

Britain's Labour government issues new policy on trade unions

What is "Fairness at Work" really about?

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The Labour government's new White Paper, "Fairness at Work", represents a significant shift in industrial relations strategy in Britain. It is a move away from the open union-busting of the previous Tory government towards encouraging union-management collaboration. In line with the measures commonly employed in Europe, British employers are being encouraged to rely directly on the trade unions to increase profits and attack workers' living standards.

Under Margaret Thatcher in the 1980s, and her successor John Major, Conservative governments implemented some of the most stringent anti-union legislation in the world. This included giving companies the right to sue trade unions for losses accrued during strikes; outlawing solidarity action by any section of workers not immediately involved in a dispute; compulsory postal ballots four weeks before a strike, with employers given a further seven days notice of any action to be taken, together with a list of all workers involved.

To prevent wildcat strikes, unions could be sued if they did not repudiate action called by individual officials or members. Maximum damages in such cases could amount to £250,000 per 100,000 members involved.

All of this remains untouched in a policy statement that claims to represent the basis for a new "partnership" between unions and employers. Prime Minister Tony Blair states in a foreword, "There will be no going back. The days of strikes without ballots, mass picketing, closed shops and secondary action are over. Even after the changes we propose, Britain will have the most lightly regulated labour market of any leading economy in the world."

This statement met with no opposition from the TUC. Over the last few years, the trade unions have employed the anti-union laws as a weapon against their own members. Officials have used the threat of fines as a pretext for opposing any action by workers in defence of their jobs. On numerous occasions, they have refused to organise any

defence of sacked or striking workers, on the pretext that it broke this or that aspect of the anti-union laws. Once the national union refuses to recognise a dispute local officials and rank-and-file members at branch or factory level become legally liable. This acts as a powerful disincentive to stepping out of line. Bill Morris of the TGWU recently stated that he could not even mention the defeated two-year Liverpool dockers dispute as it was unofficial and therefore "illegal."

So why do union officials claim that, with "Fairness at Work", the "tide is turning"?

Under Thatcher, the policy of slashing welfare and sacking millions of workers in order to close down or reorganise entire industries was carried out in direct confrontation with the unions and through union-busting. The unions responded to this offensive by abandoning any defence of their members, inflicting one defeat after another. Union membership consequently slumped from around 13 million to under 7 million. Union bureaucrats preserved their own privileges through hiking up membership dues, investing on the stock market and organising "support services" like credit cards and health plans. Most significant of all, rival unions competed in what became known as "beauty contests" run by the employers in order to secure the right to organise a particular workplace, by offering no-strike deals and promising they would maintain industrial peace.

This corporatist strategy was designated as the "New Unionism" by the TUC, an anticipation of Blair's "New Labour" rhetoric. Glossy documents were issued to convince the employers that trade unions were "good for business". The TUC's pre-General Election statement in May 1997 was called, "Partners in Progress". The document called for a new government to "create a greater spirit of national common purpose which will help the government take the tough decisions which will undoubtedly be needed."

"Inherent in social partnership," the TUC explained, "is the need to minimise industrial disputes; in this way

employers and trade unions can help provide the basis for steady and sound economic growth by limiting any damage to other sectors of the economy.”

The TUC welcomed the reduction in strikes, but warned: “There still remains an industrial relations problem as it was made manifest by the growth of disputes in the summer of 1996.” It offered the expertise of the unions in increasing productivity and sacking workers, stating: “Unions have agreed to much greater flexibility within their organisation. In other areas when organisations [employers] have been faced with unavoidable technological and market changes they have been able to develop agreed policies which cushion the effects of redundancy and develop a better joint understanding of the business.”

The record of the trade unions in Britain has gone a long way towards convincing big business that union-busting is not always the best course to pursue in order to impose job cuts and speed-ups. Of the 50 largest UK companies, 44 recognise trade unions.

“Fairness at Work” appeals to those employers reluctant to accept the unions’ role to understand: “Collective representation can help achieve important business objectives.... Representatives who are respected by other employees can help employers to explain the company’s circumstances and the need for change.”

The Blair government’s intention to pursue a more pro-European strategy also necessitates adopting to some degree the type of industrial relations prevalent on the Continent and enshrined in the Social Chapter of the Maastricht Treaty on European Union. This includes provision for European-wide “factory committees” on which unions and management are represented. To carry this out requires at least one significant change in Britain: incorporating in law the right to join a union and for unions to be recognised by the employers. Though this formally existed before, there was no means through which employers could be penalised for carrying out union-busting or refusing to negotiate with union representatives.

It is this provision in the White Paper that has been welcomed by the TUC. It allows for a trade union to be automatically recognised when certain criteria are met: if the company has more than 20 workers; if a majority of workers vote for it in a secret ballot; and if that majority exceeds 40 percent of the total number of those eligible to vote. Unions will also no longer have to re-register their membership intermittently in order to allow employers to collect union dues through the wage packet (the “check-off” system). This means that union dues will be collected regardless of what workers think of the record of their supposed representatives.

The restrictions placed on union recognition expose the

undemocratic character of Labour’s proposed legislation. The 20-worker limit excludes around 5 million mainly low-paid workers from union rights. The limits were imposed after sustained lobbying from small business who want to prevent any organised struggle for better pay and conditions. While the Confederation of British Industry (CBI) generally welcomes the White Paper, it has called for a higher limit than 20 employees and for automatic recognition to be extended only when 50 percent of all workers want it.

The White Paper makes clear that the Labour government will accommodate any further demands from business. Abolition of “zero hours” contracts, where workers have no guaranteed weekly income, yet can be on-call 24 hours a day, was one of Labour’s pre-election pledges. But “Fairness at Work” states that Labour only wants to consult on, “whether further action should be taken to address the potential abuse of zero hours contracts and, if so, how to take this forward without undermining labour market flexibility.”

The White Paper also makes clear that in adopting some features of European labour relations, it is not advocating a return to the old policies of social compromise and welfare reform. It intends, rather, to champion the refashioning of these old mechanisms in order to benefit business. “Some aspects of the social models developed in Europe before the advent of global markets have arguably become incompatible with competitiveness,” it explains. “The Government is developing a model which it believes is right for the UK in a modern world and should promote the debate on economic reform throughout the EU.”

“Fairness at Work” is part of an overall plan to destroy the social gains won by working people. The proposals seek to utilise the trade unions as defenders of the interests of the major corporations, working to prevent the class struggle from assuming explosive and ultimately political forms.



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