



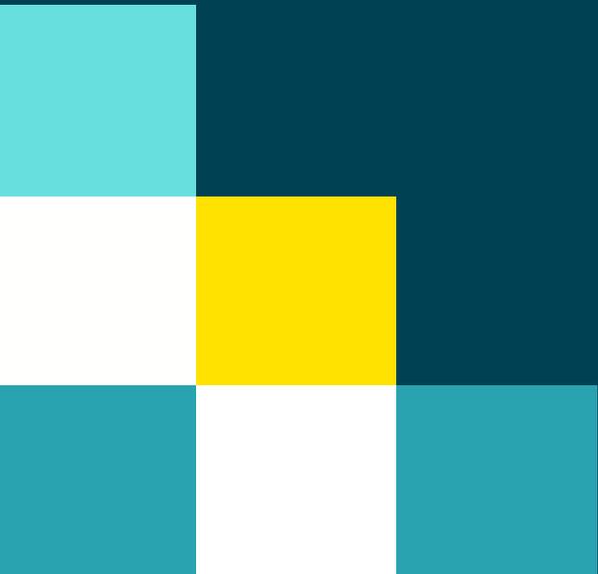
Wales Centre for Public Policy
Canolfan Polisi Cyhoeddus Cymru

The value of trade unions in Wales

Evidence review

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Summary

- This evidence review synthesises available data on trade union membership, services and access; as well as impact - internationally, in the UK and in Wales. It presents case study examples from the care, construction, contact centre and retail sectors.
- Trade unions are an essential part of the economic and political landscape in Wales. Although membership as a percentage of total employment has followed a declining trend, it is higher in Wales than in England, at 30.5% in 2018. This is due to a larger public sector workforce, cultural and geographical legacies of industry in Wales, and political support via the social partnership model.
- Overall, there is little evidence to suggest that trade union presence and activity negatively impacts the productivity and performance of firms and can, in fact, serve to increase both.
- Where trade unions are recognised and there is a collective bargaining agreement in place, wage inequality is reduced if certain conditions are in place. Through the aggregation of preferences collective bargaining can be efficient for the employer.
- However, the ability of trade unions to effectively bargain for pay outcomes or undertake action that can persuade employers to improve pay outcomes is increasingly restricted by the decline in trade union membership and legislative changes enacted since 1979.
- Trade unions offer a range of services that can improve job quality. In the context of declining membership, increasingly trade union activity has focused on providing these services alongside collective bargaining. Evidence suggests that these additional services can improve job quality and minimise labour turnover.
- While this review has synthesised a range of evidence, understanding the overall impact of trade unions in key economic sectors is not possible given both methodological challenges and limited Wales specific data. Notably, existing survey data do not reliably capture collective bargaining outcomes.
- The report highlights the need for further research to explore alternative data. Producing a baseline measure of added value could guide the collection of comprehensive data. This would better support trade unions to make evidence-informed decisions about how they can improve outcomes for both employers and employees.

Introduction

Trade unions are an essential part of the economic landscape in many parts of the world. While many countries in the Western world have seen a marked decline in trade union membership in recent decades, trade unions continue to play a vital role in managing industrial relations, as well as contributing to the broader development of the economy and society.

Trade unions are an integral part of the Welsh Government's social partnership model: an approach taken by the Welsh Government to manage public sector workers and industrial relations. In particular, it advocates for a more balanced relationship between social partners, particularly employers and trade unions (Bowyer, 2017).

This evidence review focuses on the value of trade unions in Wales. It considers international evidence, experts' insights into activities in Wales and an analysis of key data sets (see box 1), to review key measures of union activity; outcomes that may be attributed to trade unions; and discuss mechanisms by which outcomes may be achieved.

This review does not provide an historical account of trade union activity in Wales, but it presents an evidence review of their contemporary value. In particular, it focuses sequentially on membership, services and access, and the impact of trade unions. In doing so it engages with the following questions:

- How has trade union membership changed in key sectors and regions and what factors might explain this change?
- How do trade unions have value in Wales for both employees and employers? This includes the impact of trade unions on pay, in-work learning and training, job quality, inequality, productivity and firm performance.

Part 1 of this evidence review provides an overview of trade union membership in the UK and compares this to Wales. We suggest that trade unions are in a better position to add value in Wales due to the comparatively high levels of trade union density. Part 2 provides an overview of the services offered by trade unions and access to these services. Part 3 considers the potential influence of trade unions on pay and the benefits of other services offered by trade unions for employees and employers, illustrating their impact through case studies of four sectors. We focus on the care, construction, contact centres and retail sectors, due to their importance for the Welsh economy. The care sector reflects the Welsh Government's prioritisation of the foundational economy; and all of the sectors selected have unique characteristics including low pay, high attrition, low job satisfaction, limited opportunities for job progression, high levels of shift and part time working, and low health

and safety standards. These conditions are reflected in different levels of trade union membership. We conclude by providing a summary of the evidence base, highlighting gaps for further exploration.

This review will inform a second phase of research which will convene experts to discuss the feasibility of measuring the value of trade unions over time in Wales and identify potential approaches for doing this, in the context of the Fair Work's Commission Report (Fair Work Wales, 2019). In doing so, we hope to contribute to thinking on how to overcome the limits of existing measures of trade union impact and how to assess the value of trade unions.

Box 1: Methodological note on data

The data in this report are drawn from the Wales Institute for Social and Economic Research, Data and Methods (WISERD) statistical compendium of trade union statistics (1995-2014). This statistical collection combines data from several sources including the Workplace Employment Relations Study (WERS), the Labour Force Survey (LFS) and other data from the Department of Business, Education and Industrial Strategy (BEIS). These include union density (membership), union presence (where a representative is present in the workplace) and union coverage (where pay and conditions are agreed in negotiations). As these data draw on multiple sources, a more accurate picture of trade union trends is presented, in comparison to single source statistics such as the official trade union statistics, which draw exclusively on the LFS survey. As BEIS publishes the National Statistics on trade union membership annually using LFS data, the report uses 2018 data on trade union membership.

Some limitations of the various data sets are recognised:

- The LFS data are problematic as the survey questions assume employees have a far greater understanding of trade union presence, activity and outcomes than they might otherwise have. For this reason, it is likely to underestimate trade union coverage (Davies, 2016a). Additionally, the small sample sizes for Wales in each survey makes disaggregation of the results by sectors, regions and protected characteristics problematic (Fair Work Wales, 2019).
- This report does not draw upon the Annual Survey of Hourly Earnings (ASHE) information on collective agreements as it may capture agreements outside trade unions. It uses a less specific definition of collective agreements, potentially including agreements not involving trade unions or staff associations directly; and it is also not comparable to other surveys as it asks employers, rather than employees, about whether pay is effected by a collective agreement, resulting in higher reporting, given there are some employees who do not know (BEIS, 2013).
- Trade union wage premiums are not presented in this evidence review. This is due to issues with the way in which they are calculated from the Labour Force Survey data,

which following the likely underestimation of trade union coverage, there is likely to be a corresponding underestimation of wage premiums (Davies 2016b). Furthermore, there are significant sectoral differences in trade union wage premiums in different sectors where low paid employees are more likely to be unionised than higher paid employees.

