

Conclusions

The fieldwork responses detailed in the preceding sections give a clear snapshot of the views and aspirations of leading UK trade unions and employers regarding EC social policy issues. They enable certain *broad general conclusions* to be drawn about the early impact of the EC's new social agenda among UK unions and employers. In drawing such conclusions, the stage at which the fieldwork was undertaken and the type of organisations visited should be clearly borne in mind.

The UK fieldwork took place during the latter months of 1989 and early 1990, three years before the scheduled completion of the EC's Single Market and at a time when the EC's Social Charter and the outline of its implementing Action Programme had just been agreed and were being generally disseminated. The Social Charter issues might be expected to be under discussion in UK industrial relations circles at that time, and organisations might also be expected to be actively preparing for the Single Market and considering the implications for their employment and industrial relations policies at that *interim stage* on the road to the Single Market.

The 26 trade union and employers' organisations and companies visited for the fieldwork were selected to include those prominent in industrial relations in the UK, companies with European interests, and organisations from major sectors such as engineering, chemicals and finance which were also being covered by parallel German research. The organisations were thus essentially large employers and large trade unions (national representatives of the latter being interviewees rather than local officials). Such *large organisations* might be expected to be relatively advanced in their appreciation of EC issues, as compared with smaller and less prominent UK concerns for whom European Community matters might appear less immediately relevant. The broad conclusions which may be drawn from the UK fieldwork are thus based on the illustrative findings among this relatively advanced group of employer and trade union organisations.

While virtually all the companies and trade unions visited for the fieldwork were beginning to take account of and make preparations for the EC's Single Market, such *preparations* were at a notably *early stage* so far as employment, industrial relations and social policy issues were concerned. While many companies and some trade unions (especially those covering a particular sector or industry) had initiated often detailed examinations of the likely trade and competition consequences of the Single Market for their particular organisation or sector, similar examinations of the social consequences of the Single Market had only just begun. Indeed, the publication of the EC's Social Charter, with its indication of EC-level 'actions' to follow, was itself the trigger for setting up special committees or assigning special personnel to examine the social

consequences of the EC's Single Market in many of the organisations visited. This somewhat less advanced state of preparations for the social aspects of the Single Market than might have been expected from the large organisations covered by the fieldwork, perhaps reflects a somewhat insular approach to social policy issues among many UK employers and trade unions and a reluctance to consider potential outside influences in relation to recruitment, working conditions and bargaining issues unless and until such external factors are clearly on the horizon.

As noted throughout the report of the fieldwork findings, there was a *general awareness* among the company personnel and trade union representatives visited of the main subject areas on the EC's social agenda for the Single Market and of the broad content of the EC's Social Charter and its outline Action Programme. Those interviewed were generally well-informed about the issues included on the EC's social agenda, though less well-informed about the detail of any proposed EC-level action on these issues or its likely legal/enforceable status. Two areas of past and projected future EC-level action in the social field were, however, known about in more detail in most organisations – namely the areas of workplace health and safety and of equal treatment for male and female workers. These two areas had already been the subject of enforceable EC legislation which had had a practical impact on the policies and practices of many of the organisations visited in the UK. As such, these were not surprisingly areas where there was generally deemed to be a need to know about EC plans and proposals in some depth. In many of the organisations visited, specialist personnel had been assigned responsibility for health and safety and for equality issues, and it was these specialists who kept a watching brief on EC developments and who kept up to date with the detail of EC proposals in these areas rather than those with general policy responsibilities.

The fact that there was a general rather than a detailed knowledge of EC social policy plans among most of the managers, personnel officers and national trade union officials interviewed, inevitably meant that their views about possible areas of EC action were also coloured by *wider fears* (among employers) and *wider expectations* (among the trade unions) about how general EC principles in the social field might be built upon and developed by the EC bodies in the future. These fears/expectations tended to reflect the particular concerns of the parties themselves rather than any specific plans from the EC bodies about which, even where they had been formulated, the interviewees were generally not well-informed. For example in the pay field – where the EC bodies were merely seeking to set out general principles of fairness and equity, without introducing any binding legislative provisions or fixing any precise criteria for determining actual wage levels across the Community – employers' fears about the direct or indirect cost effects of any EC-wide wage standard, and the expectations of some unions that an enforceable EC standard would provide a useful safety-net for low-paid workers, were not in response to any specific EC proposal but rather a reflection of the preoccupations of those employers and trade unions. The fact that they were uninformed rather than misinformed about the likely content of EC action in this area enabled these (often mis-placed) fears and expectations to be maintained.

