

It is fashionable to speak of trade unions in the UK as organisations in decline. They have lost membership, power, and influence over the last decade. However, those who have commented on the possible long-term decline, or even disappearance, of unions have not generally examined their organisation or, in particular, their financial status, and these are the factors which ultimately dictate unions' ability to survive, recruit, and influence employees.

This book provides the first systematic picture of union financial status for thirty years, and reveals a dramatic picture. Though, overall, unions have become financially less healthy in the post-war period, many unions experienced an improved financial position during the membership contraction of the Thatcher years. The authors analyse the reasons for this, and also reveal the extent to which unions are highly dependent on overt or covert financial support from employers. They show that the long-term financial decline of unions has been more affected by the competition between unions for membership than by the effects of traumatic industrial disputes.



Union business: trade union organisation and financial reform in the Thatcher years



## Union business

Trade union organisation and financial reform in the Thatcher years

Paul Willman Timothy Morris and Beverly Aston

London Business School





## CAMBRIDGE UNIVERSITY PRESS

Cambridge, New York, Melbourne, Madrid, Cape Town, Singapore, São Paulo, Delhi, Dubai, Tokyo

Cambridge University Press
The Edinburgh Building, Cambridge CB2 8RU, UK

Published in the United States of America by Cambridge University Press, New York

www.cambridge.org
Information on this title: www.cambridge.org/9780521153133

© Cambridge University Press 1993

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 1993
This digitally printed version 2010

A catalogue record for this publication is available from the British Library

Library of Congress Cataloguing in Publication data

Willman, Paul.

Union business: trade union organisation and financial reform in the Thatcher years / Paul Willman, Timothy Morris, Beverly Aston.

p. cm.

Includes bibliographical references and index.

ISBN 0 521 41725-2 (hardback)

1. Trade-unions-Great Britain. 2. Trade-unions-Great Britain-Finance. I. Morris, Timothy, 1953-. II. Aston, Beverley. III. Title. HD6664.W563 1992

3187'0941'09048-dc20 91-47165 CIP

ISBN 978-0-521-41725-9 Hardback ISBN 978-0-521-15313-3 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication, and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.



## Contents

		page
Ack	nowledgements	ix
1	Introduction: unions in the 1980s	1
2	The financial status of British trade unions 1950-1989	7
3	Financial differences between unions	20
4	The role of financial matters in union organisation	34
5	The politics of union finances	55
6	Union size, growth, and financial performance	79
7	Strike activity and union finances	101
8	The National Union of Mineworkers: strikes and financial disaster	121
9	The GMB: merger and financial reform	140
10	The Amalgamated Engineering Union: back from the brink	154
11	The Banking, Insurance and Finance Union: competitive unionism and financial survival	170
12	The Electrical, Electronic, Telecommunications and Plumbing Trade Union: accountability and financial control	185
13	Conclusions: union business and business unionism	199
	Appendix 1: Research methods	217
	Appendix 2: Regression results	225
	Appendix 3: Questions for finance officers	226
	Appendix 4: Questions for General Secretaries	228
		vii



Appendix 5: Questionnaire: trade union finances	229
Appendix 6: The number of trade unions	
Notes	238
References	246
Subject index	
Index of trade unions	
Author index	



## Acknowledgements

The authors are grateful for the financial assistance of the Department of Employment, which funded the research through two grants between 1987 and 1989. We are particularly indebted to Dr Mark Stevens. None of the views expressed or conclusions drawn herein reflect those of the Department. We are also grateful to the Warden and Fellows of Nuffield College, Oxford for the award of the Norman Chester Senior Research Fellowship to the first named author in 1989 in order to pursue this research.

Many people helped with the research, not least the many respondents in our case-study unions who gave generously of their time. The staff of the Certification Office were unfailingly helpful and patient in the face of our sustained demand for access to the returns. We would also like to thank Phillipa Buckland for statistical assistance on the first project.

Earlier drafts of this volume benefited from the comments of academic colleagues, most notably those attending the British Universities' Industrial Relations Association Conferences of 1989 and 1991. The authors are grateful to George Bain, William Brown, John Kelly, David Metcalf, Ben Roberts and Roger Undy for comments on all or part of the work. Material in Chapters 2, 4 and 8 has appeared elsewhere in different form. We are grateful to the editors of the *British Journal of Industrial Relations* for permission to reproduce material in Chapter 2 and of the *Industrial Relations Journal* for similar permission for Chapters 4 and 8.

The usual disclaimer applies. The errors we have retained we covet as our own.