing have been lost in the UK over the past 20 years.
- The increase in agency and/or short-term work, extending from clerical to managerial and technical functions.
- The substantial increase in the number of young people in higher education, and their higher expectations of life.
- Ever-increasing dissatisfaction with working life, e.g. work pressures, long hours.

All this suggests a role for trade unions, which can make a strong case for their involvement in the workplace: higher pay, less inequality, more training, greater safety. But unions are failing to make this case successfully – in the UK only 60 per cent of public-sector and 19 per cent of private-sector workers belong to unions, with a predominance of older workers (less than 20 per cent of people under 30 are union members).

The framework of public policy and legislation has a major impact on the way unions operate in the UK. In its first term (1997–2001) the Labour Government followed a clear ‘fairness at work’ agenda, and delivered some important achievements, including the minimum wage, the European social chapter, and a statutory framework for union recognition. The second term (since 2001) has lacked a shared programme and has seen a number of disputes, particularly on aspects of the EU’s social programme such as the directives on working time and agency working. The challenge is to establish a shared

agenda for a third term, especially since the union movement is not inclining in any way towards the Conservative Party. Such a shared agenda would be based on

- strengthening people's voice at work
- pensions
- work/life balance
- skills development, notably open learning opportunities to improve individuals' position in the labour market.

Skills are especially important. Three and a half million workers still have difficulty with basic skills. Unions can play a positive role in responding to this challenge. In addition, learning representatives in the workplace can help to open up training opportunities, broker new provision, and advise and mentor fellow workers. Learning representatives are also showing a new way in which unions can reach out beyond their traditional workplace role – a significant majority of learner representatives are women.

The political and organisational challenge is for unions to gain positive, enthusiastic support for their role in a way that currently does not happen. One possible key to this is the EU Information and Consultation Directive. By giving workers new rights to be informed and consulted, this will enable unions to push open more employer doors.

Michael Sommer, Chair, Deutscher Gewerkschaftsbund (DGB – German Trade Union Federation)

Herr Sommer started by expressing scepticism at some of the recent demands from elements of the SPD for union reform. These have a political agenda, and signify disagreement with trade unions' opposition to the Government's economic reforms. He went on to discuss a number of developments over the next three to five years that will challenge the way unions organise and negotiate:

- Work structures will become more varied – the male employee working from 9 to 5 will no longer be the norm – and self-employment and contract working will increase. This will alter power structures in the workplace.
- The growth of the low wage sector, and the increasing precariousness of low-wage jobs. Soon one third of German employees will be in this sector. The challenge is to persuade these workers that trade unions are relevant and that improvements can be achieved through organising.
- Ever-increasing globalisation, and the constant threat that work will be outsourced to other countries unless German companies lower their prices and produce goods more rapidly by increasing working hours.
- Demographic trends, in particular the problems of an ageing society and the dramatic consequences for the social system.

Unions need to develop more proactive organising policies that will strengthen the existing membership and recruit new members. The recent decline in membership is a consequence of the organising policies of trade unions not of their anti-government position. A fall in the membership of German trade unions to below 7 million (which on present trends will happen in two years) will be a clear signal of a dramatic loss of power.

Union policies are another area of concern. Do our current policies seem relevant to, and meet the specific interests of, low-paid workers, or women? We also need to look at the way we present ourselves to young people – we can no longer take for granted that a 20-year-old will know what a collective bargaining agreement is.

Fiona Swarbrick, Assistant Organiser for Magazines, Books and Public Relations, National Union of Journalists (UK)

Speaking as a young union organiser, Fiona Swarbrick challenged delegates to take on board a series of practical proposals for changing unions so that they engage young workers:

- Meetings: reduce the number, and stop people talking in circles. Keep them light on procedure and waffle and heavy on developing strategy and taking action.
- It is a myth that young people are not interested in politics – their politics are not of the party variety, but are based around ideas of ethics and decency. Most young people do have strong convictions, but they need to be shown a logical link between their involvement and positive change. This means taking politics to a local level – which is what industrial organisation is all about. At branch meetings, do not let wider political issues dominate to the detriment of industrial issues – which are what brought people to the meeting in the first place.
- Young people are concerned about their careers, and are therefore nervous about strike action. They think giving management a hard time is scary – not fun. If industrial action is an option, they will need lots of support, and also help to choose the right tactic for the right battle. They also deserve 100 per cent support whatever they decide to do.
- Like recruits like. If everyone involved in the union is white, middle-aged and male, however well-meaning they are, it will be hard to convince workers who don't fit that description that the union has their ideals and interests at heart. The importance of union structures involving representative cross-sections is already well accepted in terms of gender and ethnicity – why not apply this to young people? There is too much emphasis on length of experience and not enough on depth.
- A proper training culture is essential to encourage young people to get involved. Training is not only about classroom learning but also about learning from each others' experiences – it's a good way of established members updating their skills and supporting younger members. Young members can't have too much support

and encouragement – these are essential for increasing their confidence and inspiring the confidence of others in them.

