

What has been happening to collective bargaining under New Labour?

Interpreting WERS 2004

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ABSTRACT

The late 20th century saw the rapid decline of collective bargaining, which had hitherto been the dominant means of regulation of employment in Britain. The article uses a comparison of the Workplace Employment Relations Surveys for 1998 and 2004 to assess how far this changed during the later period of economic growth and sympathetic labour legislation. Contrary to expectations, the data show that collective bargaining coverage has continued to fall, although much of this decline is concentrated in small firms in the private sector. The article goes on to analyse the recent change at sectoral level and examines evidence on the extent to which the character, as well as the extent, of collective bargaining had changed. The locus of management decision making has continued to move down organisations, both where collective bargaining occurs and also where unions are absent. Finally, the article evaluates how the perceptions of those involved in the bargaining process have shifted at a time of greatly diminished trade union influence.

INTRODUCTION

Collective bargaining, the dominant means of employment regulation in Britain for most of the 20th century, went into rapid decline in the closing two decades. The coverage of agreements, trade unions' membership, and their capacity to influence employers, all diminished substantially. How far and how fast did this decline continue as the 21st century commenced? To what extent was this collapse of collective bargaining moderated by the election of a Labour government in 1997? How far did the character of collective bargaining change?

This article explores these questions by means of the Workplace Employment Relations Surveys (WERS) carried out in 1998 and 2004. The survey dates could hardly be better for exploring these questions (Brown *et al.*, 2000: 615). After nearly 20 years of outright government hostility to collective bargaining and at a time of worldwide trade union decline, the new Labour government was cautiously

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supportive. The principal legislative action it took in support of collective bargaining was the Employment Relations Act of July 1999. This provided a statutory route for unions to win employer recognition. It eased a number of organisational constraints on trade unions and increased their representational rights. Some supporting elements came with the 2002 Employment Act, the 2004 Employment Relations Act and the long-anticipated 2004 Information and Consultation Regulations. Substantial new individual employment rights had come in 1998 with the Working Time Regulations, and the National Minimum Wage Act. These are important because when unions are weak, individual employment rights on issues otherwise dealt with collectively provide a valuable protection against excessive undercutting of collective bargaining. To these sympathetic political and legislative developments should be added the favourable economic conditions of six years of a buoyant labour market and of sustained economic and real-wage growth. If all these were to have an impact on collective bargaining, it should have been evident by the time of the 2004 WERS survey.

The article seeks to map the changing nature of collective bargaining in a number of ways. After outlining trends in union activity and industrial conflict, collective bargaining coverage is analysed with particular emphasis placed on understanding the patterns of bargaining in the private sector. The article goes on to examine whether the decentralisation of bargaining that was evident in the period prior to 1998 has continued subsequently. Finally, by combining the responses of managers and employee representatives, there is an evaluation of how closely the perceptions of the two parties involved in the bargaining process accord with one another and the extent to which they have shifted over time.

EXPECTATIONS

What impact might have been expected? Looking back to the experience of earlier periods of relatively supportive governments, low unemployment and real-wage growth, Bain and El Sheikh's analysis would have led us to expect a substantial recovery of trade union membership and a consequential expansion of collective bargaining (Bain and El Sheikh, 1976: 84). Drawing on a slightly later historical period, Carruth and Disney's subsequent study, perhaps weakening this, could be taken to imply that the real-wage growth of the period since 1998 might have reduced the incentive to unionise (Carruth and Disney, 1988: 10). But the implications of a supportive government are less equivocal. Responding to it, in the late 1990s, trade unions devoted considerable resources to planning how to make the best use of the change in political climate and of the new statutory opportunities offered by the 1999 Employment Relations Act (Oxenbridge *et al.*, 2003; Wood *et al.*, 2003). The Trade Union Congress (TUC) established its Organising Academy in 1998 to provide its member unions with more professional recruitment support. All this might have been expected to lead to increased collective bargaining coverage in the sectors from which it had, over the past couple of decades, been retreating. Some of these had strong collective bargaining traditions—notably in manufacturing, transport, communications and financial services—and might have responded to the changed climate. Others, such as in retail and hospitality, which did not have such traditions, might have responded because of their growing concentration of ownership and workforces.

