National Key Centre in Industrial Relations
Monash University
Level 8, 30 Collins Street
Melbourne Vic 3000
Tel (03) 9903 8700 Fax (03) 9903 8710
http://www.buseco.monash.edu.au/Centres/NKCIR

The Depoliticisation of the State and the Implications for Trade Unionism: Recent Developments in the United Kingdom

Peter Fairbrother

WORKING PAPER NO. 61

Melbourne, August 1998
ISSN 1320 5757

THE DEPOLITICISATION OF THE STATE AND THE IMPLICATIONS FOR TRADE UNIONISM: RECENT DEVELOPMENTS IN THE UNITED KINGDOM*

A common feature of economic restructuring over the last two decades has been the reorganisation of the state. In the United Kingdom, from the 1980s onwards, this took the form of a major reorganisation of the public sector, with the reconfiguration of the management and labour relations and the emergence of a 'new' managerialism in the public sector. Whilst there are arguments that a 'new' public management is in the process of developing these arguments are generally presented in a decontextualised way, without reference to government strategy and with scant reference to labour. In contrast, the argument is presented that managerial relations in the public sector so that the government is removed from direct responsibility for labour management relations, an aspect of the depoliticisation of these relations. In the process of this restructuring, state sector unions face a set of challenges which both threaten and open up opportunities for them. The question faced by unions is how to respond to these developments.

Since 1980, the British state as an employer has changed in complex and contradictory ways. In the context of increasing difficulties with private capital accumulation, growing trade union militancy in the state sector and a shift in government ideology, governments began to impose more stringent financial regimes on state services and to re-structure the control of the work process. The result, in key areas of the state administration, was a qualification of the bureaucratised relations of the past, with their layered relations of responsibility and attenuated lines of seniority. One strategy of change involved the recomposition of managerial and worker relations, within a neo-liberal framework, through the establishment of marketised state labour processes. This was a complicated

* Paper presented to the 14th World Congress of Sociology; Montreal, Canada; July 26 - August 1, 1998.

process, involving both routinised administrative workers as well as professionals, who have some degree of autonomy and discretion in their course of their work and employment. The class composition was reconfigured, so that a stratum of the public service was defined as 'management' and the remainder as state workers.

A second strategy involved both the reconfiguration of management structures and privatisation, redefining the boundaries and organisation of the state apparatus. Moving beyond definitions of privatisation where the emphasis is on ownership and the transfer of assets from the public sector to the private sector, a range of public sector functions have been externalised and out-sourced. The result is a permeable set of relations defining the public sector, where there is a mix of responsibility between public sector enterprises and the private sector for the provision of public sector functions. In addition, there is the further complication that sections of the public sector have entered into market relations with each other, for the provision of public sector goods and services.

The reconfiguration of the state apparatus aimed, in part, to undermine the basis of collective organisation, thereby weakening trade union influence within the state. During the 1970s and the 1980s the public sector unions had emerged as potentially powerful and influential groupings, reflected in the patterning of major disputes, which, almost without exception, occurred in the public rather than the private sector. In view of this one of the intentions of the Governments during this period was to undermine and marginalise unions in this sector. One strand to this approach was the successive legislation during the 1980s and into the 1990s aimed at restricting the activity of unions as well as re-laying the organisational basis of unions, via rules relating to union elections, and other arrangements. A second strand was to create public sector enterprises where managerialism prevailed and union influence was minimised.

The focus of the paper is on developments in the British central and local state, drawing on research conducted over the last seven years in these two sectors (funded by the ESRC: Award No. R000232006 and H52427504495). In these areas, the state has been dramatically restructured over the last two decades. Although

part of a wider pattern of reshaping the state, including the privatisation of large sections of the public sector, the developments within the central and local state highlight the restructuring of labour-management relations and their impact on state sector trade unionism. On the one hand, union leaderships face difficulties adjusting and addressing the changed circumstances in which their members find themselves; on the other, union memberships and their leaderships, particularly at a local level, have begun to explore ways of reinvigorating and renewing their unionism (Fairbrother, 1996). While such developments are part of a broader based review of unionism in the country (e.g. Trades Union Congress, 1989 and 1997), there are distinctive patterns in the public sector.

The Depoliticisation of the Public Sector

In the 1970s and 1980s, capitalist states faced a twin set of crises, covering the economy and politics. On the one hand, states faced problems involving balance of payment difficulties, inflationary pressures, expanding public sector debt and exchange instability. For many these developments comprised the elements of an economic crisis, which governments were forced to address during this period. On the other hand, this was not only an 'economic crisis' but a political crisis' in which direct government involvement in settling the 'economic crisis' can develop into a questioning of political authority. One solution to this prospect was for governments to distance themselves from the formulation and implementation of economic policy through a process of depoliticisation (Clarke, 1990: 27; Bonefeld, Brown and Burnham, 1995: 3). By depoliticisation is meant the disengagement of the state politically from the economy, defining the problem of inflation as a technical economic question, as if it is not associated with the structuring of class relations. Similarly, the transfer of direct responsibility for interest rate settlement form the treasury to a semi-autonomous reserve bank is part of a process of depoliticising 'economic policy formation' (Clarke, 1990: 27). Thus, there are strong pressures on policy-makers to attempt to create the conditions for a disengagement of the state from key aspects of state policy formulation and implementation (Bonefeld, Brown, Burnham, 1995: 3 - 4).

