

Saving through the workplace

The key message from Unions 21 / IPA pensions seminar on 18 July was that employers, trade unions and pension fund trustees need to encourage greater openness and involvement in order to protect existing retirement savings and develop effective governance structures for the future.

As life expectancy increases, people need to take ever greater care of their long-term financial security. Falling investment returns, the burden of regulation and actuarial caution have all also contributed to the flight from defined benefit to defined contribution or money purchase schemes. The challenge, discussed at a recent workshop organised by Unions 21 and the Involvement and Participation Association (IPA), was how to involve existing scheme members more effectively in the management of their schemes and restore confidence in retirement savings.

In the UK the basic state pension is one of the least expensive and least generous systems in the more developed world. Successive governments have justified this on the basis that individual savings made through occupational or personal pensions would make up the difference, ensuring that pensioners did not face retiring into poverty. The first report of the Pension Commission, led by Adair Turner demonstrated that this assumption was not only wrong, but that private savings were actually in decline. The second report, not only confirmed this and found that the problem was likely to get worse.

The role of the workplace

Delegates representing employers and trade unions heard how the workplace must play a critical role in restoring confidence in the pension system. This is a challenge taken up in the Government's White Paper on pension reform, which includes proposals for the automatic enrolment of employees and minimum employer and employee contributions. EEF, the manufacturer's organisation, offered its general support to the proposals. David Yeandle, deputy

director for employment at the EEF agreed that the new proposals are simplified and more generous, fairer to women and carers and supported the Government's approach to a gradual increase in the retirement age.

It is often said that "pensions are sold, not bought" and the workplace is the best place to ensure retirement saving is simple and effective. Speaking for the National Associations of Pension Funds, Ken MacIntyre recommended that

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Fiona Draper, Prospect's Pensions Officer, speaking at the Unions 21/IPA pensions seminar

occupational pensions provided collectively through the workplace should be seen as the principle mechanism for collecting employer and employee contributions, rather than via externally provided personal pensions. Likewise he suggested that a simpler structure would be better served by a small number of multi-employer 'super-trusts' rather than the myriad of providers that currently offer personal pensions.

Governance structures

Until now much of the public debate about pensions has been characterised by the closure of defined benefit schemes to new members and their replacement by defined contribution schemes. While the current agenda tends to be focused on protecting existing members of defined benefit schemes, any replacement is likely to be significantly inferior to the incumbent arrangement. In addition, the short-term benefit of closing defined benefit schemes to new members may create long-term funding consequences for employers as these schemes mature.

While the members of defined benefit schemes are to some extent protected by the triangular relationship between trustees, the employer, and the beneficiaries, such governance structures do not exist for members of defined contribution schemes. Terry Robinson, human resources director at Eurotunnel suggested that employees have a fundamental interest in being consulted about these issues as in the future they will share an increasing amount of the risk to their investments and need to be involved in issues such as the level of contributions, the choice of corporate fund provider and the performance of investments.

This is also consistent with the new Occupational and Personal Pension Scheme (Consultation by Employers) Regulations, which came into effect on 6 April 2006 and mean that members will have a more important say in the way in which these schemes are administered. In addition, the government is considering extending the right for trade unions to negotiate on pensions as part of the statutory recognition procedure.

Workplace dialogue

A statutory responsibility to negotiate on pensions is something with which the EEF expressed severe concern, however Ben Marshall, head of industrial relations at Connect sees a key role for trade union negotiators on this topic. "Pensions are too big an issue to leave up to the specialists," says Marshall. "The first task is communication about what is planned, and the second is to ensure that the issues are recognised as just another collective bargaining challenge", he adds.

Ken MacIntyre at the NAPF called for "a general and societal trend towards more openness and participation" in the governance of private sector pensions. He and others argued that people at work should be demanding more information about their workplace pensions and involvement in how they are run. The NAPF in partnership with the EEF and trade unions has won government backing for a new, free and independent service, called 'PensionsForce' to provide pensions information in the workplace. For more information visit: <http://www.napf.co.uk/PensionsForce/index.cfm>

Agenda for Change and still more change

by Lesley Mercer, Head of Employment Relations CSP

Representing Chartered Society of Physiotherapy (CSP) members' interests in the health sector has always been a rewarding challenge, but over the last five years the pace of change has been frenetic and demands on union services are greater than they have ever been.