It might also have been predicted that the manner of collective bargaining would have reflected the changed legal and economic circumstances. There was no reason to

believe that the long retreat of multi-employer (single industry/sector) agreements would go into reverse. Multi-employer agreements ultimately depend for their viability upon the agreement encompassing all major competitors within a given product market (Brown, 2006). The potential for domestic sectoral employer solidarity would be expected to continue to diminish in the large and expanding tracts of private industry which had product markets exposed to intensifying international competition. Increased international ownership of firms hastens this process. No aspect of the legislative innovations after 1998 was supportive of multi-employer bargaining.

But a modest revival in collective bargaining might have taken the form of increased single-employer bargaining (at whatever level within the enterprise). And this might have been evident in those expanding private sector service industries that are, by their nature, immune to overseas competition but subject to increased concentration of ownership, such as some private sector service firms benefiting from outsourcing from the public sector. Indeed, something of a transformation might have been expected of the public sector itself. The coming of a more union-friendly Labour government might have been expected to reverse the steady contraction in the scope and impact of public sector collective bargaining that had characterised the previous 18 years of Conservative government.

The subject matter of collective bargaining might also have been expected to alter in response to the more benign political and economic situation. Increasingly confident union activists might have started to broaden the range of bargaining, which had been so dramatically narrowed in preceding years. This might have been accompanied by greater willingness to take collective industrial action. The boundary between negotiation and consultation, in the context of collective bargaining, depends in large part on whether employers perceive a credible threat of collective action. Whether or not the realm of negotiation expanded, one would in any case expect much wider use of consultation. This was predicted at the time, being seen partly as a device deployed by non-union firms to discourage attempts by their employees to use the new statutory recognition procedures, and partly to pre-empt the imposition of uncongenial consultative arrangements in response to the prospective Information and Consultation regulations (Oxenbridge *et al.*, 2003: 330).

In summary, the period after 1997 might have been expected to bring a substantial change to the use of collective bargaining in Britain. After the long, lean years of Conservative hostility and often depressed economic conditions, the six-year period following the 1998 WERS, with its sympathetic government, supportive legislation, low unemployment and uninterrupted economic growth, might have been expected to witness a collective bargaining renaissance. According to the 2004 WERS, what actually happened?

CHANGES IN TRADE UNION ACTIVITY

As a preliminary, it will help summarise what happened to two closely related phenomena: trade union membership and industrial action. The collapse of union membership that started in 1980 slowed down in the late 1990s, but still saw year-on-year declines almost every year of our six-year period. Employed union membership for Great Britain [using the Labour Force Survey (LFS)] fell from 6.43 million in 1998 to 6.30 million in 2004—a fall in union density of all employees from 29.8 to 28.5 per cent (Grainger, 2006: 16). Over the same period, the figures from the certification officer

(using trade union returns with an upward bias) show a slightly larger fall: from 7.85 million in 1998 to 7.47 million in 2004 (Certification Office, 2006: 22).

This picture is developed in far greater detail in WERS. This shows a fall in the density of unionisation of employees from 37 per cent in 1998 to 34 per cent in 2004 (Kersley *et al.*, 2006: 199). These WERS surveys only cover employees in workplaces employing 10 or more and, by omitting the 19 per cent of all employees in workplaces with fewer than 10 employees, which are less unionised, can be expected to give higher estimates than those for the country as a whole, thus making these WERS figures compatible with the LFS data. The proportion of workplaces with, according to managers, no union members, which had risen sharply between 1984 and 1998, continued to rise, but after 1998 this rise was confined to small workplaces, and beyond them there was stability of union presence among those of 25 or more employees (*ibid.*: 111).

This evidence of stabilisation of unions in larger workplaces was supported by evidence on management attitudes. Active hostility to unions, which might have been prompted by reaction to the 1999 union recognition legislation, was largely confined to workplaces with under 50 employees, and they were mostly family-owned firms (Kersley *et al.*, 2006: 113). And while the proportion of workplaces where unions were recognised for negotiation purposes continued to fall overall between 1998 and 2004, it was notably stable, not only for the public sector, but also for private sector workplaces with 25 or more employees (*ibid.*: 121). Kersley *et al.* identify a sharp increase in net recognition among these larger private sector workplaces, with more recognition agreements and fewer derecognitions. They consider it likely that this reflects the influence of the 1999 statutory recognition legislation (*ibid.*: 122). Indeed, one clear indication of this was the substantial increase in requests for conciliation by Acas in disputes over union recognition over this period and also the sharp increase in the proportion of those cases that were resolved in favour of the union (Oxenbridge *et al.*, 2003: 324). A compatible story comes from the analysis of a private sector, firm-level survey of 2002, which suggests that while there was an increase in new recognition agreements in the wake of the legislation, they were prevalent 'among large firms and in sectors where membership levels were already relatively high' (Blanden *et al.*, 2006: 186).

