

# Real labour market reform

**Andy Morton** on the needed renaissance of collective bargaining

## RECONSTRUCTION AFTER THE CRISIS: A MANIFESTO FOR COLLECTIVE BARGAINING

**K D Ewing and John Hendy QC** (Institute for Employment Rights and Class (joint publication), £10)

**E**wing and Hendy have been at the forefront of academic endeavours to advance the causes of trade unions and workers' rights for a long time. This pamphlet is not just important reading for trade unionists already convinced of its core message, but must also be burnt into the minds of a Labour Party policy community that has been ignorant of collective bargaining's strengths for nearly two decades. Ewing and Hendy's strong moral and factual case for a renaissance of collective bargaining in Britain is truly what *real* labour market reform looks like. It is time, as Ewing and Hendy demand, that Labour placed this at the heart of its labour market reform agenda. It probably won't—but the authors give two crucial reminders why it should. First, the fundamental role of unions in the Labour Party demands that collective bargaining be defended by it. Second, the positive relationship between strong collective bargaining and levels of equality in industrialised countries make clear the latter's influence on healthy societies.

Ewing and Hendy provide powerful moral and factual arguments of this sort in a well organised and readable manner. The pamphlet is split into two rough parts: an introductory section that places collective bargaining into an historical and cross-national comparative context and the second providing the details of the manifesto proper. But it is the cross-national comparative view that illustrates the importance of a relationship between law and collective bargaining. They point to impressive examples of strong collective bargaining regimes in Sweden and Germany, but in line with the realism they employ throughout it is made clear that implanting these examples of 'best practice' is not realistic. The nature of business interest formation and bargaining behaviour in these countries is very to the UK.

In the UK employers have been

particularly hostile to collective bargaining as the extent of industrial conflict bears witness. Ewing and Hendy propose far-reaching reforms of the legal framework as necessary for any successful re-emergence of collective bargaining institutions. Such legal reforms are one of two pillars that provide for the construction of the sectoral level bargaining (as opposed to the company or national level) that sits at the core of Ewing and Hendy's proposals. This sectoral bargaining model is certainly influenced by German and other examples, but Ewing and Hendy plot a tailored means of getting there that is sensitive to the British experience. The other pillar is the formation of a new Ministry of Labour, much like that in France and Germany, that will promote sectoral level bargaining and furnish the Arbitration and Conciliation Service (ACAS) with strong oversight powers.

### Serious proposals

These really are serious proposals, superbly articulated. But there are questions to the authors. To avoid these new institutional arrangements being subject to the whims of Conservative governments, isn't there a case for regional level sectoral bar-

gaining to be constructed first in those regions where unions are strongest? How will the Ministry of Labour also protect its mandate? These will likely require the substantial legal changes Ewing and Hendy prescribe, but the big question is how they can be shielded from the policy predilections of different governments. The Courts, as labour lawyers Ewing and Hendy are well aware, pose a similar question with their hostility to legal intervention in the labour market. Clearly the role to enhance union power through greater recognition rights and freedoms is a must in this equation.

The Manifesto is phrased in an open, realistic tone and not one of a snarling pseudo-Marxist that some might expect given the topic. This gives it the chance to influence a larger group of people and lets the detail and weight of its proposals carry its radical core message.

The manifesto provides an excellent basis for a broader campaign. Its IER and Class think tank sponsors can form the building blocks for this and allied with trade union and left groups can reinsert a debate of collective bargaining into Labour politics.

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