Whilst there is an emerging debate about the interlinkages between political legitimacy and economic policy (Goldthorpe, 1978: 209; Clarke, 1990: 27; Bonefeld, Brown and Burnham, 1995:3), there has been little comment about state management and labour relations within the context of depoliticisation. Rather debate about state management has focused on the reorganisation of the public sector and the emergence of what has been labelled a New Public Management (NPM). The NPM has been variously defined, in three key ways. First, the NPM was defined as the importation of models of private sector management into the public sector, involving financial responsibilities, managerial control and hierarchy, a deregulation of the public sector labour market and the advent of forms of corporate governance. As Ferlie et al (1996) note, this was a model which failed to recognise the distinctive features of public sector organisation (p. 10 - 12). Second, the model was further developed with an argument that the public sector had become a type of Fordist organisation, characterised by hierarchy, impersonal rules and regulations, a bureaucratised enterprise (Hoggett, 1991; Clegg, 1990). In the context of the 1980s, and the adherence to post-Fordist ideas, the public sector, like large private sector organisation, introduced quasi market relations, flatter organisational structures, contract management and a fragmentation of public sector organisation. Third, against these arguments that there has been a major break with past forms of 'public administration' (Dunleavy and Hood, 1994) , Ferlie and colleagues (1996) argue that a distinct public service model remains in existence, reflecting both an adaptation of private sector practices and the retention of distinctive public sector practices and values (Osborne and Gaebler, 1992).

The distinctiveness of the NPM debate is that it is decontextualised in two respects. First, examinations of NPM have usually taken place within a public sector organisational framework and not as a feature and focus of state restructuring. As the depoliticisation of the state on economic policy has proceeded, the state apparatus has been reorganised as part of this process of change. In this respect, the state apparatus has been reorgsanised. Second, and related, the reorganisation of the state apparatus is a complicated process involving management-labour relations. A limitation of the NPM debates is that while management, as a reconstituted stratum of the state apparatus, has been centre-stage of enquiry, little

attention has been given to labour and the ways in which labour management relations define the processes of change taking place.

The counter-argument is that there has been a reconfiguration of state institutions with a recomposition of managerial hierarchies and the creation of 'managerial' states as governments sought to reposition the state in relation to an increasingly internationalised economy (Bonefeld, Brown and Burnham, 1995; Picciotto, 1991). Such developments are part of the process of depoliticising labour-management relations, taking responsibility for the operational activity of state bodies away from direct government involvement and placing it in the hands of state managers. These reforms have been defined and premised on the assumption that the construction of 'managerial' grades is a condition for an 'effective and efficient' public service, and the means of doing this is to subject state functions to market relations and the monetarisation of these relations (Pollitt, 1990; Hoggett, 1994; Carter, 1997). In this way, the reforms are presented as operational and technical, features of a modernised managerial public sector (Bonefeld, Brown, Burnham, 1995: 3-5). So, this is a process of disengagement where the state no longer has an immediate and direct involvement with labour-management relations in these sectors. This disengagement in effect replaces direct state direction and control over enterprises and functions with a more distanced and disembodied form or regulation, via financial control and restriction (Pollitt, 1990).

Historically, the modern state apparatus was constructed during the nineteenth century as a bureaucratised set of institutions where policy-makers could rely on a neutral generalist administrative staff to implement state policy in what was defined as an impartial way, irrespective of the government in office. While there was always an underside to these arrangements, where administrative staff, particularly at the senior levels and in the policy-making areas, were socially and politically conservative, these state functionaries worked with successive governments in co-operative and supportive ways, if not of specific policy, then in the maintenance of the established and routinised procedures. There was an opaqueness to management-labour relations in these centralised and hierarchical arrangements. The internal organisation of the state apparatus was layered and rule bound. Under

the Whitley procedures of interest representation, an elaborate set of procedures were established to ensure the orderly and consensual settlement of grievances, as well as the representation of the interests of different sections of the state hierarchy. These consensual relationships were also affirmed by the privileging core sections of state workers, via security of employment, pension entitlements, and reasonably high status. The result was a relatively cohesive set of relations, where governments set the terms and conditions of employment, in formalised and administrative ways, but where there was the appearance of a unified and co-operative management and workforce.

During the 1970s these established arrangements began to break down. As policy-makers began to face up to the increasing problems of capital accumulation, there were attempts to impose wage restraint via formal agreements with unions, paradoxically underwriting the increased relevance of trade unionism to state workers. The result was increased union militancy by state workers during the 1970s, based on periodic membership mobilisation. For union leaderships this meant a direct engagement with state policy, questioning the successive incomes policies during this period, which impacted disproportionately on the public sector. One feature of this period was that union leaderships began to question state policy directly, on incomes policies, and on other state policies concerned with the provision of state services and provisions. For the governments of the period, the dilemma was how to implement state policies on state services as well as on incomes policies without creating the conditions for direct challenges from an increasingly active state sector unions.