In summary, since 1998, and probably in part as a result of the new legislative support, the haemorrhaging of trade union membership appeared to have been stemmed for larger workplaces in the private sector. For small (and more individualistic) workplaces, however, the haemorrhage continued. This reflects a recurring theme in studies on the impact of employment legislation in Britain: that employment relationships in small firms are peculiarly resistant to legal intervention.

The story on industrial conflict has been far simpler. The period since 1998 has consistently been one of historically remarkably low levels of overt industrial conflict. There were between 130 and 212 recorded stoppages each year during the six years between surveys, about half of which were in the public sector (Beardsmore, 2006: 186). The WERS surveys reflect this low level of disputes. Indeed, the similarity of their findings in 1998 and in 2004 is remarkable. If one objective of the Labour government's Fairness at Work agenda was to leave strike behaviour unaltered at the low levels attained by 1998, these data are fully consistent with its achievement.

For both survey years, the great bulk of reported incidents are from the public sector. In neither year was any significant strike action picked up for the private sector and only 1 per cent in each year reported non-strike action (Kersley *et al.*, 2006: 209).

For both years, picketing was only reported from the public sector, and balloting on industrial action was overwhelmingly carried out in the public sector. In short, the use of collective action has become largely a public sector activity. One clear implication is of particular importance for any evaluation of the impact of collective bargaining. This is that, for those parts of the private sector where collective bargaining continues, it is generally being conducted with fading memories of the collective action that was once seen to be central to its credibility and effectiveness.

THE COVERAGE OF COLLECTIVE BARGAINING

Given this loss of trade union membership and, in the private sector, their loss of coercive influence, what has been happening to collective bargaining? Its coverage has certainly not advanced. Overall, the proportion of all employees covered fell from 38 to 35 per cent between 1998 and 2004. Given that this applies to those in workplaces of 10 or more, and the low coverage of very small workplaces (Forth *et al.*, 2006: 58), the true percentage of all employees covered was likely to have fallen below 30 per cent in 2004. This is lower than the 35 per cent coverage reported from the LFS for the autumn of 2004—a figure that the LFS had identified as remaining fairly stable for a decade (Grainger and Holt, 2005: 38). On this subject, however, the reliability of the specialist employer source for the WERS data is likely to be greater than that of the employee household source of LFS data. We have thus arrived at a position where the overall coverage of the employed workforce by collective agreements has probably fallen to be within three percentage points of the extent of trade union membership. It is a far cry from the mid-1970s when the gap between bargaining coverage and union membership was as high as 35 percentage points (Milner, 1995: 86). Collective agreements have in effect been transformed from being public goods supporting much unorganised labour, to being private goods largely confined to union members.

It can reasonably be argued that the coverage of collective bargaining is larger than these figures suggest because substantial (and mostly highly unionised) sections of the public sector are covered by pay-fixing arrangements centred on the six Pay Review Bodies in what is, in effect, a successful and highly institutionalised form of collective bargaining. In 2004, the Pay Review Bodies covered approximately 1.6 million employees (excluding Armed Forces), amounting to about 6 per cent of all UK employees (<http://www.ome.uk.com/about.cfm>). In 2001, they had been expanded to cover about 50,000 prison officers, who had previously been covered by more conventional collective bargaining. The WERS survey responses appear to be defective in identifying only 3 per cent of employees as covered by Pay Review Bodies (Kersley *et al.*, 2006: 186), a figure that would be reduced if workplaces of fewer than 10 employees were included. It is perhaps unsurprising that some WERS respondents, confused by incessant restructuring in government, the NHS and education, might have been unaware of the role of the Review Bodies. Taking the Pay Review Body system as a particular form of collective bargaining, then the coverage of the public sector has changed relatively little—from 88 per cent in 1998 to 85 per cent in 2004 (*ibid.*: 186). But while this means that, say, 5 per cent should be added to the overall coverage of collective bargaining for both 1998 and 2004, there is no reason to amend the conclusion that the overall coverage of collective bargaining has fallen over the period.