Where those employers and trade unions visited were directly responding to specific EC proposals for action in the social field, their responses were generally concerned

with the likely *short-term implications* of the EC measures for their own policies and practices. Both employers and trade unions were thinking short- rather than long-term about the EC's social agenda, particularly as many of them had only recently begun to direct their attentions to the social aspects of the Single Market. One consequence of both employers and trade unions coming relatively late to consideration of a social agenda for the Single Market, was that they were largely *reactive* (in the sense of reacting to an agenda proposed by the EC bodies) rather than proactive in this area. In notable contrast to the situation in West Germany at the time when the fieldwork was undertaken, where both employers and trade unions (sometimes jointly) were actively lobbying the EC bodies to adopt a wider, more specific social agenda, the UK unions and employers were largely responding to and accepting the EC's proposed social agenda. The UK unions, in particular, saw the EC's initiatives in the social field as providing a 'ready-made agenda' which had the potential to achieve goals which they also sought but could not hope to achieve otherwise in the existing UK political climate.

The responses of the UK employers and trade unions visited for the fieldwork to the various issues covered by the EC's Social Charter and its outline Action Programme were, to a large extent, *predictable* and to be expected given the strongly-held views about many employment and industrial relations issues among employers and trade unions in the UK. Employers in the United Kingdom had generally welcomed the UK's deregulatory climate of the 1980s and the shift away from collective rights and trade union influence. It was not surprising, therefore, that they viewed the EC's new social agenda, which they believed risked bringing in new regulations and bureaucratic systems and procedures, with caution and some concern. UK trade unions, on the other hand, had been looking for a restoration of their previous rights and influence and an agenda which could restore protections for their members which had been lost during the 1980s. The UK unions' broad welcome for the EC's new social agenda, which appeared to have the potential to achieve goals which the unions could not hope to attain in the existing UK political climate, was thus not surprising. Both legislative intervention (of the kind foreshadowed in parts of the EC's Social Charter Action Programme) and the European Community itself had been unwelcome to many UK trade unions in the recent past, but their conversion to legislative initiatives from such an external source was borne of pragmatism in an unfavourable home environment.

While *employers* generally reacted predictably, with caution and concern, to the EC's proposed new social agenda, there were some aspects of the new agenda which they regarded in a more *positive* light. For instance, they considered that the EC's proposal for all new employees to be entitled to written particulars of their terms of employment, and to know where they stood at the outset of their employment, was a 'reasonable' measure. Similarly, the employers considered that it was both appropriate and reasonable for the EC bodies to establish Community-wide standards in the important areas of health and safety and equality for male and female workers, though employers were concerned that such EC standards should be achievable and not unduly complex or rigid. Employers also welcomed EC measures to promote the interchangeability of vocational qualifications, as being potentially 'helpful' in removing unnecessary paper barriers to labour mobility within the Community, which was likely to be an important

element of recruitment strategies in the Single Market of the 1990s. While the trade unions viewed far more of the EC's proposed new social agenda in a positive light than the employers, the unions also viewed the EC's proposals regarding written particulars, health and safety, equal treatment, and comparability of qualifications as 'reasonable' and 'potentially beneficial' to their members. In these areas, therefore, there was only a *small gap* between the employers' and the trade unions' responses to the EC's proposals – with the unions essentially looking for the EC to go even further than its tabled proposals in these areas.

Although the *trade unions* generally reacted positively to the EC's new social proposals, they also had *reservations* in some areas. Such reservations were generally with regard to the 'limited scope' of proposals which did not go as far as the unions would have wished – for example, while the unions were happy with the EC's general anti-discrimination programme in relation to sex discrimination, they were disappointed that the programme was not extended to cover race discrimination too. Other union reservations about the EC's proposals centred on doubts about the effectiveness of new legislative provisions, such as those being enacted in the health and safety field, if standard enforcement mechanisms were not also introduced or required by the EC bodies. In one area, that of pay, some unions objected in principle to any future EC intervention. These unions (a minority of those visited) favoured a 'hands-off' approach to pay issues by the EC legislators. Their objections to any future setting of EC-wide wage standards were essentially based on the view that such EC measures could undermine free collective bargaining and the unions' own role of seeking to achieve the best possible pay and conditions for their members. These unions' objections in principle to EC intervention in the pay field paralleled employers' objections to EC intervention in this field – though employers' main concern here was to avoid extra cost burdens and maintain their own room for manoeuvre.