Faced with a restless state workforce and committed to economic deregulation, successive governments in the 1980s sought to redefine their relationship with the state apparatus and place the responsibility for the control and organisation of the state workforce on a newly defined state management. Internal relations were reconstructed and presented in technical terms in order to distance governments from the implications of restructuring, while shifting responsibility for more direct control over the state labour force from government ministers to internal management. The outcome was a paradoxical depoliticisation of the state

apparatus. On the one hand, direct government engagement in management and labour relations in the state sector was minimised; on the other hand, the opaqueness of the traditional managerial relations in the state sector was stripped away as the reconfiguration of managerial hierarchies proceeded.

The emergent managerial state has three features to it. First, this is a 'managerial' state where policies are presented in a 'depoliticised' way, as technical or non-political solutions, such as the provision of health care; the organisation of education; the provision of state benefits; or the implementation of economic policies, relating to balance of payments problems, trade imbalances, low productivity levels. Second, there has been a reconfiguration of managerial hierarchies within the state, with the result that the relations between management and labour have been recast away from the impersonal rule-bound management of the past so that direct parliamentary control of labour relations becomes a thing of the past. Third, and related, there has been an individualisation of work and employment relations, with the elaboration of more flexible forms of working and labour markets in the state sector.

Recent History

The reforms within the public sector were top down, recasting the forms of control and organisation in these sectors. During the 1980s, successive conservative governments transformed the state sector from a centralised and layered set of institutions, characterised by standardised conditions of work and employment, to managerial and commercialised employers. The outcome was a restructured labour process and a change in the dominant mode of control of labour in these sectors. Class relations at the point of production were recomposed, so that a differentiation between a middle class and a working class became more apparent (Carter and Fairbrother, 1995).

The primary focus for this rearticulation of class relations was the recomposition of the labour process with the explicit definition of a 'frontier of control' between a 'new' stratum of managers and a proletarianised workforce, comprised of both the manual

and lower strata of the non-managerial non-manual workforce. In this respect, the 'frontier of control' was made more explicit and public. With increasing problems of private capital accumulation, developing trade union militancy and a shift in government ideology, governments since 1979 sought to impose a sharper financial regime on state services and re-structure the control of the work process. State structures were fragmented, so that the unities of the past no longer applied. The responsibilities of middle and junior managers have been recast to enforce the acceptance of responsibility and accountability. From relatively anonymous positions within extended administratively controlled hierarchies, managers became highly visible and identifiable actors involved less in a collective labour process and more in the control and supervision of the work of others.

Central State

The British central state has been fragmented and managerial hierarchies recomposed. The first phase of these reforms occurred in the early 1980s, with the *Financial Management Initiative* aimed at giving devolved managements more discretion and responsibility, particularly over budgetary and operational matters (*Efficiency and Effectiveness in the Civil Service*, 1982). These were relatively limited reforms in that they did not address the structural organisation of the civil service; they were an internal reorganisation of a bureaucratised employment structure.

These reforms were followed by an institutional reorganisation of the civil service from 1988 onwards, known as *Next Steps*, establishing a series of semi-autonomous management units, or Agencies (Jenkins *et al.*, 1987). This second phase of reform began the reorganisation of the civil service as a series of *de facto* business units or organisation, with their own managements, recruitment policies and terms and conditions of employment. By 1996, nearly three quarters of the permanent employees in the civil service worked in Agencies, subject to their own management hierarchies, with responsibility for establishing distinctive terms and conditions of employment. There were 102 Agencies (and two Departments operating on Next Step lines) covering more than 350,126 permanent employees, 71 per cent of the civil service workforce (Civil Service Statistics 1996).

From a relatively anonymous position within an extended administratively controlled hierarchy, state managers were transformed into highly visible and identifiable actors involved less and less in a collective labour process and more and more in the control and supervision of the work of others. This signified the ending of the characteristic civil service, comprising standardised work and employment conditions within centralised and hierarchical structures. These were the first stages in the creation of commercialised employment structures, within which there was a more highly visible state middle class, and working class.

Local State

Paralleling the changes in central government, there has been a long-term move by central governments to extend their control over the organisation and administration of local government since the 1960s onwards. This centralisation of control, particularly over finances was accompanied by a shift in the forms of control within local government administrations, from administrative modes of organisation to more managerialist-based approaches to control. There have been both moves to decentralise the provision of services as well as to reorganise the local state in the form of business units, often occurring within the same local authority and irrespective of the political group in control. Local state work was organised on the basis of managerially accountable departments, organised along functional lines. In many authorities this was accompanied by decentralised service provision, with some of the functions in over 60% of all local authorities organised in this way by the mid-1990s (Miller, 1996: 62). Additionally, there has been a widespread introduction of externalisation and out-sourcing, much of it driven by central government ruling.

Contracting-out was a key policy mechanism in the re-regulation of labour in this sector, initially impacting disproportionately on manual workers, and then extended to non-manual groups. In 1979, local government authorities were encouraged to consider contracting-out arrangements for sections of their workforce, particularly cleaning and refuse collection (Whitfield, 1992). The formal stage of contracting out began with the passage of the Local Government Planning and Land Act in 1980, which introduced compulsory competitive tendering (CCT) into local government housing maintenance and road construction/maintenance (Foster 1993: 50).