When we turn to the private sector, the picture of change has been much more substantial. The proportion of all employees (in workplaces of 10 or more) covered

by collective agreements continued to fall sharply—from 27 to 21 per cent between 1998 and 2004 (Kersley *et al.*, 2006: 186). As the survey team report, the annual rate of decline of coverage for this period, by comparison with the earlier 1990 to 1998 period, actually accelerated to twice as fast for private manufacturing, although it slowed for private services, perhaps reflecting the fact that the latter had less far to fall (*ibid.*: 188).

If we look at the experience of separate industrial groups within the private sector, a number of patterns become evident. Table 1 shows the result of an analysis of both the 2004 and 1998 WERS surveys in order to indicate where changes have occurred. The sample sizes permit only approximate figures, but the broad trends are of interest. For this purpose, pay setting by individual negotiation is subsumed under pay fixing by management at the workplace because it is unclear how, in practical terms, the two can be distinguished. Pay fixing by ‘some other way’ is omitted (as a result of which the rows in the final three columns do not all add up to 100). The first three columns break down the percentage of employees covered by collective bargaining (totalled in the fourth column) between multi-employer (sectoral) bargaining, and single-employer bargaining, which is divided between bargaining higher within the organisation and within the workplace surveyed.

The first point to note is that the overall coverage of collective bargaining has diminished in every sector except transport and communication, and for a small minority in ‘other business services’. This reflects the continued relatively high unionisation of, in particular, railways, and possibly some public sector outsourcing into partly protected arrangements in business services. Most of this contraction in collective bargaining has been the result of the contraction of single-employer bargaining. It has not been a consequence of substantial decline in multi-employer bargaining, simply because that was already at such low levels. Once the dominant means of private sector pay fixing, multi-employer bargaining continues at much the same very low level of coverage it had fallen to by 1998, now benefiting fewer than one private sector employee in every 20. While holding its own at a low level in construction, multi-employer bargaining has continued to decline in most sectors, whether or not it is sheltered from overseas competition. Sectoral collective agreements, which less than 50 years earlier were officially upheld as playing ‘a most important part in the regulation of working conditions in this country’ (Ministry of Labour, 1961: 18), have all but faded away.

The locus of private sector pay fixing has been shifting downwards, whether or not firms still bargain with unions. Kersley *et al.* (2006) report that the biggest change in pay determination ‘has been the growth in the percentage of workplaces where all pay was set by management at workplace level: this was the sole method of pay determination in over two-fifths (43 per cent) of private sector workplaces in 2004, compared with one-third (32 per cent) in 1998’ (*ibid.*: 184). It is likely that diminishing pressures of comparability have permitted this trend. For decades employers with multi-plant organisations had centralised control over pay. They have done this as a precaution against their employees’ perceiving anomalous pay comparisons that might provoke discontent or be used as bargaining levers. As weakening union influence has relaxed this threat, employers have been permitted to feel freer to match pay to the contours of local labour markets and to develop performance-related pay. The Panel Survey suggests that the proportion of continuing workplaces which had performance-related pay rose from 20 per cent in 1998 to 32 per cent in 2004 (*ibid.*: 191).

Table 1: Coverage of employees by different pay – fixing arrangements in the private sector, by major industrial sector for 2004
(with 1998 in parentheses) (per cent of employees)

Industry group	Collective bargaining for more than one employer (sectoral)	Collective bargaining higher within the organisation	Collective bargaining at the workplace	Collective bargaining —total	Set by management higher in organisation	Set by management at workplace or with individual
All private sector	4 (5)	10 (13)	7 (9)	21 (27)	27 (24)	50 (44)
Manufacturing	4 (6)	7 (11)	20 (18)	31 (35)	17 (17)	51 (47)
Electricity, gas and water	0 (8)	57 (75)	7 (8)	64 (91)	27 (5)	6 (2)
Construction	13 (13)	1 (3)	1 (4)	15 (20)	11 (35)	73 (30)
Wholesale and retail	1 (4)	6 (11)	2 (1)	9 (16)	54 (48)	37 (31)
Hotels and restaurants	1 (3)	0 (2)	2 (1)	3 (6)	35 (47)	61 (39)
Transport and communication	3 (8)	25 (22)	17 (8)	45 (38)	24 (24)	30 (35)
Financial services	0 (3)	30 (32)	3 (4)	33 (39)	27 (31)	40 (25)
Other business services	3 (0)	1 (3)	2 (1)	6 (4)	21 (33)	71 (56)

Note: Weighted data—all employees in workplaces with 10 or more employees.