- In the long term, we need to educate young people – potential workers – from an early age that joining a union is in their best interests. In the short term, we need to make serious changes to ensure unions are attractive to the entire workforce – if we don't involve young people now we won't have a union movement in 15 years' time.

Ralf Steinle, Project Manager, connexx.av (Media Industries' Union, part of ver.di, Germany)

(Herr Steinle replaced at short notice a speaker unable to attend the Forum.)

Herr Steinle described the work undertaken by connexx.av, a project funded by ver.di's innovation fund. Connexx.av has positioned itself as the union for employees and freelancers in the media industries (commercial radio, film-making, audiovisual production and new media) with some success. Media workers are traditionally hard to recruit, and it was important to find innovative ways of engaging potential members. Connexx.av has developed internet portals, information meetings for university undergraduates, and support for graduates as they start work as self-employed journalists. Since 1999 it has also helped to establish more than 100 work councils in new media and commercial television and radio companies.

Connexx.av's project managers have substantial experience of the media industries and are able to respond flexibly and rapidly to members' needs. Herr Steinle argued that union structures and ways of working need to be in line with contemporary practice – no long meetings and vague discussion. Connexx.av is team-based and decentralised, and works with outside experts to find tailor-made solutions for specific problems. Unions need to face the fact that the individual union secretary responsible for a single factory will soon be a thing of the past, and revise ways of working accordingly. But projects such as his are costly – potential members are scattered in numerous small workplaces – and demand continuing long-term commitment from unions: results will not be achieved overnight.

Points from discussion

- The reason young people are failing to join unions is not because they are Thatcher's children, but because they lack the opportunity. Young people are six times more likely to move jobs than older workers; a large majority work in retail or hotels and catering where unions are weak anyway. The TUC is reaching out to young people through a website on student employment and by visiting schools.
- Unions must project themselves as aspirational – young people do not have collective attitudes and live much of their lives in the private sphere – and get rid of

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unfamiliar language and attitudes. Unions are increasingly seen as oppositionalist, and have failed to promote a positive agenda.

- Members are disenchanted with politics – they want their personal problems solved, and ideas and advice on how to negotiate with their employer; many are afraid of how the employer will react to a union negotiating on their behalf.
- The DGB's 'Students at Work' project tries to close the gap between students and unions by visiting schools and universities and hosting an internet portal. Two thirds of students work while studying, often in exploitative, underpaid jobs. We will lose them if we wait to recruit them until they enter the full-time labour market.
- Unions must stay relevant to members' needs – the National Union of Teachers (UK) continues to recruit well because it provides the services and protection teachers want, and is active and effective in issues of pay and working conditions. But it is hard to get members to meetings, which are now a defunct form of communication, replaced by newsletters, leaflets and pamphlets, and to recruit local branch officers.
- Unions are not oppositionalist enough given the incoherent policies of Conservative and Labour governments and the huge growth in employment and income inequalities.
- Unions' ability to influence events depends on membership numbers. This can be increased – but only if unions make a long-term commitment to organising. The GPMU (Graphical, Paper and Media Union, UK) lost 15,000 members through technological change and company closures, but has succeeded in winning recognition in 120 private-sector companies and recruiting 8,000 members among their employees. Resources are crucial (15 full-time organisers were involved in this membership campaign): GPMU devotes 4 to 5 per cent of its budget to organising, in contrast with 30 per cent in some US unions, which have trebled membership numbers in adverse conditions. The decision to emphasise recruitment and organising is a political one that will lead to a virtuous circle, as increased membership brings increased industrial and political influence.
- Unions in Germany should learn lessons from the UK example. The dilution or abolition of collective bargaining will bring about major changes and a worsening of pay and conditions. Competition from eastern Europe will increase pressures on pay and conditions still more.
- IG BCE (Mining, Chemical and Energy Industries Union, Germany) found that 70 per cent of young people starting work each year join a union. Membership surveys show that the oldest and youngest members are most satisfied – those in between are the problem. Young people are ready to participate, but need to feel that unions are addressing their concerns such as training (they are aware that jobs for life no longer exist) and social security and pensions.
- The TUC's approach (the Organising Academy, Equality Networks) to finding union activists of the future is positive, and appeals to young people's sense of fairness and justice. Future leaders are likely to be young, will often be from minority ethnic groups, and will probably be working in newer industries.