Throughout the 1980s these arrangements were extended and elaborated, by legislation and government/administrative rulings. By the mid-1990s, contracting-out, and the associated arrangements of externalisation and out-sourcing had become a predominant feature of the local state

The impact of these changes has varied according to occupational level. For manual workers, the early changes were accompanied by new attempts to regulate and control the organisation of work, through a further range of measures such as work study and job evaluation. This was followed by the fragmentation of the local state on business unit lines, the decentralisation of line managements, and the introduction of managerial approaches associated with consultation, rather than negotiation (Kessler, 1991). Overall, the result has been a radically restructured local state.

Public Sector Restructuring

The marketisation of central and local state administrations has had a diverse impact. This marketisation (restructuring by exposure to the market, either directly through competition and privatisation or indirectly through the process of market-testing and related activities) has led to a reconfiguration of class relations within the state, with implications for labour representation and collective state worker activity.

The form and pattern of restructuring in the public sector involved the redefinition of managerial hierarchies to more devolved and decentralised levels. The result is that in the central and local state restructuring has resulted in a devolution of managerial responsibility to more local levels, covering issues such as hiring and firing, deployment of labour, the allocation of work loads, and the award of pay related bonuses and benefits. It is in these contexts that managers have sought, with few exceptions, to either incorporate the local union leaderships into this patterning of change or to define managerial prerogative in such ways that worker collective organisation is made irrelevant.

More generally, it can be noted that over time senior management in each sector began to recompose managerial hierarchies in distinctive ways, usually with

negative consequences for the forms of labour representation in these areas. Business unit forms of organisation have become relatively common. Added to this, there have been major changes in the organisation and operation of local government, partly as a result of legislative initiatives and partly as particular local government authorities put their own stamp on these developments (e.g. McIntosh and Broderick, 1995; Miller, 1996: 118-134). One result is that the past bases for collective organisation and work relations have been qualified.

Labour Representation

The depoliticisation of the public sector has had a major impact on state trade unionism, shifting the terrain and circumstances of collective organisation in notable ways. In the 1970s, the form of unionism that developed was one that was geared to address these macro-economistic issues, not one rooted in the workplace, concerned with the complex of relations between workers and managers. With the reconfiguration of managerial hierarchies in the state sector, unions faced the end of direct political engagement with governments over state policy and the advent of more direct bargaining with state managements. For state sector unions, this posed a major challenge in the ways they organised and operated.

Trade unions carry with them their own histories, their own traditions and face up to particular sets of relations in different sectors and regions, according to the occupational composition of their memberships (Martin, Sunley, and Wills, 1996). With restructuring and the shifting relations between labour and capital there is no longer one fixed pattern of organisation and activity. It is possible that some trade union memberships will simply disappear or wither in the face of the uncertainties of work and employment. Others will reconstitute themselves and begin to organise in the light of these changing circumstances and conditions. The question is what are the conditions for a process of union renewal, where the form and constitution of unionism is re-examined and occasionally reconfigured (Fairbrother, 1996)?

The coercive social relations of the capitalist labour process provide the crucial terrain of collective organisation and class struggle, organised as a labour process at the immediate point of production (Braverman, 1974; Elger, 1979). The collective character of the labour process, involving both co-operation between workers and co-ordination of the tasks of labour, provides the material basis for both collective organisation, in the form of trade unions, as well as resistance, through trade union activity. It is this struggle, between workers and managers, over employment conditions, the circumstances of work, the relations between manager and worker, individually and collectively, that constitutes the detail of the social relations of the labour process.

There are long traditions of union organisation in central and local government, usually characterised by relatively high levels of union density. The reorganisation of the 1980s and 1990s and the recomposition of management-labour relations occurred against the backdrop of increasingly restive trade unions in the 1970s. These unions emerged out of highly centralised and consensual bargaining structures which had promoted the creation of administratively controlled state institutions organised on the basis of standardised terms and conditions of employment. With deteriorating terms and conditions of employment, relative to equivalent workers in the private sector, central and local state unionists began to question government policy, particularly on wages. In the late 1970s and into the 1980s, these unions embraced a form of economic militancy which created problems for governments concerned to maintain control over income levels.

Central State

The civil service unions, and especially the two largest unions, the Civil and Public Services Association (CPSA) and the then Society of Civil and Public Servants (SCPS), covering the main administrative grades, began to organise in more active ways towards the end of the 1970s. They pursued their concerns via more assertive bargaining at a national level as well as by mobilising their previously quiescent memberships in a series of national campaigns, occasionally leading to stoppages. The result was an increased scepticism about past bargaining arrangements. Union leaderships were over-confident and initially did not see a major problem with the

election of a Conservative administration. It was only with the defeat of a joint union strike and campaign lasting five and a half months over a wage claim in 1981 that this confidence was shaken.

What is notable about the unionism of the late 1970s is that there was no clear indication of class differences at the level of the workplace. As a result, it was not unusual for the so-called office management staff to identify with and support union struggles. While many of these individuals may have had concerns about promotion and favour, they were senior officers located in a broadly consensual set of work and employment relations and although in management positions did not see themselves as managers qua managers. This changed in the 1980s, when these grades were seen as part of the problem since they seemed unwilling or unable to implement a centralised restructuring of the state sector. With the reconstitution of class relations in the workplace, divisions began to appear, as many managers pursued anti-union policies although formally remaining union members.