Part 1: Membership

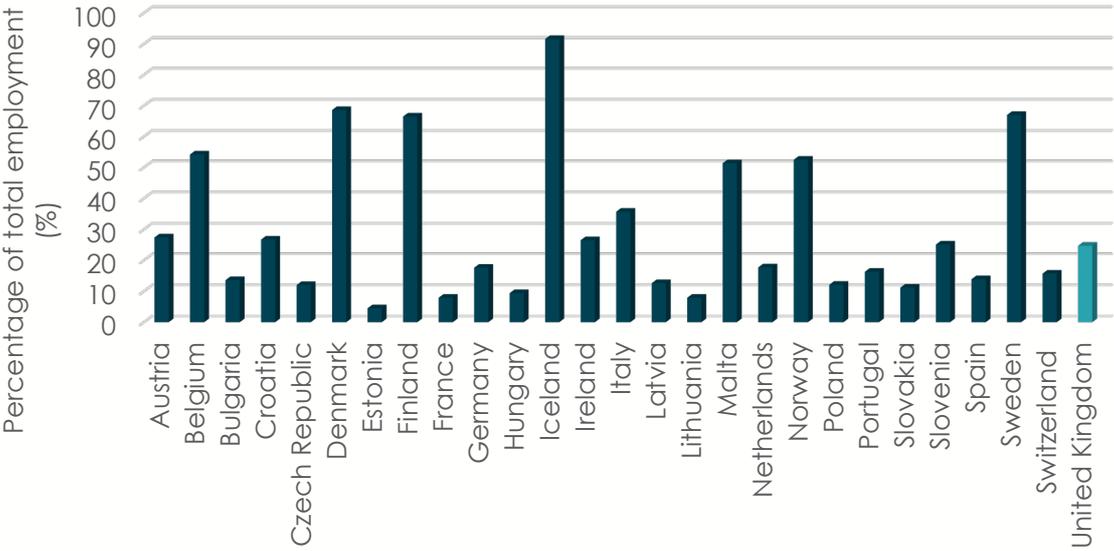
A strong membership base is vital for providing trade unions with effective resources, enabling unions to collectively bargain within represented sectors and for facilitating the provision of services to members (Bennet and Kaufman, 2007). However, OECD countries have seen a substantial decline in trade union membership since the 1980s (Visser, 2006). While there are signs of the pace of decline slowing to such an extent that there has been a stabilisation of membership rates in some countries, the changing patterns of membership have impacted the services offered by trade unions and has reduced their ability to influence wage outcomes (Bryson and Forth, 2016). This section provides an overview of the changing patterns of trade union membership, considering changes in trade union membership in Wales and comparing this with membership trends in the UK and Europe. It highlights how the strength of trade unions in the Welsh public sector, Wales' social partnership approach, and the intergenerational transmission of trade union membership, results in comparatively higher membership levels and trade union density in Wales when compared to the UK.

Patterns of trade union membership

While the density of trade union membership has fallen in almost all advanced countries, within Europe it has remained high in the Nordic countries, at an average of 70%, as a result of the close relationship between unions and government (see figure 1). In these countries, trade unions play an important role in mediating industrial relations and supporting welfare provision (Schnabel, 2013). Specifically, trade unions distribute welfare benefits and have a role in formulating industrial strategy, with their essential function enshrined in legislation (Böckerman and Uusitalo, 2006).

In contrast, the UK has relatively low trade union membership density, with only one quarter of employees being a member of a union in 2015. This has been part of a decline over time, and if the trend (see figure 2) continues, the rate will fall to roughly one fifth by 2025. BEIS's (2019) latest annual report suggests that membership increased slightly between 2017 and 2018, and it remains to be seen if this will continue.

Figure 1: Trade union membership as a percentage of total employment in different European countries



Source: ILO STATS (2019) using 2015 data which are more comprehensive than recent years.

Trade union membership as a percentage of total employment has declined in all UK nations. The most recent BEIS data (2018) show that Wales (30.5%) and Northern Ireland (35.2%) have maintained higher trade union membership than the rest of the UK, as illustrated in figures 2 and 3. However, this marks a decline in Wales of 13.5 percentage points since 1995 (BEIS, 2019). It is harder to be confident about recent year-on-year trends due to sample size, but it suggests a slight decline in Wales in the last ten years, and a mixed picture of increases and decreases in the last five years.

The difference in membership levels by country can be explained by the sectoral patterns of employment as there are higher levels of public sector employment in Wales and Northern Ireland, where trade union membership tends to be higher (membership in the public sector in Wales is 65%, in comparison to 20% in the private sector, figure 4). The strong position of public sector trade unions in Wales coincides with the social partnership model, as discussed in the section on the legislative environment below. This pattern is mirrored by trade union membership in the UK and Wales also being highest in large organisations, which are often found in the public sector (figure 5). Over time, union membership tends to remain highest in key public sector bodies in most developed countries, whereas membership decline has been strongest in the private sector (Visser, 2006; Schnabel, 2013).

Public sector employees tend to benefit from collective bargaining (see box 2 for a definition) arrangements and recognition agreements. BEIS (2019) data suggests that 59% of employees in the public sector had pay arrangements that were affected by collective

bargaining, compared to just 15% in the private sector. Wales has similar or greater collective bargaining coverage than the rest of the UK (except for Scotland and Northern Ireland), which may also reflect higher public sector employment levels (BEIS 2019 data).

Figure 6 provides a comparison of trade union membership by occupation in England and Wales. Compared to the UK, membership is higher in Wales amongst all occupational groups, and by group overall it is highest amongst professionals (57% in Wales) and lowest amongst sales and customer service workers (18%). Figure 7 provides a comparison of trade union density by industry in Wales compared to the UK total. It demonstrates a difference in the density of key sectors, particularly in the energy, water supply and public administration sectors.

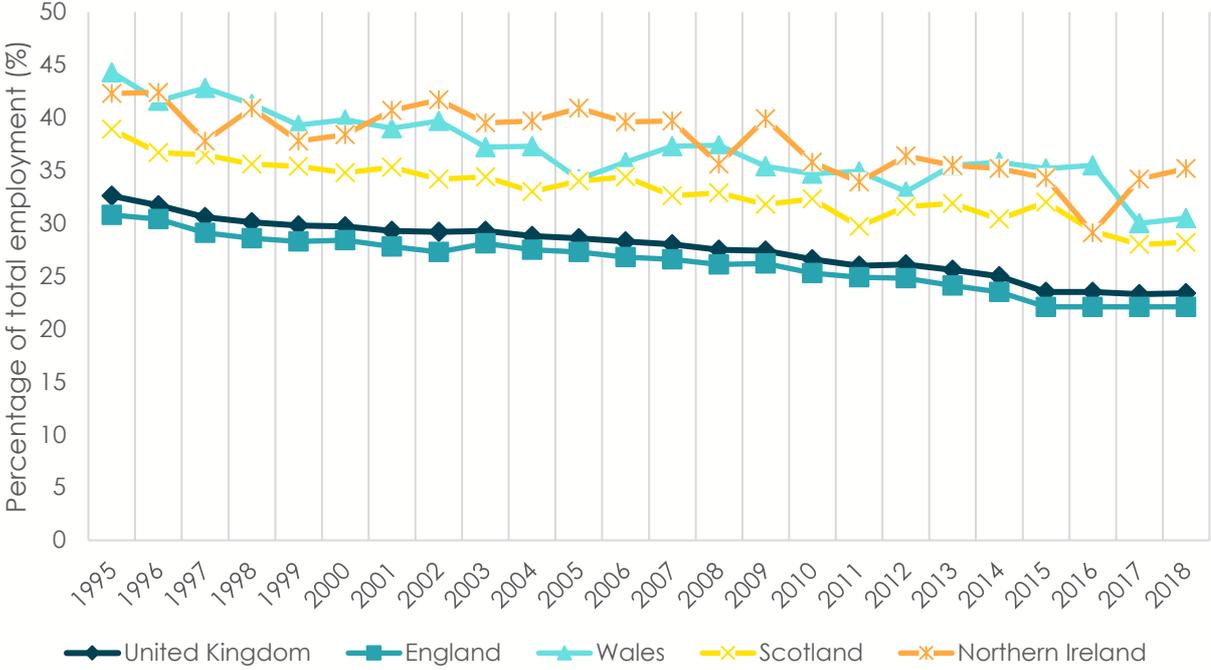
The Fair Work Commission notes that membership is lower among certain workers due to the lack of opportunity and access to a union, rather than a view that unions are not important (Fair Work Wales, 2019). To encourage increased membership, Forth and Bryson (2015) argue that unions need to extend their recruitment efforts to a larger number of workplaces, reach younger workers and raise membership density in workplaces where unions already have a foothold. Other explanations for differing membership rates are explored below.

Box 2: ILO definition of collective bargaining

ILO Convention No. 154¹ defines collective bargaining as referring to: “all negotiations which take place between an employer, a group of employers or one or more employers’ organisations, on the one hand, and one or more workers’ organisations, on the other, for: (a) determining working conditions and terms of employment; and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers’ organisation or workers’ organisations.” (Article 2, ILO, n.d.). Collective bargaining can therefore have effect not only across workplaces, but also across sectors and regions too.