The decentralisation of pay fixing is weakly evident where unions are involved. The second and third columns of Table 1 suggest that where bargaining still occurs, the locus of pay fixing has tended to move down towards the workplace. Every sector has seen a tendency for pay bargaining, where it occurs, to be at a lower organisational level in the firm. But where unions are not involved, the trend is very marked. The sixth column shows that, with the exception of transport and communication, every sector has seen substantial decentralisation of pay fixing to the level of the workplace. Despite a buoyant labour market, it would appear that employers are lowering the defences they have built up in the past, especially where unions are not involved, feeling freer to respond to local labour markets and to introduce locally managed incentive systems.

How much longer can collective bargaining be expected to retreat? The 2004 survey suggests that there are already signs of a pause. Or, rather, the recent retreat has largely been among small firms. Private sector workplaces with 25 or more employees have seen relatively little change (Kersley *et al.*, 2006: 185). The proportion of them that engaged in collective bargaining was 25 per cent in 1998 and 22 per cent in 2004; for standalone establishments, of the same size band, the proportions were respectively 11 per cent and 12 per cent. This apparent stability is consistent with the evidence referred to earlier: that trade union membership and recognition has proved more robust in the larger workplaces. While a proportion of larger firms appear to have reached a *modus vivendi* with trade unions, small firms now appear to be generally free of the fear of being picked off by unions separately, a fear that had, for much of the 20th century, encouraged them to join employer associations and to bargain together.

THE CONDUCT OF COLLECTIVE BARGAINING

Collective bargaining has clearly diminished in coverage, but has its character changed? How far, and in what way, are trade unions involved, not only in managing their members' entitlements, such as pay and conditions, but also their responsibilities, such as through grievance handling, training and performance appraisals? The 2004 survey team perhaps wisely avoided making any comparison with the 1998 survey on these matters because the question on joint regulation was slightly different in the two, not least in the categorisation of issues (Kersley *et al.*, 2006: 194). But the perceptions of those involved of the activity they are engaged in are of intrinsic interest. We therefore attempt some crude comparisons and place them in a longer historical perspective.

The 1980 WERS had asked questions of managers (in workplaces of 25 or more employees that recognised trade unions) on what issues they negotiated with union representatives at the workplace. The response of those who did was: on recruitment, 43 per cent; on internal redeployment, 64 per cent; on manning levels, 49 per cent (Daniel and Millward, 1983: 197). In the 1998 WERS, similar questions were asked of a comparable sample of managers and their response indicated that the proportion who negotiated with workplace union representatives was: on recruitment or selection, 3 per cent; on staffing or manpower planning, 6 per cent (Brown *et al.*, 2000: 617). Clearly, managerial perceptions of the role of negotiation in management had changed dramatically over the 1980s and 1990s.

What does the 2004 survey tell us about recent change? Again there are slight variations in questions and the pool of workplaces with recognised unions has altered

Table 2: Perceptions of bargaining of managers and union representatives at workplaces where both are present, 1998 and 2004—average percentage scores for seven comparable bargaining issues

	Negotiate (%)	Consult (%)	Inform (%)	None (%)
Employer 1998	7	46	21	25
Employer 2004	10	36	26	28
Union representatives 1998	20	25	20	26
Union representatives 2004	21	31	29	19

Note: Weighted data, workplaces with 10 or more employees.

substantially, but the proportion reporting that they negotiated with union representatives was very similar to those of 1998: on employee recruitment or selection, 5 per cent; on staffing or manpower planning, 6 per cent. Indeed, all the management responses are of similar magnitudes on the seven comparable issues (indicating the scope of bargaining) asked about in both 1998 and 2004. It would appear that perceptions of negotiating behaviour at least on these issues had not changed much since 1998.