Although there were thus some areas where the employers and trade unions visited both viewed EC proposals or possible action areas in the same light, either positively or negatively, on many issues covered by the EC's Social Charter and its outline Action Programme there were sharp *divisions between the employers and the unions*. The possibility of EC working time measures, for example, provoked widely differing reactions from unions and employers, and especially strong criticisms from the latter. Employers argued that if EC regulations were introduced into this area, which was currently unregulated in the UK, they would be likely to bring rigidities into working arrangements which would hamper efficient business operations. The unions, by contrast, viewed any EC measures on maximum hours and overtime limits as 'useful' in protecting their members against abuse and exploitation, and as 'complementary' to the unions' own efforts in the working time field (which had recently been focused on securing basic working week reductions). Other areas in the EC's social agenda which provoked sharp divisions between the employers and trade unions included possible new EC-level requirements in relation to part-time workers – regarded by the unions as important safeguards to ensure that such workers were not excluded from the standard employment protections enjoyed by other workers, but seen by employers as likely to inhibit their flexibility to determine the labour requirements and conditions most suited to their particular circumstances. Perhaps the sharpest divisions of all between employers and trade unions in their responses to the EC's new social agenda were in

relation to proposed employee involvement and consultation mechanisms – regarded by most of the employers as unnecessary, costly and bureaucratic, and possibly opening the way for renewed union influence in the UK; but seen by the unions as offering them a new channel of influence for the 1990s and securing greater disclosure of company information for their members.

In considering the employer and trade union fieldwork responses overall, it may be concluded that while there was a predictable division of opinion between the two groups – with the unions broadly positive and the employers cautious and often negative about proposed EC social measures – the gap between these groups was smaller than might have been anticipated in some areas and there were even certain areas of agreement between the two groups. Where divisions between employers and trade unions were at their sharpest, this tended to reflect their differing concerns about the *balance of power* in the UK industrial relations field – the unions seeking to restore their lost influence, but the employers anxious to avoid any increased union influence and to maintain a deregulated, flexible industrial relations climate.

Overall, the fieldwork interviews indicated that the EC's new social agenda, as outlined in the Social Charter and its framework Action Programme, was beginning to *influence* the policies and plans of some major employers and trade unions in the UK. *Employers* were, for example, beginning to 'Europeanise' their graduate recruitment procedures, in anticipation of the new Single Market environment and the measures planned by the EC bodies to remove barriers to labour mobility within the Community. In the training field, some employers were also anticipating future needs in a European context, by conducting language audits to assess their existing language resources among employees and to identify where future training in language skills might be needed. EC influences on employers' bargaining policies and practices were less easy to pin-point. The level of bargaining at the companies visited had not been directly affected by EC developments. While the content of collective negotiations had also been largely unaffected by EC-level initiatives, employers were gearing themselves to have to respond to EC-inspired issues which they expected the trade unions to include in future bargaining demands. Some employers were already beginning to review the differing conditions applied in their own organisations in different parts of the EC, in order to be able to respond to new claims for comparability with other parts of the EC which they also expected from UK trade unions.

The UK *trade unions*, for their part, were already strengthening their links with other unions elsewhere in the EC, in order to gain more information about conditions in other countries on which to base future comparability claims. Against the background of EC plans to secure greater employee involvement and consultation mechanisms at European level, the UK unions were also examining the practicalities of securing joint arrangements with continental unions in particular companies, as a step on the road to their ultimate goal of European collective bargaining. More immediately, the unions in the UK were starting to make *direct use* of the EC's new social agenda, by citing the basic principles in the EC's Social Charter (in particular, basic principles regarding workers' rights to receive an equitable wage, and to enjoy information and consultation provision) as a form of 'moral back-up' for current bargaining demands.

The anticipation of EC-inspired bargaining issues by employers and early direct use of EC Social Charter provisions by trade unions, even though such provisions have no legal force and are at best a moral persuasion, perhaps indicate that by setting a *specific social agenda* the EC has already had an *impact* on forward planning among employers and trade unions in the UK – well before the enactment of any follow-up legislation.

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Notes

- 1 Community Charter of Fundamental Social Rights of Workers adopted by Heads of State and Government of 11 of the 12 EC countries (the UK declining to support adoption) in Strasbourg in December 1989 – *Social Europe* 3/90 (Brussels, EEC).
- 2 House of Commons, *Hansard*, 21 May 1990, col.122 ff.
- 3 *Employment Gazette*, September 1990, p.429; COM (90) 228, *EC Official Journal*, 13 August 1990.
- 4 This expectation of a continuing negative UK response was borne out in 1991, when the UK Government alone of the EC Member States refused to sign up to the Social Protocol to the new EC Political Union Treaty at the Maastricht Summit in December 1991.
- 5 See *Human Rights at the Workplace*, by Angela Byre: PSI 1988, pp. 122 ff.
- 6 See *Human Rights at the Workplace*, by Angela Byre: PSI 1988, pp. 238-9.
- 7 See *Human Rights at the Workplace*, by Angela Byre: PSI 1988, pp. 215-225.
- 8 See *Human Rights at the Workplace*, by Angela Byre: PSI 1988, pp 117-8.
- 9 See *Human Rights at the Workplace*, by Angela Byre: PSI 1988, pp 24ff.