Union leaderships, both locally and nationally, responded to these developments by pursuing two opposed strategies of union renewal. On the one hand, the devolution of managerial authority, aimed at qualifying the basis of centralised operational control, laid the foundation for more active forms of unionism in workplaces. Local union leaderships responded by reinforcing the basis of local forms of unionism, albeit within the parameters of national union policies and organisation (Fairbrother, 1994). As a result, it appeared that union leaderships might turn their backs on the past centralised forms of unionism, characteristic of the civil service. On the other hand, national union leaderships, and the political groupings, both right and left, were heavily committed to these long-established centralised practices moved to reinforce centrally-based forms of organisation. One response was to begin a slow process of union merger (between the middle grade administration SCPS and the largely manual-based Civil Service Union in 1988, and between the new union and the Inland Revenue Staff Federation in 1996), so as to be in a position to represent members' interests in these divergent Agencies. The CPSA and the successor to the SCPS finalised merger arrangements in 1997, due to come into effect in January 1998. These mergers provided the opportunity to reinforce centrally-based

leadership structures rather than to develop locally-based forms of organisation. Thus, these developments brought the question of union form and union renewal back into the centre of debates about trade unionism (Fairbrother, 1996).

Local State

An equally complicated union pattern existed in the local state, where two main unions organised, National Union of Public Employees (NUPE) covering manual local government workers and the National Association of Local Government Officers (NALGO). These two unions organised in very different ways, with NUPE a full-time officer led union, although based on an embryonic steward structure established in the mid-1970s, and NALGO a lay-led union, with large financially-strong branches. The impact of the restructuring was experienced very differently with NUPE memberships subject to CCT and suffering the consequences of this during the 1980s. In 1993 the union merged (with the Confederation of Health Service Employees) to form UNISON, with over 1.25 million members.

The situation faced by these unions, was one that involved extensive change in the scope of bargaining and the types of changes that have been implemented, particularly towards department/division/business unit bargaining. While this type of bargaining is now relatively long standing in the main areas of representation, such as social services and related areas, branch memberships have taken a long time to adjust to these new circumstances. The difficulties are two-fold. First, while centralised bargaining and representation no longer apply at a local authority level, unions have responded differentially to these developments. The NALGO leadership has long had a tradition of centralised lay representation at a local authority level which was able to adapt to the new situation, while the NUPE membership, bearing the brunt of the changes in the initial stages, and over-reliant on regional full-time officials, often found themselves in exposed and vulnerable positions. Second, the out-sourcing and externalisation of functions in the local state was accompanied by multi -employer bargaining, which placed further pressure on these union memberships. Having no tradition of multi-employer bargaining, both unions were ill-equipped to address this new circumstance, particularly when dealing with private sector employers or more aggressive local state managers.

The outcome is a diverse and uneven pattern of union representation and organisation in the local state. Faced with externalisation and contracting-out arrangements, branches have faced problems with membership recruitment and retention. As former local authority employees begin to face new, often hostile and indifferent employers, the past patterns of union representation and organisation are questioned, with increased reluctance to continue union membership. While the UNISON branches have attempted to work out approaches to these questions these have not proved to be very effective in most cases. These difficulties are added to with problems relating to cross-representation. In smaller branches (less than 2,000 members) union leaderships frequently face situations where the local authority has refused to grant facility time and resourcing for trade union activity with other outside employers. This further compounds the difficulties of maintaining and developing the basis of union representation and organisation in these areas.

Renewal or Rigor Mortis

The process of restructuring and contracting-out/externalisation in the central and local state had marked consequences for labour representation. The paradox of this restructuring was that it provided the occasion for a major reconstitution of industrial relations, which both threatened unions as well as stimulating diverse and seemingly *ad hoc* patterns of union renewal (on the patterns of renewal see Fairbrother, 1996; for a qualifying critique see Colling, 1995).

These developments raise acute questions for trade unions where historically the focus has been on national bargaining arrangements, standardised and uniform terms and conditions of employment, despite the variations in occupational experience. As these conditions are qualified and questioned, with the move towards more devolved forms of bargaining, local union memberships are finding themselves in positions where they either address these new circumstances or become by-standers to the changes that are in the process of taking place (McIntosh and Broderick, 1995). In a more complicated way, what appears to be happening is that a variegated pattern of negotiations is emerging in the public

sector, ranging from a continuation of the long-standing individual consultation that has marked these sectors to more assertive forms of negotiation.

Patterns of Negotiation

The continuity of consultative relations takes place in two forms. The first form of interaction involved the long-standing processes of individual consultation, whereby trade union leaders, usually the branch secretary, either raised issues with management or responded to requests from management. The success of this approach, as far as the union membership was concerned, was dependent on the abilities of the union representatives to obtain agreement from the management. With the moves towards more devolved forms of bargaining a wider range of representatives began to raise issues with relevant management on behalf of the membership. Although there was an unevenness in the extent to which this took place some of the representatives began to conform more to the image of a workplace steward rather than as union representatives with little bargaining role.