Managers' perceptions of negotiation are one thing, but how far are they shared by their bargaining opposite numbers, the union representatives at the workplace? The survey asked both sides whether they perceived the interaction on 12 distinct potential bargaining issues as involving negotiation, consultation, simply informing the union side, or whether there was no effective interaction at all. We looked at the responses for the 680 workplaces where both sides had responded. When a similar question was analysed in this way from the 1998 survey, it was shown that union representatives and managers shared similar perceptions of the extent and nature of negotiation, but that employers were much more likely to claim that consultation had taken place than the union representatives, and that, with the exception of pay bargaining, this effect was evident in both public and private sectors (Brown *et al.*, 2000: 617). For the 2004 survey, the issue that in 1998 was described as 'pay and conditions' was separated into pay, hours, holidays and pensions, so the responses on these issues were not comparable. But comparison of responses for both surveys was possible for seven issues. It should be borne in mind that these are not comparisons of responses from the same workplaces at different times, but of comparably sampled workplaces at different times where both employers and union representatives responded.

The results of the comparison—summarised in Table 2—were an interesting mixture of constancy and change. First, comparing the managers' responses for the two surveys, the weighted data suggest that their perception is that consultation has diminished, partly offset by a higher proportion reporting more negotiation or informing. The proportion reporting no interaction with unions beyond providing information has increased. Second, if we look at worker representative responses in the same two samples of workplaces, substantially fewer reported that no interaction took place in 2004 than in 1998, but also union representatives were more likely to describe the interactions that did take place as consultation than had been the case in 1998. As with their managers, in 2004, the worker representatives were at least as likely to describe their interaction as negotiation as in 1998. Their perceptions of

consultation and of receiving information were similar to those of management, but they were less likely than management to say that there had been no interaction.

This suggests that, where collective bargaining is taking place, by 2004 there is a shared perception that it has more to do with providing information than in 1998, but there were divergent views as to whether consultation was increasing. Particularly notable is that union representatives have a consistent perception of greater involvement. We might speculate that this does not reflect actual behaviour, so much as the fading of memories of what constituted negotiation in a past era when collective bargaining was more robust.

As collective bargaining appears to be surviving better in the public sector than the private sector, we tested whether there were significant differences between responses on these questions for the two sectors in 2004. Table 3 gives the results. There was broad similarity of response for union representatives. Even on the issue of pay, as well as the other 11 issues, union representatives' perceptions of whether they negotiated, were consulted, informed and so on were much the same in public and private sectors. This is despite other evidence referred to earlier of the very contrasting experience of the use of collective action between the two sectors. For the managers, however, there was a sharp contrast. The two sectors were much the same in management eyes in terms of perceptions of consultation and informing. But managers in the public sector were much more likely than their private sector counterparts to describe themselves as negotiating—this was true for every issue. By contrast, private sector managers were much more likely to say they had no interaction with their union representatives than were managers in the public sector—this also applied to every issue.

From this we might conclude that in 2004, from the managers' point of view, collective bargaining was more active, in terms of both scope and involvement, in the public than in the private sector. But it is interesting that worker representatives in the private sector did not appear to have weaker perceptions of their own role than their public sector counterparts. It is, perhaps, a useful reminder of the extent to which responses are shaped by the respondents' inevitably narrow frames of reference. And perhaps it also indicates how much expectations are, more subjectively, shaped by the respondents' circumstances. It may be that trade union representatives are, consciously or otherwise, adjusting their aspirations and their language to the weaker position that they are in.

Support for this view comes from the summary data for non-union representatives given in the last row of Table 3. Employers in both sectors report little negotiation with non-union representatives. In the public sector, where union recognition is almost universal, a relatively high proportion indicate no interaction with them at all. The non-union representatives' perception of what is going on, however, is very different. In the public sector, they are less likely to report negotiation. But in the private sector, non-union representatives report a remarkably similar distribution of modes of interaction to their union counterparts. Union and non-union representatives may or may not have different conceptions of negotiation and consultation that are leading them to these similar responses. But the fact that these responses are so similar suggests that what is deemed to constitute negotiation and consultation in the private sector of 2004 is a pale shadow of the past.