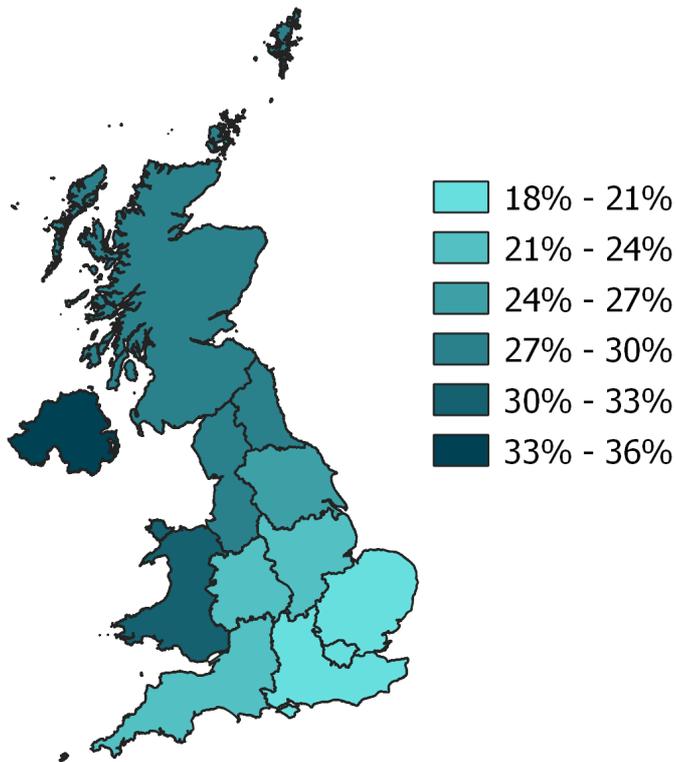
¹ This Convention has not been ratified by the UK and is a technical convention, meaning it has low status. The principal ILO Conventions on trade union activity are Convention 87 (1948) and Convention 98 (1949), both have been ratified by the UK.

Figure 2: Trade union membership breakdown by constituent UK region



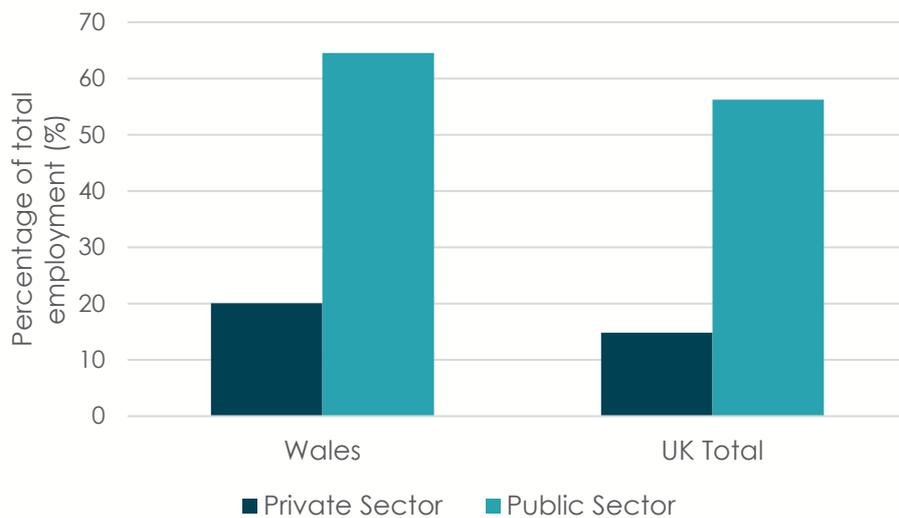
Source: Labour Force Survey, BEIS (2019).

Figure 3: Trade union membership in the UK by region in 2018



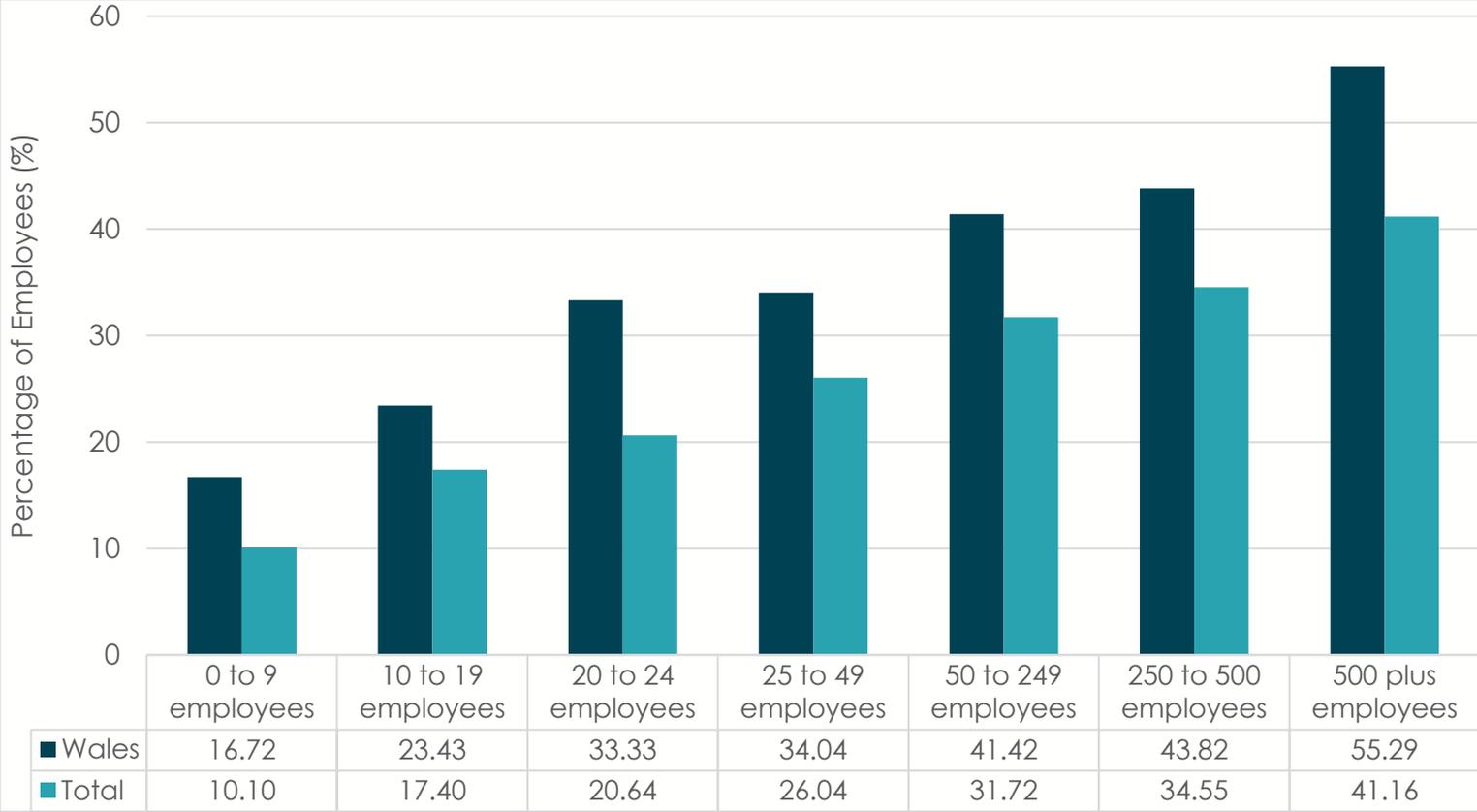
Source: Labour Force Survey, BEIS (2019).