To set this in context, the NHS is currently in the middle of the most fundamental and fast paced service reforms attempted since its inception. At the same time it is also implementing 'Agenda for Change' the umbrella name for a package of radical reforms to pay, grading and conditions of service for the entire NHS workforce, which includes a significant number of CSP members.

Added into this are member concerns about regional pay, consultation and union negotiation over changes to the NHS pension scheme; a high profile equality agenda; campaigning on recruitment and retention issues; and ensuring that members in the independent sector are recruited and represented, CSP stewards and officers have had to adapt quickly to successfully meet the expectations and needs of members.

The Agenda for Change deal offers - amongst other things - a much improved career structure, increased annual leave and a right to supported development. Early on it was recognised that developing the existing network of stewards and providing comprehensive briefings, support and training was crucial if members were going to receive the help and information they needed during implementation of Agenda for Change in local workplaces.

One of the most fundamental achievements of Agenda for

Change is the successful partnership working developed between unions and employers at all levels of the NHS. One of the main aims of the CSP and other unions is to embed and build on the principles and process of partnership working, so that we and our members are involved in key decisions on a broader range of issues such as service development and change.

CSP is able to quickly communicate with members and representatives, and channels of communication have recently been improved with the establishment of web-based interaction networks, significantly speeding up our ability both to communicate important messages to the membership and to receive their feedback.

But we are facing up to some critical issues in managing change: NHS deficits, frozen and cut posts, threatened redundancies and closed services. The CSP is actively campaigning at national and local level against proposed structural change. Recently we helped to prevent closure of a community hospital in Cumbria.

The short term focus is lobbying government to slow down the pace of NHS reform and to work in partnership with unions and NHS staff to allow those working in the service to shape and take ownership of NHS Modernisation. Other key issues are improving employment opportunities for newly qualified physiotherapists and supporting members in the workplace on a range of initiatives being introduced that affect established working practices.

In the longer term we will be working with government, NHS employers and other health service unions to ensure that the NHS values its staff. Good employment practice such as enabling a work life balance, supported skill and career development and fair national pay will be key negotiating aims of the future.

Unions 21 at Compass conference



Unions 21 had a packed fringe meeting at the multi-issue event organised by the democratic left pressure group Compass. The subject for Unions 21 fringe: 'Changing priorities in the world of work.'

In this issue

Following our spring conference and building on the theme "What's new? What works? Modern unions and life at work", in this issue we start to think further about union responses to the changing world of work.

We feature contributions from four unions spanning different parts of the public and private sectors, each facing different challenges and priorities. We also take a look at an innovative project piloted by the North West Regional TUC to organise Polish migrant workers.

In addition we report on a recent Unions 21 seminar on "Whatever happened to recognition?" and an event, run in partnership with the Involvement and Participation Association (IPA) on "New pension consultation regulations: Broadening the bargaining agenda?"

Last but not least, we also include details of our fringe meetings at the TUC and Labour Party Conferences.



From left: Alan Leighton (Prospect), Mary Bousted (ATL), John Lloyd (Unions21) and Clare Ruhemann (LRD)

Recognition: the beginning not the end

Report by Matt Ball, Acting Director of Unions 21

“Whatever happened to recognition?” was the question asked of the union activists, academics and union officers who gathered in Congress House on 12 July.

Six years after gaining union rights to statutory recognition, over 1,000 agreements have been signed covering more than 310,000 employees. Only 61 agreements were signed last year but the number of campaigns for recognition is on the increase. This Unions 21 seminar looked at the current trends in union recognition and heard the experiences of representatives from across the movement.

The 1999 Employment Relations Act changed the climate of industrial relations, saw an initial surge in trade union recognition and has affected the way trade unions work towards recognition. Clare Ruhemann from the Labour Research Department suggested that before the law was introduced, direct approaches could be made to the employers by trade unions pursuing recognition but that the focus now was on a bottom-up strategy that focused on organising and recruitment of members.

Mary Bousted, ATL’s General Secretary, described her union’s unique experience in gaining recognition in the independent school sector. The particular culture and environment in independent schools – where the teachers often live as well as work – obliged ATL to work closely on building up an activist base that was needed to win and work with recognition.

ATL secured a hard won recognition deal at a private school in the South West, that went all the way to the Central Arbitration Committee (CAC), before ultimately revealing the positive effects of trade union recognition. Prior to the agreement the union had been devoting a lot of officer time to resolving issues at the school due to a poor employment culture and bad practices.