Concluding remarks

Michael Sommer: If we allow ourselves to be treated as a last resort, we will fail to win members. The trade union movement needs self-pride and self-confidence.

Brendan Barber: Unions' image problem is tiny in comparison with the organising challenge – trade unions are highly inflexible and risk-averse, and need a radical shift in resources and priorities. The best recruitment method is union members talking to non-members – union organisations need to make those conversations happen. Not every worker feels a victim – workers need to feel that unions are part of the aspirational agenda and will help them get on as well as get even. We undersell the contribution we make to the success of companies and organisations – we need to make ourselves recognised as an important success factor.

Session 3

What must we do? Initiatives for recruiting new members and implementing organisational structures

The German situation – briefing by Martin Behrens, European Labour Relations Department, Institute for Economic and Social Research of the Hans-Böckler Foundation

After reviewing the collective bargaining system and the operation of co-determination (see page 3), Martin Behrens analysed the initiatives adopted by trade unions to reverse the steady decline in membership since the early 1990s.

In the past, works councils were the recruitment lynchpin for unions, whose members were recruited at factory level, not through the efforts of the national organisation. Although currently 56 per cent of all employees work in a workplace that has a works council, the number of works councils is declining in existing workplaces, and works councils are seldom set up in new companies. So unions now need to develop, at both national and local level, the new skills they require to run systematic campaigns to approach potential new members and convince them to join. There are potential members out there to recruit. A survey conducted in 2001 for IG Metall showed that 5 per cent of non-members would 'definitely' join the union, and a further 29 per cent 'might possibly' join.

Recent membership initiatives include:

- The former postal workers' union (Deutsche Postgewerkschaft), now part of ver.di, initiated a systematic recruitment campaign designed to demonstrate the advantages of membership. Traditional local recruitment methods were used – based on rank and file recruiters – but with strategic planning on a national scale targeting different union branches. Existing members were offered incentives to recruit new members. Up to 9,000 new members joined as a result.
- IG BAU (union for mining, chemicals and energy workers, Germany) established staff-driven annual organising campaigns to increase union membership in companies where unions were already established and to target non-union companies. Some success was achieved with young people, less so with women, highly skilled workers and immigrant workers.
- IG Metall (metal workers' union, Germany) used innovation funding to create an organisational development unit, but failed to roll out the pilots it conducted on a national scale.

Martin Behrens also explained a variety of organisational restructuring initiatives designed to free resources for recruitment and make unions more responsive:

- Prioritising recruitment. IG BCE faced a financial and membership crisis when the number of construction workers fell by half. Halving the number of local offices achieved economies of scale, but also enabled each office to employ at least one specialist organiser.
- Management by targets/objectives to ensure officials fulfil recruitment targets.
- Organisation development reviews, supported by outside advisors, designed to ensure that the union structure and resources prioritise recruitment.
- Using training (university-based and union apprenticeship schemes) to create a new generation of skilled, energetic union representatives.

Mergers are a further response to organisational and recruitment issues – the number of unions has halved during the last decade. Martin Behrens identified two types of merger:

- acquisition – a larger union acquires a smaller one which otherwise could not survive
- a merger of equals, which creates a new structure through the merger process. Economies of scale are hoped for, but are often not achieved.

Martin Behrens concluded by arguing that unions are failing to develop a new vision of their role in the workplace – they are continuing with the old one, worded more nicely. They remain reactive and defensive, and do not appear to be able to look ahead. The problem of ‘free riders’ – people who benefit from union-negotiated collective bargaining agreements without belonging to a union – remains. Equally, there are still many people who belong to a union because they want to be part of an organisation working for justice.

The British situation – briefing by Edmund Heery, Professor of Human Resource Management, University of Cardiff

Unions began to pay serious attention to organising and to recruiting new members in the mid-1990s, in response to the sharp fall in membership since the Conservatives came to power in 1979. By 2001 56 per cent of unions had a formal organising policy. Roughly the same proportion trained activists and set membership targets; only 44 per cent provided training for officers, but 62 per cent had an annual budget for organising and senior officer responsible for organising.