Figure 4: Trade union membership by sector



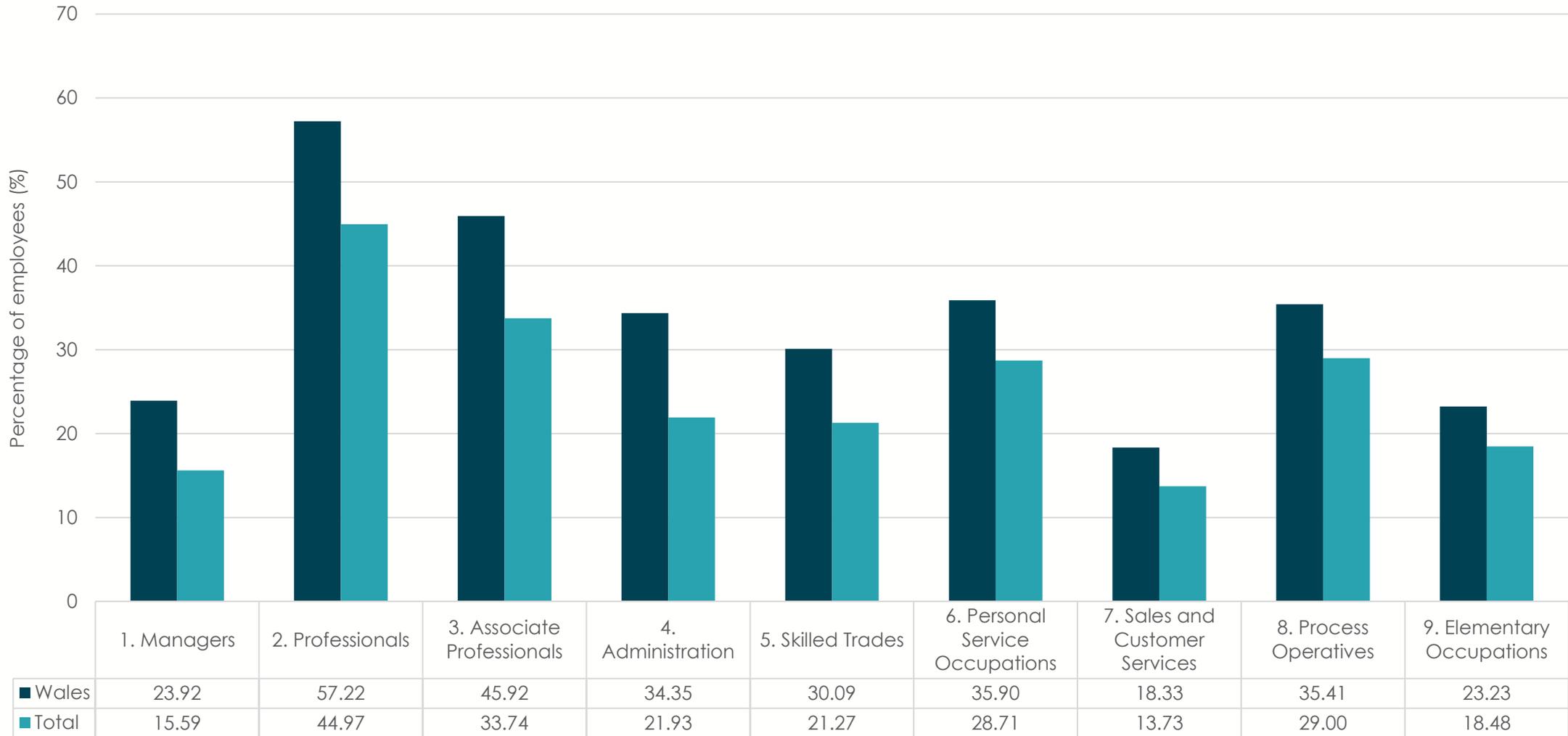
Source: WISERD, A statistical portrait of regional variations in trade union membership. Labour Force Survey (2006-2014).

Figure 5: Trade union membership by establishment size in Wales compared to UK total



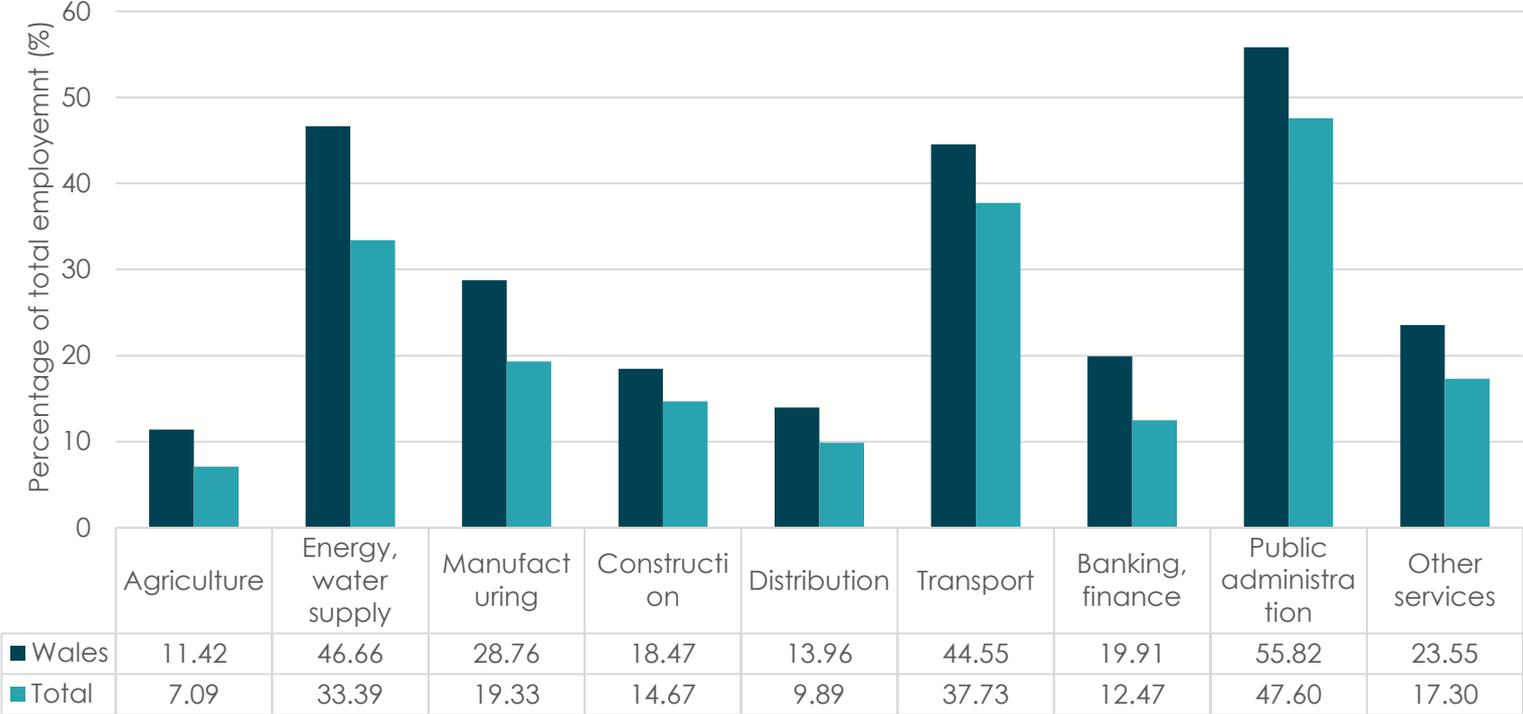
Source: WISERD, A statistical portrait of regional variations in trade union membership (Labour Force Survey, 2015)

Figure 6: Trade union membership by occupation in Wales compared to the UK total



Source: WISERD, A statistical portrait of regional variations in trade union membership (Labour Force Survey, 2015)

Figure 7: Trade union membership by industry sector in Wales compared to UK total



Source: WISERD, A statistical portrait of regional variations in trade union membership (Labour Force Survey, 2015)

Social legacies and union density

Explanations for the relatively high trade union membership rates in Wales include cultural effects, such as social legacies. A strong culture of trade unionism in Wales and favourable perceptions of trade union membership are a potential explanation of higher trade union density (Bryson and Davies, 2019). Furthermore, the strong position of trade unions and high levels of membership reinforce and sustain high levels of trade union membership density i.e. ‘density breeds density’ (Bryson and Forth, 2016).