We have observed that, where employers engage in collective bargaining, managerial perceptions of the extent of consultation did not appear to have altered substantially between 1998 and 2004. But this was a period during which the Information

Table 3: Differing perceptions of the scope and manner of collective bargaining between management and union representatives from the same workplaces in 2004 (per cent of establishments)

Bargaining issue	Employer view of bargaining with union representatives (public sector/ private sector)				Union representative view of bargaining with employer (public sector/ private sector)			
	Negotiate	Consult	Inform	None	Negotiate	Consult	Inform	None
Pay	63 57	13 13	13 13	13 19	50 47	13 13	25 20	13 20
Hours of work	57 46	14 23	14 8	14 23	38 33	25 33	25 17	13 17
Holiday entitlements	57 46	14 16	14 16	14 23	43 42	14 17	29 33	14 8
Pension entitlements	29 17	14 25	43 33	14 25	17 25	17 17	50 42	17 17
Employee recruitment/ selection	13 8	25 15	25 31	38 46	13 9	25 18	38 36	25 36
Training of employees	13 8	38 23	25 31	25 39	14 15	29 39	29 23	29 23
Disciplinary procedures	38 25	38 42	13 17	13 17	33 39	33 31	33 23	0 8
Grievance procedures	38 25	38 42	13 17	13 17	29 42	29 25	29 25	14 8
Staffing/manpower planning	14 8	43 31	29 31	14 31	13 17	25 33	38 25	25 25
Equal opportunities	14 8	57 39	14 31	14 23	17 25	33 33	33 25	17 17
Health and safety	14 8	57 50	14 25	14 17	14 31	43 39	29 23	14 8
Performance appraisals	17 8	50 25	17 25	17 42	13 17	25 33	38 33	25 17
Average % of all issues with union representatives	31 22	33 29	20 23	17 27	25 29	26 28	33 27	17 17
Average % of all issues with non-union representatives¹	3 4	27 30	31 43	40 23	15 28	25 27	35 26	25 19

Notes: Weighted data, workplaces with 10 or more employees.

¹The results for non-union reps remain unweighted because of small sample sizes.

and Consultation Directive was produced, discussed at length and, during 2004, the UK Information and Consultation Regulations had been introduced. In the 1950s, joint consultation at the workplace had diminished in the face of more forceful joint negotiating committees (Clegg, 1970: 192). Would the diminution of negotiation lead to its revival? Certainly, for many in the trade union movement, statutory consultation rights have offered a better prospect of bolstering union organisation than had the blunt and unwieldy instrument of statutory recognition procedures of 1999.

Did formal joint consultation expand as a consequence? It did not. Workplace-level consultative committees, which had been present at 20 per cent of workplaces in 1998, were reported in only 14 per cent in 2004. The proportion of all employees in establishments with a workplace-level committee fell from 46 per cent in 1998 to 42 per cent in 2004. The decline was primarily among smaller workplaces with under 100 employees and among those where unions were not recognised (Kersley *et al.*, 2006: 127). Therefore, whether or not the quality of consultation was being maintained where there were facilities for it, consultation was occurring at a diminishing number of workplaces. Joint consultation remains a feature of collective bargaining, but has been contracting along with it, despite substantial recent legislative support.

CONCLUSION

Collective bargaining has been of diminishing significance as a means of regulating employment in Britain, as in most other industrialised countries. It currently protects under a third of the employed population, less than half the coverage of 30 years ago. The scope and influence of collective bargaining have also diminished substantially. The most notable change has been in the private sector where coverage is down to one in five workers and continuing to decline. Substantial and largely sympathetic legislative intervention and favourable macroeconomic circumstances have not brought a renaissance of collective bargaining.

It may be that this period of collapse has drawn to a close and that a different form of collective bargaining is emerging. If so, it is characterised, especially in the private sector, by a lack of confrontation and by a more consultative style over a relatively wide range of issues. Workers' own perceptions of their bargaining role appear to have adapted to these changed circumstances. But, however engaged union representatives feel themselves to be, employer perceptions are that there is considerably less trade union influence than in the past. Such influence continues to be increasingly confined to larger workplaces. Employees of smaller firms are left with no more than their statutory rights as protections—if, that is, they have the confidence to activate them. The centre of activity for this relatively weak form of bargaining has shifted down towards the individual workplace. Both pay and other matters are being left more to the discretion of local managers, who act as if they believe that little challenge to management is presented by either external union organisation or by the use of comparisons beyond their enterprise.

Collective bargaining continues to play an important, if reduced, part in the management of employment relations in the public sector. In the private sector, however, it offers no more than a diminished, patchy and highly localised protection to a small and shrinking minority of workers.

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