A second form of interaction, again of relatively long-standing, took place via established consultation procedures, known as the Whitley system. The conduct of these committees had changed over the years, from committees which were about consultation to committees where *de facto* negotiations took place. In many respects, this form of interaction was a development on the Whitley-style arrangements long evident in these sectors and signified a move towards more assertive forms of interaction. To the extent that this is happening then a 'new' form of unionism may be in the process of emerging, one that is in the process of both relocating the locus of unionism to a localised level, establishing local forms of representation as well as opening up a wider range of issues with local managements than has been the case previously.

Patterns of Change

There are, however, different patterns of change at work. In the case of the civil service unions there has been a qualified continuity of past forms of union organisation and activity. With the fragmentation of the civil service, into Agencies, accompanied by a devolution of managerial responsibilities, union strategies have

centred on ways of ensuring uniform and united forms of action across union branches within each Agency. The result has been that union organisation and activity within branches, usually based on one or a few workplaces in a locality, has been seen as secondary and subordinate to the national leaderships (covering each managerial function) of the unions. Thus, despite the refocussing of managerial hierarchies, there has been a reluctance to encourage semi-autonomous branch activity. The result is that moves towards more decentralised forms of union organisation, where local leaderships have the authority and the inclination to develop the base of collective organisation and activity in the light of the particular circumstances of the membership, is in fact limited, even hindered. The development of more involved and activist forms of unionism in branches has been restricted and uneven because of the continued emphasis on centralised authority and leadership.

In contrast, there has been a much greater diversity of response to the restructuring that has taken place in the local state. Here there are long traditions of semi-autonomous forms of organisation, particularly amongst the non-manual sections of the union memberships. The outcome is that there is a range of response, depending upon the depth of local activism in branches, the degree to which active representative structures have been built up within branches, and the resources available to branch memberships to pursue union activity. For this reason some branch memberships have been able to meet the challenge of state restructuring by strengthening participative and activist forms of unionism while others have either fallen into inactivity and in some cases decline (Fairbrother, 1996 and Colling, 1995).

Overall, it appears that there is now little room for the grey area of union organisation, where limited union activity can be sustained by active full-time officer support, either at provincial or national levels. The scale of support required is now beyond what most unions could realistically achieve or aspire to realise. It is in this respect that there may be a move towards a more comprehensive and multi-faceted process of local bargaining and negotiation. But, it also may be that union memberships are becoming more fragmented with marked divisions between those that organise effectively and in a semi-autonomous way and those which are merely

a facade of organisation and action (Colling, 1995 and Fairbrother, 1996). While these trends have been evident for some time, at least to the participants, unions organised in traditional ways, and reliant on full-time officials or a layer of lay activists, now face difficulties in developing models of unionism which permit adequate responses to this restructuring.

An Assessment

The process of depoliticisation created a space for unions to explore alternative ways of organising and operating. This restructuring presented the centralised unions in the public sector with a major test. While these union may have been hesitant in responding to the uncertainty of these developments, by and large they were able to maintain a presence within the emerging managerial structures. In the course of this engagement these unions began to test the boundaries of past forms of organisation, tentatively and in isolated instances. They have reorganised so as to address what they saw as the changing circumstances of labour representation in these areas of employment. This, in turn, raises questions about the forms of unionism most appropriate to meet the uncertainties of state restructuring. In this respect, the debates about union renewal raise major questions about the factionalism, the debates, the power blocs within unions, and the way there is a permanent tension within the union form of organisation between pressure towards centralisation and those towards participation.

Put starkly, in the central and local state union memberships face a choice between maintaining centralised, nationally-focused forms of unionism or moving towards the development of more localised and participative forms of union organisation and operation. In the case of the civil service unions, the traditions of centralised forms of union organisation proved too difficult to reject or indeed qualify in any marked sense; union hierarchies were maintained so that the hesitant steps towards a renewal were halted. However, unions organising in the local state both had a tradition of more localised forms of organisation to draw on as well as facing a more comprehensive dismantling of managerial hierarchies and the fragmentation of

managerial structures. The result was an uneven and seemingly *ad hoc* process of union renewal in some cases and the decline and demobilisation of collective organisation in others. Of course, there will be those who bemoan the apparent absence of a 'strategic centralization' of union leadership in the local state (McIlroy, 1997: 105; Heery, 1998). Such commentators fail to recognise the tentative and contingent struggles about unionism that are taking place both within and in relation to the state restructuring that is occurring.

Thus, in practice the choices facing unions in the state sector are complicated and often contradictory. The question of union form in these circumstances raises important issues about patterns of organisation, relations between members and leadership groupings, the politics of unionism, and the nature of the problems faced by workers as state restructuring proceeds. Of course, the answers to these questions are not made in circumstances chosen by these memberships; nevertheless, as indicated, it is possible to broach the boundaries of established forms of union organisation and operation. The outcome is a diverse patterning of trade unionism, depending on the traditions, relationships and practices within these unions. At the centre of these considerations are assessments about the forms of unionism most appropriate to address the questions raised by state restructuring. For these state workers and their unions, decisive choices about the future are now being made.

References

Ascher, K. (1987) *The Politics of Privatisation: Contracting Out Public Services* Macmillan, Basingstoke.

Bonefeld, W., Brown, A., Burnham, P. (1995) *A Major Crisis? The Politics of Economic Policy in Britain in the 1990s* Dartmouth, Aldershot.