A recent study on trade union membership in Wales highlights an important role for the intergenerational transmission of trade union status. This research looked at longitudinal data available in the British Household Panel Survey and found a strong link between historically unionised households and current trade union membership. It found that the tendency of workers to join a trade union was strongly shaped by whether their parents were unionised (Bryson and Davies, 2019). This could explain the continuing geographical trend of trade union membership in the UK.

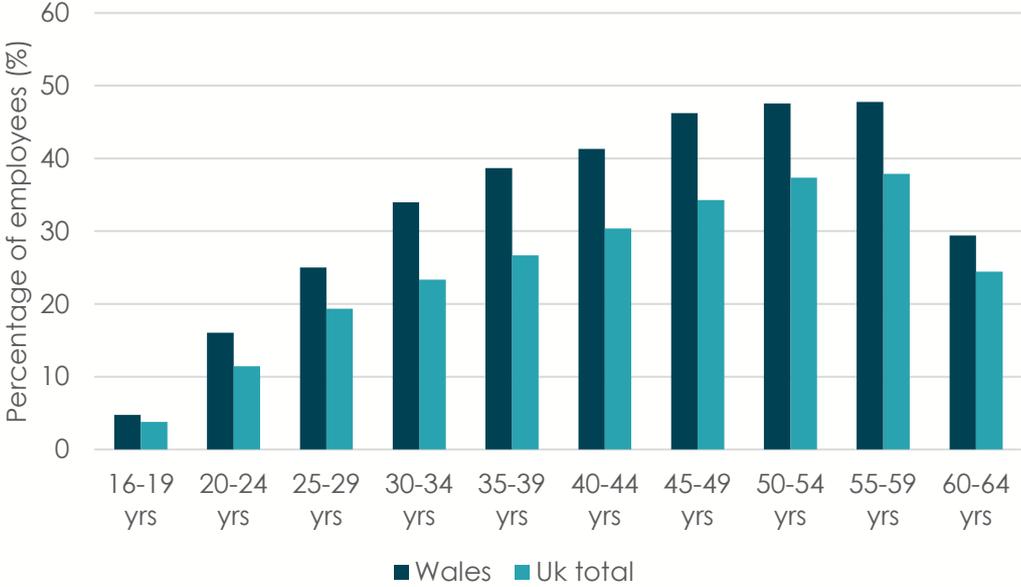
This is supported by earlier studies of geographical variation finding that current trade union membership and individual enthusiasm for trade unions can be influenced by historical factors. In Wales, places, neighbourhood and communities where trade union membership was historically high, had intergenerational transmission of pro-trade union views from older workers to younger workers (Beynon et al., 2012). Research conducted in the United States also shows that communities with historically high trade union membership tend to carry forward favourable attitudes towards trade unions (Holmes, 2006).

A study of trade union membership in 12 European countries found distinct variations by country in the reasons why people remained trade union members. However, this survey also found some common reasons behind trade union retention, including a recognition of the support given to workers by trade unions and improved pay outcomes (Waddington, 2015). Perceptions of union effectiveness in protecting workers rights and wages also appear to have an impact on membership retention, with positive perceptions of trade unions leading to increased union membership (Hodder et al., 2017).

Demographic influences upon union membership

In terms of when people are likely to join a trade union, one study of 38 countries suggests an inverted u-shaped relationship, with union membership peaking among workers in their mid to late 40s (Blanchflower, 2007). Figure 8 shows that trade union membership in Wales and the UK tends to be highest amongst workers in their 50s. However, this is likely to be a cohort effect given the general intergenerational decline of trade union membership, such that people join when they are younger and remain members whereas younger people are not becoming union members (Bryson and Forth, 2016).

Figure 8: Trade union membership by age



Source: WISERD, A statistical portrait of regional variations in trade union membership. Labour Force Survey (2006-2014)

The legislative environment

To understand both contemporary patterns of trade union membership, and the value of trade unions to workers, it is necessary to understand the current legislative environment and the constraining and enabling role it plays.² In the UK, since 1979, trade unions have been increasingly restrained in their capacity to take strike action. Recent changes, which require trade unions to meet a 50% turnout threshold and a 40% threshold to take strike action in core public services has, according to some experts, undermined the ability of trade unions to strike and therefore made it harder for trade unions to put pressure on employers to raise wages (Bogg, 2016; Ford and Novitz, 2016; Waddington, 2015). Consequently, trade unions now find it more difficult to raise funds and achieve the required thresholds to take legal strike action (Machin, 2000; Baccarro and Howell, 2017). As a result, trade unions have had to broaden their function and remit to counteract their declining ability to shape industrial relations (Benson and Brown, 2010; Ebbinghaus, 2002; Wunnava, 2016). Annex 1 provides a summary of the key trade union legislation since 1979.

² For a historical overview of the relationship between trade unions and the state, see Howell (2007).

Box 3: Workforce Partnership Council

The Workforce Partnership Council is the primary social partnership structure in Wales. It brings together trade unions, employers and the Welsh Government to discuss cross-public service workforce matters (Welsh Government, 2019a). Through this equal partnership the Council aims to reach agreement on employment matters of relevance to the public service. It operates as a forum for sharing information, for developing policies and for supporting collective practice in the absence of formal agreements (Welsh Government, 2019a).

The Trade Union Act, in combination with the WPC, enhances the ability of public sector trade unions in Wales to shape industrial relations.

In Wales, the social partnership model has allowed Welsh trade unions to achieve an improved consultative status due to a stronger convergence of formal and informal political linkages. This results from Wales being relatively small and also from the dominant position of Welsh Labour as the party of government (Foster and Scott, 2007). This has allowed trade unions to secure some degree of influence over pay, via collective bargaining; and also over day-to-day workplace issues. Boxes 3 and 4 summarise legislation relating to the Workforce Partnership Council and the Social Partnership Strategy Group.

The social partnership model aims to build a tripartite relationship between employers, employees and trade unions to reinforce a more stable set of industrial relations. The model has been supported by the passage of the Trade Union (Wales) Act (2017) which has preserved some of the mechanisms available to public sector trade unions, overriding some of the restrictions imposed by the UK Government on trade unions via the Trade Union Act (2016). A key mechanism is reversing the strike threshold so that 40% of members do not need to vote to validate a strike ballot. It also preserved the check-off system of trade union funding, whereby union subscriptions are automatically deducted from salaries and given to trade unions (Bowyer, 2017).

The Trade Union (Wales) Act (2017), in combination with the Workforce Partnership Council, enhances the ability of public sector trade unions in Wales to shape industrial relations; however, as the area is not fully devolved, influence is restricted. Parliamentary debate has not been able to fully explore either how the Act might more directly support the social partnership model or the ways in which further legislation could be passed to actively promote, as opposed to simply preserving, the current social partnership arrangements in Wales (Davies, 2018).

Box 4: Social Partnership Strategy Group

Similar to the Workforce Partnership Council, the Social Partnership Strategy Group brings together the Wales TUC, Commerce Cymru and the Welsh Government to discuss private sector workforce matters (Welsh Government, 2019b). The group provides a forum for social partners to share their experience and knowledge and contribute to the Welsh Government's strategy development, by providing advice to improve the Government's understanding of the economic and business landscape in Wales; address current challenges and respond to future opportunities; ensure that social partners are engaged in an early dialogue; and develop its strategic approach to economic development (Welsh Government, 2019b). As with the Workforce Partnership Council, this enhances the ability of trade unions in Wales to shape industrial relations, despite their significantly lower membership levels in the private sector.

Part 2: Services and access

Ewing (2005) identifies five key functions of a trade union: a service function; a representation function; a regulatory function; a government function; and a public administration function. However while these fundamentals remain the same, the role of trade unions has changed significantly since the 1980s. This has been linked to the decline of trade union membership and increasing employer and government hostility, requiring unions to increasingly rely on their own internal resources to prevent further declines in membership and undertake core work activities (Heery, 2015). Therefore, in many parts of the world, trade unions now offer a wide range of services and engage in activities that go beyond collective bargaining, with the aim of encouraging and sustaining membership.