Recognition changed all this, and both the members and the

employer noticed the positive role of the union. Recognition is only a starting point though. It should open up the door to drawing up learning agreements, introducing health & safety representatives and to the union playing such a significant role in the workplace that it “makes it hard for the employer to work without the union”.

Alan Leighton, National Secretary at Prospect, continued this theme – noting that “it’s easier to defend recognition if the employer sees the benefit.” But he was under no illusion of what it takes to get to that stage as he spoke about the challenges of overturning de-recognition at the National Maritime Museum.

As well as a strong membership base, one of the key factors to securing recognition is identifying the right issues to campaign around – recognition in itself is not an end sufficient enough to galvanise the membership or persuade employers of its value. In some campaigns, Prospect had made strategic use of personal cases. A campaign has to be focused, well-resourced and able to respond quickly, which, in Leighton’s experience, is easier where it is just a single-union campaign. It also depends on committed and effective union representatives in the workplace, which means the union has to provide appropriate training for activists.

Mark Sandell from UCU agreed that workplace reps were vital to a successful campaign and was of the view that they should guide the campaign and be a visible champion for the union in the workplace. As an organiser for both NATFHE and previously at the GPMU, he had broad experience of the tactics used by unscrupulous employers in fighting against recognition – changing the bargaining group, enforcing ballots then bombarding the workforce with anti-union propaganda and delaying the procedure at every turn.

Christine Hardacre, Head of Organising at Community, is all too

familiar with many of these union-busting methods – even coming up against a managing director with a PhD on “exterminating” trade unions! She had welcomed the legislation as a way to sort out some unfinished business following de-recognition in the 80s and 90s. Now, unions have to be sophisticated in winning for their members and recognise the limits of pursuing recognition as an end in itself.

Community’s current campaign in Ladbrokes was just such an example. The nature of the betting industry means that formal recognition is a long way down the line. Community has had to find other ways of getting ‘leverage’ over the employer. Successes had been achieved by working with external partners – such as the Metropolitan Police on safety. Members needed to see that “everywhere the employer goes, we go too.”

Alan Leighton and Tony Burke, Amicus Assistant General Secretary, both talked about the existing legislative powers that are available to unions, such as the Information & Consultation Regulations, that could be used as a stepping-stone to recognition. I&C can put unions face-to-face with anti-union employers or provide information about their operations.

Leighton was particularly interested in how consultation could be turned into negotiation. Mary Bousted also referred to an “incremental approach” to building towards recognition, where the union gets through the door using existing rights such as I&C or the grievance

procedures. Tony Burke described the problems the GPMU and now Amicus have with the CAC procedure and emphasised how voluntary recognition is far better than the default statutory recognition that is awarded. He believes that the procedure could be greatly simplified – for example where unions can prove that they have 50%+1 members at a workplace, this should be sufficient on its own to secure recognition. The legislation should also be extended to cover workplaces with less than 20 employees. Mark Sandell suggested the problems unions faced through the CAC procedure are just a small demonstration of a wider need for greater trade union rights and that tinkering with the CAC rules would be like “solving the housing crisis by looking at cardboard boxes.”

There has been a significant “shadow effect” from the legislation, which has led to many more voluntary recognition agreements being signed. Mary Bousted commented that “one formal victory at the CAC stimulates voluntary action”. All the speakers had agreed that gaining union recognition in the workplace should just be seen as a starting point and that it should be far more than just a piece of paper.

After recognition, unions needed to continue to train and support their workplace reps, to maintain and build membership and to engage with the employer. Unions should not be complacent having gained recognition but they clearly have a good story – they need to go out and tell it.



Alan Leighton, Prospect National Secretary



Mark Sandell, UCU Branch Organiser and Christine Hardacre, Community’s Head of Organising



Tony Burke, Amicus Deputy General Secretary

Changing union priorities in the retail sector

by John Hannett, General Secretary USDAW

As the world of work changes, so must our priorities. Usdaw is deeply rooted in the retail sector. The retail workforce is overwhelmingly female, predominantly low-paid, often part-time in lower graded jobs, usually undervalued, often lacking in influence - let alone control, with hours, duties and even places of work often varied unilaterally by managers.

Workers are highly dispersed geographically across hundreds or thousands of sites, on complex shift systems, 24/7 and with a high turnover. They are difficult to meet, let alone recruit, retain and organise. The industrial 'muscle' traditionally associated with full-time, permanent workforces and the 'factory gate' model for recruitment, just don't apply. There's no easy access, no trade union tradition and no 'community' of interests around the traditional pit head, the foundry or the dockside.