Braverman, H. (1974) *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century* Monthly Review Press, New York.

Carter, B. (1997) 'Restructuring State Employment: Labour and Non-Labour in the Capitalist State', *Capital & Class* 63 (Autumn), 65 - 85.

Carter, B. and Fairbrother, P. (1995) 'The Remaking of the Sate Middle Class', in T. Cutler and M. Savage (eds.) *The New Middle Class.* London: University College London Press.

Civil Service Statistics 1996 Government Statistical Service, London.

Clare, S. (1990) 'Crisis of Socialism or Crisis of the State', *Capital & Class* 42 (Winter), 19 - 29.

Colling, T. (1995) 'Renewal or Rigor Mortis?', *Industrial Relations Journal* 26 (2), 134 - 145.

Efficiency and Effectiveness in the Civil Service: Government Observations on the Third Report from the Treasury and Civil Service Committee, Session 1981-82, HC 236 (1982) Cmnd. 8616, HMSO, London.

Elger, T. (1979) 'Valorisation and Deskilling: A Critique of Braverman', *Capital & Class* 7 (Spring), 58 - 99.

Fairbrother, P. (1994) *Politics and the State as Employer* Mansell, London.

Fairbrother, P. (1996) 'Workplace Trade Unionism in the State Sector', in P. Ackers, C. Smith, P. Smith (eds.) *The New Workplace and Trade Unionism* Routledge, London, 110 - 148.

Foster, D. (1993) 'Industrial Relations in Local Government: the impact of privatization', *Political Quarterly*, 64 (1), 49 - 59.

Goldthorpe, J. (1978) 'The Current Inflation: Towards a Sociological Account', in Hirsch, F. and Goldthhorpe, J. (eds.) *The Political Economy of Inflation*, Martin Robertson, London.

Gray, A. and Jenkins, W. (1985) *Administrative Politics in British Government* Wheatsheaf, Hemel Hempstead.

Heery, E. (1998) 'Campaigning for Part-Time Workers', *Work, Employment & Society*, 12 (2), xx - xx.

Hoggett, P. (1994) 'The Politics of the Modernisation of the UK Welfare State' in R. Burrows and B. Loader (eds.) *Towards a Post-Fordist Welfare State* Routledge, London, 38 - 48.

Holloway, J. (1991) 'The State and Everyday Struggle', in S. Clarke (ed.) *The State Debate*, Macmillan, Basingstoke, 225 - 259.

Jenkins, K. Caines, K. and Jackson, A. (1988) *Improving Management in Government: The Next Steps,* (the Ibbs Report) HMSO, London.

Kessler, I. (1991) 'Workplace Industrial Relations in Local Government', *Employee Relations*, 13 (2), 1 - 31.

Martin, R. Sunley, P. Wills, J. (1996) *Union Retreat and the Regions: The Shrinking Landscape of Organised Labour* Jessica Kingsley with Regional Studies Association, London.

McIlroy, J. (1997) 'Still Under Siege: British Trade Unions at the Turn of the Century', *Historical Studies in Industrial Relations* 3 (March), 93 - 122.

McIntosh, I. and Broderick, J. (1996). '"Neither One Thing Nor The Other": Compulsory Competitive Tendering and SouthBurgh Cleansing Services' *Work, Employment & Society* 10 (3), 413 - 430.

Miller, C. (1996). *Public Service Trade Unionism and Radical Politics,* Dartmouth, Aldershot.

Osborne, D. and Gaebler, T. (1992) *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector,* Reading, Mass: Addison-Wesley.

Picciotto, S. (1991) 'The Internationalisation of Capital and the International State System', in S. Clarke (ed.) *The State Debate,* Macmillan, Basingstoke, 214 - 224.

Pollitt, C. (1990) *Managerialism and the Public services: The Anglo-American Experience,* Blackwell, Oxford.

Trades Union Congress (1989) *Organising For The 1990s: The Special Review Body's Second Report,* Trades Union Congress, London.

Trades Union Congress (1997) *New Unionism Organising For Growth,* Trades Union Congress, London.

Whitfield, D. (1992) *The Welfare State: Privatisation, Deregulation, Commercialization of the Public Services: Alternative Strategies for the 1990s,* Pluto Press, London.

NATIONAL KEY CENTRE IN INDUSTRIAL RELATIONS

The National Key Centre in Industrial Relations was established at Monash University in 1989, with core funding provided by the Commonwealth Government.

The Key Centre aims to:

* offer a quality graduate studies program in industrial and employee relations with a strong emphasis on current issues facing practitioners at the workplace;

* conduct research on industrial relations, particularly aspects of workplace industrial relations such as enterprise bargaining and best practice; and

* provide advice and assistance to industry on a fee-for-service basis, utilising the expertise of the Centre's full-time staff.

The Centre has undertaken a wide range of important research and consulting projects. These projects have included leading-edge research in the fields of award restructuring, remuneration, enterprise bargaining, benchmarking, the family and work, training and best practice. The findings of these studies are incorporated into the teaching program.