Research covering the wider category of employer organisations suggests that since the 1980s, the roles of trade unions have expanded to include: (1) industrial relations, (2) politics and (3) service providers (Demougin et al., 2018). In Wales, trade unions have embraced both a political and a service provider role; consequently services such as legal support and human resource management advice and training are undertaken in a range of unionised workplaces (Blakely and Davies, 2018).

Table 1 summarises some of the most common services offered by trade unions and access to these. Trade unions provide services that benefit groups collectively as well as individuals. For instance, employment tribunal fees were introduced in 2013 but legal action led by UNISON successfully argued that these were unlawful and they were subsequently abolished (with fees refunded retrospectively). This demonstrates not only the specific benefit that trade unions have brought about for workers that might engage in employment tribunals in the future, but more broadly the collective benefit that trade unions can have for employees and their legal rights.

Table 1: Services and Access

Services	Access
In-Work Learning and Training	All workers can access in-work learning and training, with the assistance of <i>unionlearn</i> in the UK, and Wales TUC Learning Services in Wales. These support lifelong learning for members and engage with employers to increase the quantity, quality and fairer distribution of learning opportunities. Both enable access to in-work learning and training through assisting Union Learning Representatives (ULRs), to promote the value of learning, support learners, arrange learning/teaching, and support workplace learning centres.
Legal Services	Most trade unions offer free legal services for members and their families, which often includes legal advice, personal injury cover for individuals and family members, and access to a legal helpline.
Advice	Most trade unions provide advice to members over the phone or in person on work, personal and financial issues, including long-term sick leave, domestic violence or abuse, and debts. Members can also access advice through their representative, as well as from guides that unions may have produced. For example, UNISON's 'There for You' charity has produced information guides on 'Arranging and paying for a meaningful funeral' and 'Help with fuel costs'.
Financial services	A number of trade unions offer financial services for members, including financial assistance (e.g. grants and funding) and advice for welfare benefits and debt. To access financial services, the member can contact the union by phone, email or the branch welfare officer.
Discounts	Trade unions offer members discounts on a number of items, including insurance, mortgages, holidays, and eye-care. However, access to discounts vary across trade unions, although car, home, travel, and life insurance are all offered by the UK's biggest unions.
Well-being Services	Some trade unions offer well-being services to members. Access to these are more common amongst teachers' unions, given the statutory requirement for maintained schools in England and Wales to promote well-being. Often health and safety representatives can provide this service. Other unions, including UNISON, also offer financial help for 'wellbeing breaks'.
Equality	All TUC-affiliated unions are required to commit to equality for all and to eliminate all forms of harassment, prejudice and unfair discrimination within their structures. The TUC monitors this through equality audits every two years. Some unions have trained workplace equality representatives who can help raise awareness of equality issues and support colleagues who may face discrimination or harassment. UNISON has provided a model equality and diversity policy when negotiating a policy on equality and diversity.

Sources: Prospect (n.d.); TUC (n.d., 2010a, 2012, 2015); unionlearn (n.d., 2018); UNISON (n.d.-a, 2017). More detail can be found in Annex 2.

Part 3: The impact of trade unions

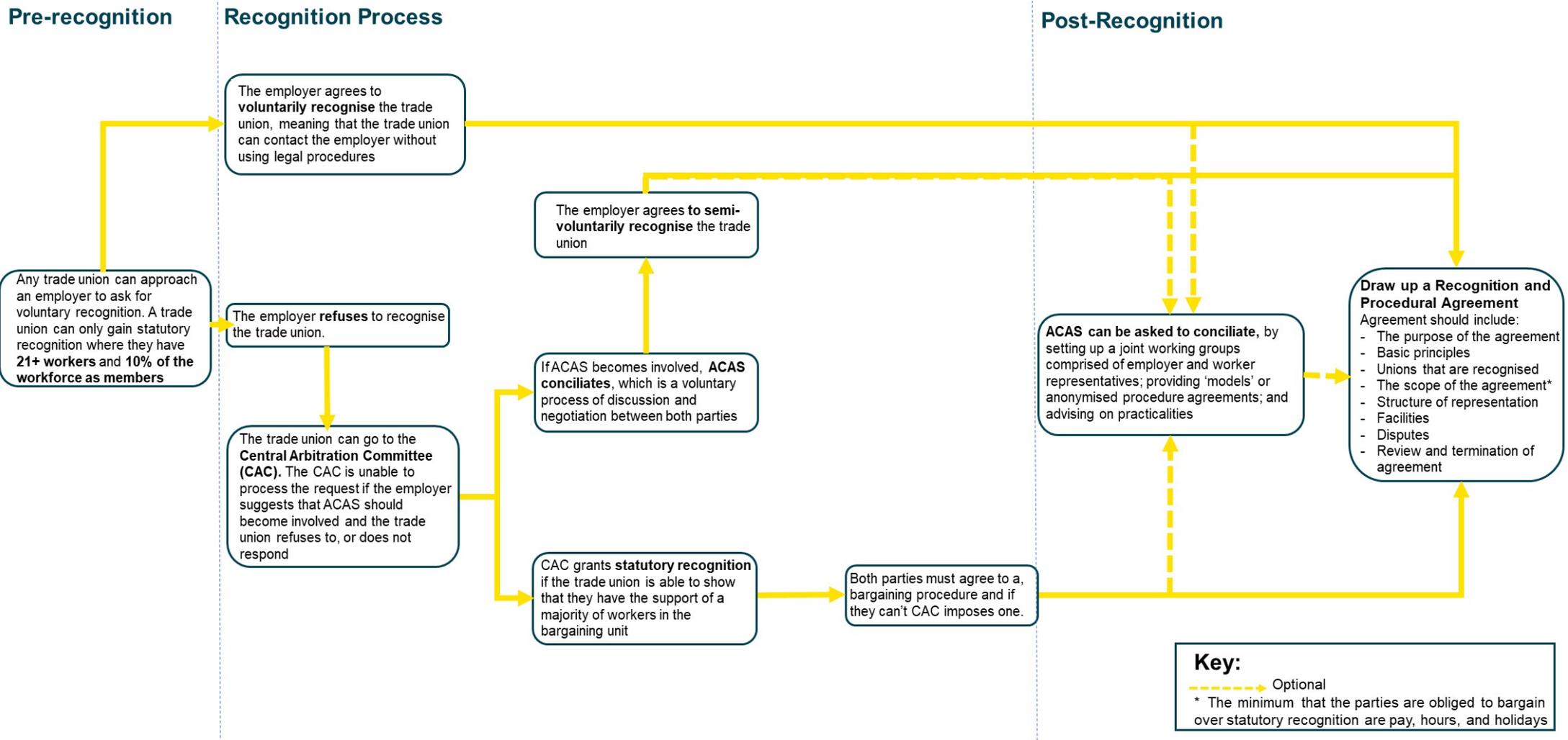
This section examines the evidence on how trade unions influence pay outcomes and improve job quality through the other services they offer. It also examines how trade unions affect the productivity and performance of firms in heavily unionised sectors. It draws on a mix of international evidence, including academic and grey literature, as well as Wales specific data.

Trade unions can have a range of impacts, from improving wage premiums to providing extra services and community organisation with a potential impact extending to wider society. These roles are particularly important in low-paid sectors, where workplaces have been increasingly characterised by precarious work and the erosion of working conditions. For example, case studies looking at the warehouse operations of major retailers show that workers are disempowered, lack choice and suffer under a 'brutal' workfare regime (Briken and Taylor, 2018). In this context, trade unions can play an important role in improving pay outcomes and the quality of work (Brown and Wright, 2018).

The International Labour Organisation's Declaration of Fundamental Principles and Rights at Work (1998) concerns the freedom of association, the elimination of forced labour, the abolition of child labour and the elimination of employment discrimination. The Welsh Government's Fair Work Commission reports that fair work requires addressing workplace imbalances between employers and employees (Fair Work Wales, 2019). Promoting fair work requires promoting fair pay, as well as improving overall job quality and employee well-being. In these areas, trade unions can play a pivotal role.