So there's a major challenge for modern trade union organisation. Usdaw has addressed this by placing emphasis on skilled reasoning and advocacy, evidence-based submissions, and ensuring that members experiences, priorities and needs guide our work.

We are now increasingly focusing our efforts on 'quality of work' issues, beyond the pay packet. For the worker that means having their voice and experiences clearly heard, the capacity to influence events, better balance between work and family responsibilities, and emphasis on mutual respect and dignity at work. We recognise that the poverty of low paid employment extends beyond the pay packet alone.

The quality at work agenda also benefits employers, boosting recruitment, reducing labour turnover and ensuring the retention of experienced, valuable employees. 'Winning the loyalty of staff' is the new buzz phrase in big business retailing, not because they're generous people at heart, but because their own people represent the last great 'frontier'.

Big business retailing has colonised everything else. Trading is 24/7 and intense competition has driven out thousands of small and medium-sized retailers. Winning the hearts and minds of staff is the next challenge ahead. So, for a power-

ful combination of reasons, 'quality of work' issues are up for grabs and we have some very fertile ground opening up before us.

Our Parents and Carers' Campaign is a great example. By listening to our members and their experiences, the campaign was a tremendous success and as a result, in the last year, we've secured genuine improvements to our agreements, benefiting half of all our women members and more than a third of our men. More than that, 40% of all our members stand to benefit from improvements to maternity and paternity pay, and over a third are covered by more flexible approaches to working time.

During the course of our campaign, we realised that many members didn't know we were there to support them on these issues. They thought we were just about pay bargaining and representation. So there's a rich seam here, not just amongst employers, but amongst members and potential members too.

In organising terms, we've tried to reap the dividend too. We now have a growing body of reps more aware and confident about our role in tackling parents and carers issues - who see the union's role in a new light. And a series of employers for whom a growing raft of parents and carers' rights are a major technical and even a cultural challenge.

And that challenge is one for us all. For many of us the 'quality of work' intrinsically may be in decline: conventional, skilled, craft occupations - full-time, permanent and well paid - are disappearing, replaced by part-time, often casualised jobs - insecure and relatively low-paid. Usdaw has been in that place for generations and we have risen to the challenge. A place where few people live to work and most simply work to live.

Our agenda is to reclaim flexibility for working people. There's no doubt current Government policy around both full employment and family-friendly rights has helped tip the balance. But I'm in no doubt either that it's trade union and collective influence that will really secure and ground those gains.

Challenges of global markets

by Adrian Askew, General Secretary Connect

Globalisation gives multinationals the power to improve the lives of workers worldwide. As trade unionists we have the responsibility to make sure they do so.

There's nothing new about globalisation. Today's manufacturing industry is already truly global in nature. The spread of industrial technology around the world, combined with fast transport links has revolutionised the industry. Today the spread of both technology and knowledge, combined with ever faster communication links, means that the service sector is now facing similar challenges.

We must make globalisation work for both our members here in the UK and workers in developing countries, for whom investment by multinationals could offer a step out of poverty. Some unions have long supported a progressive stance on the offshoring of work, looking to protect our members' careers, whilst also ensuring that employers treat their workers well, wherever they are. The hope: that good employment practices and higher wages trickle down into the wider economies of developing countries, raising standards worldwide.

Sadly, it would appear that this trickle down effect isn't happening on its own. The regions which have seen significant service sector investment are now typified by societies of stark contrast. Down one street, modern offices, with the latest technology and wages which, whilst still low in UK terms, far outstrip anything that can be earned elsewhere in the local economy. Just a short distance away, people continue to toil in dangerous workplaces for a pittance.

Even for those working for multinationals everything isn't

rosy. People are often working under conditions that, whilst claimed to be in line with ILO core labour standards, would still not be acceptable to comparable workers in this country. All too often, labour turnover in these workplaces is high, with employees burning-out from long hours and high pressure.

So what can we, as progressive trade unionists, do to improve the situation? Many of the companies investing money in offshore operations are UK employers - some of them good employers who treat their staff in this country well. Whether offshore workers are employed directly or through a local company, big business should not be allowed to escape its responsibilities for the people who, ultimately, make the profits.

We can use our influence to encourage employers to behave as well abroad as they do here - and to ensure that the benefits aren't just seen by a small elite but are spread more widely. That means agreeing to follow the Ethical Trading Initiative's Base Code of Practice by ensuring a living wage is paid throughout the supply chain and that everyone working in that supply chain has the right to join and be represented by a union. It also means ensuring that a fair proportion of profits are contributed to local health, education and housing projects.