National Key Centre in Industrial Relations
Monash University, City Campus
8th Floor
30 Collins Street
Melbourne, Victoria 3000
AUSTRALIA

FAX: +61 3 9903 8710
TEL: +61 3 9903 8700

http://www.buseco.monash.edu.au/Centres/NKCIR

RECENT WORKING PAPERS AND MONOGRAPHS

WORKING PAPERS

ISSN 1320 5757

39. **The End of Standard Working-Time? Working Time Arrangements and Trade Unionism in a Time of Transition,** Iain Campbell (1996), 37 pp

40. **The Process of Enterprise Bargaining in Context: A Case Study,** Rowena Barrett and Cheryl Mutabazi (1996), 16 pp

41. **Participation in Labour Adjustment Assistance: The Regional State and Local Agency,** Michael Webber, Sally Weller and Phillip O'Neill (1996), 39 pp

42. **The Decline of Union Density - A Review,** Gerry Griffin and Stuart Svensen (1996), 39 pp

43. **Casual Employment, Labour Regulation and Australian Trade Unions,** Iain Campbell (1996), 35 pp

44. **Labour Market Outcomes Among Retrenched Workers in Australia: A Review,** Michael Webber and Iain Campbell (1996), 24 pp

45. **Agreements in Firms Covered by Federal and State Awards: Medicentre Case Study,** Julian Teicher (1996), 29 pp

46. **The Impact of Workplace Reform on Occupational Health and Safety: A Study of Five Workplaces,** Malcolm MacIntosh, Richard Gough, Julian Teicher, Andrew Smith and Wayne Mortensen (1996), 25 pp

47. **Enterprise Bargaining and Health Services: A Special Case?,** Carol Fox (1996), 33 pp

48. **Trade Union Non-Industrial Services: Membership Attitudes,** Gerard Griffin and Stuart Svensen (1996), 14 pp

49. **Determinants of Members' Satisfaction with their Union,** Gerard Griffin and Stuart Svensen (1996), 14 pp

50. **'Freedom of Choice' or 'Freedom From Choice'?: Bargaining and Individual Contracts in the Victorian Public Sector,** Jim Backwell and Rowena Barrett (March 1997), 22 pp

51. **The Nature and Consequences of Labour Market Deregulation in Australasia,** Julian Teicher and Stuart Svensen (March 1997), 23 pp

52. **The Australian Federal Public Service: A Model for Change?,** Peter Fairbrother (March 1997), 23 pp

53. **National Patterns of Temporary Employment: The Distinctive Case of Casual Employment in Australia,** Iain Campbell and John Burgess (July 1997), 48 pp

54. **The Withering Away of the Australian State: Privatisation and its Implications for Labour,** Peter Fairbrother, Stuart Svensen and Julian Teicher (July 1997), 38 pp

55. **Immigrant Workers and Enterprise Bargaining in Australia,** Gerard Griffin and Jonathon Testi (July 1997), 27 pp

56. **Legislative Changes in Australasian Industrial Relations 1984-1997**, Julian Teicher and Stuart Svensen (February 1998), 46 pp

57. **Small Firm Industrial Relations: Evidence from the Australian Workplace Industrial Relations Survey**, Rowena Barrett (February 1998), 24 pp

58. **Employee Financial Participation: A Logical Consequence of Enterprise Bargaining?**, Sarah Turberville (February 1998), 32 pp

59. **Researching the Model of Standard Working-Time in Australia: Theoretical Preliminaries**, Iain Campbell and Jane Mathews (February 1998), 20 pp

60. **Restructuring the Australian State: Modernisation, Privatisation and National Competition Policy,** Julian Teicher (August 1998), 59pp

61. **The Depoliticisation of the State and the Implications for Trade Unionism: Recent Developments in the United Kingdom**, Peter Fairbrother (August 1998), 15pp

If you wish to obtain previous Working Papers, the Key Centre Publication List is available on request. Working Papers are available from NKCIR at a charge of $10 for each paper.

MONOGRAPHS

Monograph No. 4 ISBN No. 0 7326 0495 8
Curtain, R. Boyles, C. & Matsushige, H., **Skill Formation in Japan: An Overview and Enterprise Case Studies** (1995), 94 pp

Monograph No. 5 ISBN No. 0 6462 0970 1
Spearritt, K. & Edgar, D., **The Family-Friendly Front: A Review of Australian and International Work and Family Research** (1994), 40 pp

Monograph No. 6 ISBN No. 0 7326 0909 7
Griffin, G., (ed.), **Industrial Relations in New Zealand: Five Years of Deregulation**
(1996), 45 pp

Monograph No. 7 Volume One
ISBN No. 0 7326 1115 6 (set) 0 7326 1113 X (v.1)
Griffin, G., (ed.), **Contemporary Research on Unions: Theory, Membership, Organisation and Non-Standard Employment** (1996), 225 pp

Monograph No. 8 Volume Two
ISBN No. 07326 1115 6 (set) 0 7326 1114 8 (v.2)
Griffin, G., (ed.), **Contemporary Research on Unions: Theory, Membership, Organisation and Non-Standard Employment** (1996), 242 pp

Monograph No. 9 ISBN No. 0 7326 1148 2
Teicher, J., (ed.), **Non-Standard Employment in Australia and New Zealand** (1996), 143 pp

Monographs are available from NKCIR at a charge of $20 for each monograph. Monographs 7 and 8 can be purchased for a combined price of $30.