Figure 9 outlines the recognition process for trade unions in the workplace. This demonstrates the different pathways trade unions can pursue to gain workplace recognition and the different outcomes that can arise from the recognition process. The type of recognition and procedural agreement reached is important for understanding the scope of activities trade unions can influence and their potential to influence workplace outcomes. For example, where trade unions have a full recognition agreement covering core activities, the provision of additional services and the allocation of facilities and time allows union representatives to take paid time off to undertake union activity. This, in turn, is more likely to positively influence pay and service outcomes (Kelly, 2004). ACAS's good industrial relations practice stipulates that before undertaking collective bargaining negotiations, employers should provide trade unions with relevant information on pay and benefits, conditions of service, manpower, performance and financial cost structures. This is not an exhaustive list however and employers should provide trade unions with all appropriate information needed to ensure a fair and equitable negotiation process (ACAS, 2003).

Figure 9: Recognition process for trade unions in the workplace



Source: WCPP analysis of ACAS (2005, 2012a, 2012b); Practical Law Employment (n.d.); UK Government (n.d.-a); UNISON (2016)

Trade unions also increasingly play a role outside the workplace. For example, some trade unions have explored opening up membership to people not in work (Holgate, 2018), while others have looked to draw on the support of community organisations to improve the lives of members outside of the workplace, as a form of ‘community unionism’ (Simms et al., 2019). This has seen a reorientation of trade union activity to pursue other forms of campaigning and organisation that can improve equality both in and beyond the workplace.

Employee outcomes - pay

This section looks at the international evidence on how trade unions influence pay outcomes. It also provides case study examples of the pay outcomes achieved by trade unions active in Wales in four key sectors: care, construction contact centres and retail. These case studies have been selected to explore specific sector characteristics and patterns of union outcomes. While there is a lack of Wales-specific evidence, this evidence synthesis and consideration of case studies allows us to explore where strong recognition agreements and collective bargaining arrangements have allowed trade unions to have a positive impact on pay.

While wage premiums are a disputed method for estimating the impact of trade unions on pay, a broader analysis of trade union activity in the UK shows that a combination of activity to eradicate in-work poverty, promote a living wage and push for pay increases beyond current public sector pay gaps, means that trade unions pro-actively seek improved pay outcomes (Milward et al., 2001). Although there is some variation, high trade union density within an industry sector is likely to lead to higher wages due to the important role unions play in wage formation and influencing the outcome of industrial action in favour of workers (Blanchflower and Bryson, 2010; Kelly 2015).

A comparative study of trade union activity in Denmark, Germany, Italy, the Netherlands, Slovakia, Spain and the UK concluded that unions can successfully tackle precarious work through a range of strategic instruments which include: collective bargaining, policy influencing, social dialogue, campaigning, litigation in court, worker organisation and service provision (Keune, 2013). Few other organisations have the capability to deploy such a wide array of instruments to tackle precarious work and improve outcomes for these workers.

This is supported by a detailed examination of trade union organisation in the USA between 1936 and 2018. This shows that despite changes in trade union density, unionised workers have benefited from a stronger wage premium and, over the long run, unions have a significant and equalising effect on income distribution (Farber et al., 2018). According to this study, the ability of trade unions to redistribute income more fairly stems from their ability to reach low-skill workers, focus their activities on these workers and produce a large trade

union wage premium. It's important to note however that this power has declined over time with the decline in trade union membership.

In occupations where there is a high trade union density, unions can shape the outcomes of occupational pensions schemes (Keune, 2018) and workers are more aware of their rights in the workplace (Dromey, 2018). One study shows that union members in the UK earn around 7% more than equivalent employees who are not unionised (Forth and Bryson, 2015), with this being historically higher in the public sector than the private sector (Blanchflower and Bryson, 2007a). Unions can also help to protect the wages of the most vulnerable workers (Blanchflower and Bryson, 2007b).

A number of studies document the impact of collective bargaining on pay inequality, with the majority finding that collective bargaining is linked to lower wage inequality (OECD, 2015; ILO, 2015, 2018; Blanchflower and Freeman, 1993; Carley, 2000; Hayter and Weinberg, 2011). This is because it compresses the wage distribution. However, the extent of the impact of collective bargaining on wage inequality depends upon the unions' bargaining power and the share of the working population covered by collective agreements. This effect also varies between groups and workers' characteristics.

Evidence also suggests that collective bargaining can play an important role in addressing the gender pay gap (Elvira and Saporta, 2001; Blau and Kahn, 2003; European Commission, 2009; Hayter, 2015). This is because collective bargaining is more likely to raise the relative pay of women, as they often tend to be at the bottom of the wage distribution. Other reasons why collective bargaining may address the gender pay gap include it promoting a more flexible and tailored approach to the promotion of equality according to what would work in each workplace, positive measures to promote equality – rather than simply measures to counter discrimination – and giving women and men a voice in shaping their own working conditions according to their own needs and interests (Carley, 2000). Nonetheless, evidence also suggests that there can be perverse effects from collective bargaining, such as spatial inequalities, even if on balance the effects are beneficial (see Boeri et al., 2019).

Discussions with trade union officials suggested that a variety of factors determine the bargaining agenda and a combination of these factors often shapes the bargaining process as does the strength and density of a trade union within a particular workplace (Bryson and Forth, 2016). They can include:

- what is possible and in line with trends in pay rises within the workplaces;
- trends within an industry;
- union and employer policy;
- changes to statutory pay; and

- economic measures such as the Consumer Price Index (CPI) or Retail Price Index (RPI).

We present examples below from four sectors that were selected as they contained unionised work places in Wales where a collective bargaining or recognition agreement had directly influenced pay outcomes. In these cases, trade unions delivered pay increases for employees and secured a whole range of other fringe benefits that have improved job quality.

Care

The care sector in Wales, and the UK, is defined by high rates of workforce attrition, low pay and a lack of tangible progression opportunities for workers (Webb et al., 2018; Hayes, 2017). In the health and social care sectors, 36% of those employed in the sector work for SME sized businesses (250+ employees). 44% of large private enterprises provide health and social care services in Wales (Webb et al., 2018).³ The following case studies demonstrate that trade unions can influence wage outcomes in private companies, as well as in the public sector where trade unions have traditionally been more powerful (see membership sector).

Several unionised workplaces in the care sector have achieved enhanced pay agreements and protections for workers in Wales. Liveability and Dimensions are two third sector providers of care which have national agreements with UNISON. The agreement with Liveability covers its three sites in Wales for which a pay settlement from 1 April 2017 to 1 April 2018 secured a 1% pay increase for staff. In a two year pay agreement 1 April 2017 to 1 April 2019 with Dimensions, UNISON delivered the following benefits for employees across England and Wales:

- support workers had their pay raised to match the benchmark median, benefitting 1430 staff by an average of £260 per year;
- 600 support workers who did not receive a pay increase in 2017 were awarded a non-consolidated payment of £100;
- 60 lead support workers and 120 assistant locality managers received a consolidated pay rise of 2%; and
- a small number of lead support workers received a 5% pay increase to sustain differentials as a result of the support worker pay increase.

³ This number is higher in the social care sector than the health sector.

A national agreement between the Four Seasons Health Care Group and UNISON, GMB and RCN covers 30,000 nurses, care assistants, care home and hospital support staff. The latest published settlement, covering 1 April 2018 to 1 April 2019, agreed:

- a 1% pay increase for nurses who had not received an equivalent pay rise since October 2017 and have more than six months of service;
- a 0.75% pay increase for all other staff who had not received an equivalent pay rise since October 2017 and have more than six months of service;
- staff aged under 25 (except apprentices and trainees) had their pay raised to a minimum of £7.45 per hour; and
- supervisors would receive a minimum of £8.00 per hour to maintain the 2% differential.

It was also agreed that a pay pilot would continue and that the agreed pay and grading framework would be rolled out over a three-year period if the pilot were successful.

Construction

The construction sector is characterised by very low levels of employer-paid training, low health and safety standards, and high levels of stress across Europe (Eurofound, 2014). Data from 2017 shows that the construction sector in Wales employs 90,500 workers (Stats Wales, 2018). The construction sector at the UK level has a high number of self-employed workers, with 37% of the workforce working on a self-employed basis (Rhodes, 2018). While trade unions have had success in covering key sites through recognition agreements (see below), this high-proportion of self-employed workers presents a key barrier to further unionisation in the sector.