However, by far the best way of tackling these issues is through independent trade unions, working together on a global scale. By giving local unions the assistance they need to organise, and by building networks of unions across the globe, we can make life better for everyone, north or south, rich or poor. If we are going to take on multinational companies then we're going to need unions that can think internationally too.

Trade Union Organising in the New Europe

by Alan Manning, Regional Secretary North West TUC

The TUC in the North West recognised the growing importance that migrant workers have for the regional economy. Workers from Poland were by far the single largest group. We wanted to improve our understand-

ing of the employment and community issues affecting them, and to test appropriate and effective trade union responses.

In preparation we did some general desk based research on regional labour market issues. However it soon became

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clear that the available data was limited. The Workers Registration Scheme provided a partial picture, but other data sets were insufficiently timely to be sensitive to the relatively recent movements of workers from new EU member states.

We also sought contacts with existing Polish community organisations in the North West. Web-based research yielded some initial information, but we also contacted the Federation of Poles in Great Britain - the main national umbrella organisation in the UK - and made links with a number of Churches serving the Polish Community and with a language-based project in Liverpool that offered support to newly arrived workers from Poland.

A number of key unions in the region provided us with information on where Polish migrant workers were being employed. This confirmed that logistics and road haulage, foundries and engineering, food processing and construction were key sectors in the region for Polish workers. At the same time, with support from the TUC nationally, we contacted Solidarnosc in Poland for information and advice and to discuss the possible secondment of a Polish trade union organiser.

Agreement was very quickly reached with Solidarnosc on the secondment of a young national organiser who was leading their campaign to organise Tesco in Poland and who had a lot of contact already with UK unions. Tomasz Laskowski worked with us for a very intensive three month period on community initiatives and specific campaigns with individual unions.

Informal employment rights sessions were held which, together with more structured surveys of the workers concerned, showed that deductions from wages, accommodation, payments to agencies, and a general lack of understanding of workers' rights in the UK were common problems. In the light of this, a Polish language version of the TUC's 'Rights at Work' was published as an insert to Kontakt, a weekly magazine for the Polish Community in the North West.

Tomasz's input also added significantly to unions' organising work. This was especially fruitful in companies with an established relationship with unions but experiencing recruitment difficulties and turning to recruit skilled Polish workers. Language barriers were overcome and Tomasz was also able to reassure the workers that the information required on a union application form was confidential to the union!

An overall achievement was to give workers from new member states confidence in their rights. It became obvious that this could not be dissociated from language issues. We have concluded that supporting unions in recruiting and training workplace reps from within those communities of migrant workers will be key to extending unionisation and combating exploitation. The recruitment by the TGWU of a Polish driver as one of their new organisers is an excellent example.

We can also do more work to develop protocols with other trade union centres to ensure a two-way flow of information and intelligence to support and promote best practice and to resolutely oppose exploitation and abuse that regrettably is all too often the experience of workers from other countries.

Fringe Meetings

TUC – Who's Afraid of Globalisation?

Monday 11 September at lunchtime in the Grand Hotel, Brighton

The latest attempt at international trade talks collapsed during the summer and globalisation continues apace. Unions 21 is looking at the trade union response to globalisation and examining its effects on the UK and further afield.

Speakers include: Ian McCartney MP, Trade Minister, and Frances O'Grady, Deputy General Secretary TUC.

TUC – What are we here for?

Tuesday 12 September at lunchtime in the Grand Hotel, Brighton

The famous question asked of Congress by its General Secretary George Woodcock is as pertinent now as it was in the 60s. As the movement heads further into the 21st Century Unions 21 is asking leading trade unionists to give their opinions of today and their visions of the future.

Speakers include: Jeremy Dear, NUJ General Secretary; Debbie Coulter, GMB Deputy General Secretary; and Jonathan Baume, FDA General Secretary.

Labour Party – Alas Poor Warwick

Wednesday 27 September at lunchtime in Room 2, Unison Marquee (in the secure zone, pass required)

The Warwick Agreement was heralded as a new approach to the party-union relationship. Unions 21 is delving into what has happened since it was signed, discussing the prospects for a 'Warwick 2' and finding out the implications for the wider trade union movement.

Speakers include: Billy Hayes, CWU General Secretary and Sally Hunt, UCU Joint General Secretary.

Look out for the flyers or visit our website for full details of these events.