Most unions are primarily concerned to hold on to what they have. Most resources go into consolidating membership in existing industries and workplaces. If unions do aim for expansion, they tend to be unambitious and conservative, reluctant to stray from the

patch and the people they already know. Only 47 per cent of unions give 'high priority' to expanding into non-unionised firms employing the types of worker the union already represents; just 8 per cent give high priority to expanding into non-unionised firms employing different types of worker. Only recently have unions started to try to recruit in non-traditional industries and among non-traditional workers (e.g. temporary workers, part-timers).

Unions use a variety of methods to recruit new members. Only 27 per cent plan organising campaigns; about the same proportion use an organising committee and rely on activists to recruit new members; just over half carry out workplace action, and 30 per cent use issue-based campaigns; only 7 per cent of union officers are specialist organisers. Generally, there is rarely a grand strategy – initiatives are often constrained by lack of whole-hearted support from union leaders and officials and by inadequate information and management systems. Above all, few unions are prepared to invest the substantial resources needed to take recruitment and organising seriously, principally because the returns on such investment are only produced in the medium or long term.

At first sight, the arrested decline in membership and organisation from the late 1990s onwards is encouraging. However, unions still have a long way to go to adapt to the socio-economic context in which they now have to operate. Their membership is concentrated in the public and post-public (i.e. newly privatised) sectors, and they have yet to show that they can engage new kinds of workers in new, more fluid, less regulated working environments. Some commentators suggest that the slight upturn in membership is a temporary blip in an inexorable process of decline, suggesting that in the long term union membership will fall to 20 per cent of the workforce, and only 12 per cent of the private-sector workforce.

Points from discussion

- Fear and lack of vision are preventing unions from making a real commitment to organising – but pressure is growing for change.
- Unions in the UK have to compete for members – for instance, there are six teaching unions which have fought fiercely for members. This means that unions have had to develop successful marketing and recruitment strategies in order to survive. The National Union of Teachers, for example, recruits student members in colleges and universities.
- One company, one trade union (as in Germany) guarantees more effective and constructive negotiation.
- While mergers were necessary where unions were too small to be effective, size does not necessarily bring new strategies. We need to develop new marketing activities, offer new services (e.g. insurance) to members.
- Since the late 1990s, Connect, the UK union for professional managers in telecommunications, has overcome a serious membership and financial crisis, following a 40 per cent fall in membership from the early 1990s; membership has

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now increased by 20 per cent. The union focused on three critical factors: resources, risk, and members' services.

1. *Resources*: 25 per cent of the union's resources were committed to organising, and 20 per cent of staff were dedicated organisers. This was viewed as a long-term investment – immediate gains were not expected. Management techniques were used to maximise resources (targets, objectives, projects).
2. *Risk*: To release resources, difficult decisions were taken, such as moving from a yearly to a two-yearly conference. Internal organisation was streamlined – an audit found that 40 per cent of working time was spent on internal bureaucracy. The status of organisers was raised so that they became central to activity.
3. *Members' services*: 15 years ago the emphasis was on collective bargaining. Now a range of services is being developed to support members – careers advice, training, job search. This is beginning to pay off, especially among young people (previously identified, along with job-changers, as a problem group for recruitment/retention). In 1994, 5 per cent of British Telecom's graduate intake joined Connect; in 2004 40 per cent do so.

Connect is also beginning to develop the next generation of activists and to help people engage with the union more flexibly.

- In the GEW (union for teachers and scientists, Germany) lay activists are responsible for recruitment. Full-time officials provide support, but do not undertake any recruitment themselves. Incentives for new members are a highly contentious topic – for example, in Hessen new members were offered a free trial period.
- Why do German workers join a union? In the UK, unions support members in any workplace difficulties, e.g. with management. But in Germany, this is the role of the works council. Do workplace-based union representatives still exist in Germany?
- IG Metall (engineering workers union, Germany) still has workplace representatives, though the distinction between their role and that of works councillors has not always been clear. But works councillors now increasingly view themselves as workplace managers, and have moved away from their role as union reps. IG Metall has recently re-recruited many former members – but money and effort has to be spent on retaining them. Members must understand that the union will act on their behalf when need arises.
- New services (insurance, holidays etc) will not win unions new members – people will not pay 1 per cent of their income for services.
- Promotion will not attract new members. Unions must fundamentally rethink the way they present themselves through language and organisational culture (e.g. older activists' attitudes to young people, women).
- Who is responsible for recruitment? If works councillors remain the most effective recruiters, why don't trade unions campaign for works councils to be set up; by law a works council must be formed if enough workers request this.

NEW MEMBERS, NEW STRUCTURES

- Homogeneity, not size, is the most important success factor in union mergers. If a union represents a single industry, the larger it is the more effectively it can function. However, a more diverse union may not be effective – for example, in the UK it took Unison ten years to pull together after its formation. Large unions have to have a clear message – i.e. to articulate what it means to be a leather worker and a member of ver.di.
- A survey (published in 1997) of new members who had recently joined 12 different unions revealed that 72 per cent had joined for support at work; 36 per cent because they thought pay and conditions would improve; and 3 per cent for the packages of financial services the union offered. A second series of surveys showed that between 15 and 35 per cent of members leave unions because they fail to support members at work.

Session 4

What can we learn from each other?

What is the perfect union?

David Coats, Deputy Director of Research, The Work Foundation

David Coats' presented an analysis of the 'perfect union' based on extensive survey data. His main conclusions derived from the British Workplace Representation and Participation Survey (2001) and the TUC's report *A Perfect Union?* published in autumn 2003.

- UK unions are facing an unprecedented membership crisis. Membership has fallen steadily since the early 1980s, and, of even greater long-term significance, in the mid-1990s the number of workers who had never joined a union passed the number of current members. By 2001 almost 50 per cent of the workforce had never belonged to a union, while only 30 per cent were members; just over 20 per cent were ex-members. 'Never-members' are largely people in their 20s and 30s working in the private sector. These figures demonstrate that unions' previously strong community roots, which made joining a union the natural and automatic thing to do, have almost entirely vanished.
- The rise in 'never-membership' means that unions have to demonstrate to an increasingly distant audience that they are delivering what workers want and that they offer 'good value for money'.
- Active workplace representatives and a strong independent presence in the workplace are the keys to union effectiveness
- Employer support for unions is an important factor in making unions effective.
- Unions that are 'all-rounders' – i.e. that successfully meet their members' needs in a wide variety of ways – generate a virtuous circle of effectiveness.
- Over half of non-members in unionised workplaces are never asked to join a union. Many do not believe that the union is good value for money.
- Nearly half of all workers in non-unionised workplaces say that they are interested in joining a union. However, employees in these workplaces, the majority of whom are 'never-members', while expressing strong collectivist values often prefer a non-union collective voice. They would prefer to deal with issues 'with colleagues' rather than 'through a union'.
- Both members and non-members overwhelmingly prefer an organisation that 'works with the employer to improve the workplace' over one that 'protects workers against unfair treatment'.

- The EU Information and Consultation Directive creates a real opportunity for giving non-members a taste of the union experience.
- Employers in the non-unionised private sector are largely indifferent to unions. But they can be persuaded otherwise if it can be shown that unions are good for business performance and that union presence would be underpinned by a significant membership/activist base.
- The issues unions now need to tackle are:
 - how to appeal to 'never-members': does the nature of the union offer have to change fundamentally? what are the best recruitment strategies?
 - how can unions ensure that they have strong workplace structures with effective representatives?
 - how can the bargaining agenda be broadened to show that unions really do make a difference in the workplace?
 - how can unions work successfully with employers and retain the confidence of members?

Points from discussion

- Unions need to get close to members and to understand their wishes and aspirations – leaving this until there are workplace problems is too late. We also need to find out why members leave. Membership retention should be an integral part of our work: we should focus on white-collar workers who have more sophisticated expectations of unions and who are able to tackle many management issues themselves.
- Ex-members are a major problem, especially those who leave because of dissatisfaction with their union. In the UK many members leave because they move to jobs in the union-free parts of the economy, which is where never-members also work. The new growth areas of the economy tend to be unorganised.
- The EU Information and Consultation Directive will provide good opportunities for effective union activity – organisers are already positive about its benefits. However, unions in both Germany and the UK should not be too optimistic about the future – membership in Germany is falling even though unions operate within a strong, stable legal framework, and UK unions still have to fight for recognition. German unions should prioritise establishing organising departments.
- Recent union mergers in Germany have worked well, producing single trade unions with relatively autonomous, strong sectoral groups.
- The challenge is to involve unions in the non-unionised employment sectors. To be successful new structures and new attitudes must be developed – unions must move on from the heyday of industrial trade unionism in the 1960s.