In the construction sector, national agreements have delivered a range of positive pay outcomes for workers in Wales. The National Agreement for the Engineering Construction Industry (NAECI) is agreed by the National Joint Council for the Engineering Construction Industry (NJC) - a partnership between Unite and GMB trade unions and employers (represented through associations such as the Engineering Construction Industry Association (ECIA)). The NJC provides a grievance and disputes mechanism. The agreement is intended to cover workers in large scale infrastructure projects. The latest settlement runs from 7 January 2019 to 4 January 2021. The first year includes a 2.5% increase in all hourly rates, and a 2.5% raise in radius and accommodation allowances. The settlement also included:

- a £5000 increase in the Industry Conditional Death Benefit (to £35,000);

- a £25,000 increase to the Permanent Total Disablement Benefit (to £50,000) payable after 27 weeks consecutive disability (previously 52 weeks);
- a joint working party to be formed to advise the NJC on the introduction of the Occupation Health Scheme (to be implemented on 6 January 2020); and
- a joint working group to consider how to raise productivity.

The second year of the agreement includes a pay rise and an increase in the radius and accommodation allowances based on the average CPI for July, August and September 2019 (a minimum of 2% and a maximum of 3.5%).

One of the largest collective agreements in the construction sector that impacts Welsh workers is the Working Rule Agreement. Workers are represented by the Unite and GMB trade unions, and employers are represented via several different representative bodies such as the National Federation of Builders (NFB) and the Home Builders Federation (HBF). This collective agreement includes a 3.2% increase in all pay rates from June 2018, except first year apprentices who received a 6.5% increase, lodging allowance increased by 7.8% to £40 a night and industry sick pay increased by 6.1% to £130 per week. From June 2019, this agreement includes a 2.9% pay increase for all workers.

Contact centres

Contact centres are an important part of the Welsh economy. For example, Legal & General employ around 1,400 people in Wales. However, about a third of UK contact centre staff are employed on a part time basis and work on a shift basis (Nesta, 2016). Attrition is a significant issue in this sector. Low job satisfaction and work-related stress are significant factors that contribute to the high turnover of workers in this sector (Nesta, 2016). Automation is likely to have a significant impact on this sector, which will have a significant impact on the composition and growth of the sector in the future (Dellot et al., 2019).

The Legal & General agreement with Unite covers these sites and other locations in England. The current statement includes a 3.5% pay increase based on performance and a 4% pay increase from 1 January 2018 for staff grades 1-5. British Gas has an agreement between GMB, Unison and Unite which covers around 1,200 people in Wales. The pay agreement from 1 April 2018 to 1 April 2019 includes a 2.4% consolidated increase.

The joint agreement between SSE and GMB, Prospect, Unison and Unite trade unions covers 11,000 manual and non-manual workers, including those working at their Cardiff contact centre. The pay settlement from 1 April 2018 to 1 April 2019 includes a 3% increase for all staff, with an additional 0.6% increase for those on the lower 'zones' of each pay band.

The 3% increase also covered atypical work allowances such as the standby and overnight allowances. The settlement also brought an end to the performance-related pay scheme and an agreement to establish a joint working party to agree a fairer system for progression.

Retail

Low paid work in the retail sector contributes to high workforce attrition rates, low job satisfaction and adversely effects sector productivity (Webb et al., 2018). The retail sector is a diverse one, with a strong mix of micro businesses as well as large employers such as major supermarkets or well-known high street chains. Alongside low-pay, a lack of tangible career structures in this sector contributes to high rates of workforce attrition, and workers in this sector have struggled to secure good working conditions (Ussher, 2016 and Webb et al., 2018).

While there is distinct variation in the types of agreement present amongst major retailers in Wales, case studies covering the major supermarket chains show the potential benefits of collective agreements for Welsh workers. Tesco's national agreement with the Union of Shop, Distributive and Allied Workers (USDAW) covers retail, call centre and head office staff. It consists of a two-year agreement which covers 240,000 workers throughout the UK. The fourth stage of the settlement included a 3% pay increase in all hourly rates of pay. It also included an increase in maternity pay by 14 weeks. Morrisons are another major retailer covered by an agreement with USDAW. This agreement has resulted in basic pay increases from £8.50 to £8.70. For new starters, the hourly pay increased from £8.10 to £8.30.

One of the most significant pay increases awarded to staff came about through the agreement between Sainsbury's and USDAW. The current pay deal, which runs until April 2020 includes a 15% increase in the hourly rate of non-London staff, raising the hourly pay from £8.00 per hour to £9.20 per hour. However, it's important to note that this was agreed in exchange for ending bonuses, paid breaks, paid overtime and changes to productivity, flexibility and attendance.

Asda's recognition with the GMB union covers 135,000 workers in the UK, although this does not include pay bargaining. The current pay settlement, which runs until April 2020 includes a 4.9% raise for staff on old contracts in line with the national living wage of £8.21. Staff on new contracts were given a rise of 2% to an hourly rate of £8.84.

Employee outcomes – other services

Given the changing role of trade unions in the UK, trade unions impact employees in ways other than core activities relating to pay. This section examines the evidence on how trade unions can positively impact the workplace through the other services they either directly provide or offer access to.

Evaluating the complete suite of benefits other than pay is difficult, especially as unobservable attributes, including amplified worker voice, are particularly hard to capture (Gomez and Gunderson, 2016). Despite this, a large body of evidence documents the added value of services to employees, with many using quantitative methods to control for observable differences between union and non-union employees. Commissioned by the TUC, Bryson and Forth (2016) comprehensively incorporated this body of research into their review of the economic impact of workplace union representation in Britain, ahead of the Trade Union Act (2016). In the section below we draw from their research, situating their findings in the context of Wales and focusing on the actions of trade unions in Wales.

A recent development in UK trade unionism has been the growth of training and education services offered by trade unions, with union involvement in skills and training being more apparent in recent years (Bryson and Forth 2016). Also, an employee is more likely to receive job-related training if they are a union member, covered by collective bargaining or work in an establishment with union recognition (Stuart et al. 2015).

Several recent studies have also used the biennial unionlearn survey of Union Learning Reps (ULRs) to evaluate training and learning outcomes of trade unions. Using data from the 2007 survey, Bacon and Hoque (2009) suggest that 73% of ULRs feel they have had a positive impact on at least one form of training, and one half of managers feel that ULRs have had some impact on training in their workplace. Employers report that union learning is beneficial because it improves equality of access to learning, the number of employees attaining qualifications, the positive effect of addressing basic skills gaps, and the take up of both job and non-job-related training (Stuart, 2011).

Since the devolution of TUC Education and Learning Services in 1999, the Welsh Government supports Wales TUC Learning Services, most recently through the Wales Union Learning Fund. Barlow and Hill's (2016) evaluation of all Wales TUC Learning and Education Services between 2010-2013 concludes that these services are largely positive in terms of the impact on employees, as well as employers. This is because it improves the performance of ULRs, increases essential skills across the adult population, and improves wider learning services activity (Barlow and Hill, 2016). They can also help provide the workforce with the skills and qualifications they need to move into better paid and better-quality work (Webb et al, 2018).

A Public Policy Institute for Wales evidence review of improving job quality in low pay sectors highlighted the potential relationship between trade unions and job quality. This review suggests that ‘countries with higher levels of union density, coverage and centralisation of collective bargaining tend to have a lower prevalence of low-paid work’ (Sissons et al., 2017). However, the absence of low-paid work is not the only marker of job quality. Trade unions also contribute to other aspects of job quality, with studies showing how trade union membership helps ameliorate job-related anxiety in unionised work places (Bryson et al., 2013).

Several studies have addressed the link between unionisation and workers’ well-being, suggesting that trade unions can mitigate negative effects on well-being, especially when workers face reorganisation. Bryson et al. (2013) argue that this is because trade unions negotiate conflict and manage organisational change; can use organisational change to promote justice; provide job security through Job Security Guarantee Agreements; and offer social support to help people cope with high demands under conditions of low control. This is supported by empirical research, which finds that unions mitigate lower levels of well-being associated with changes to work organisation (Bryson et al., 2013). Green et al. (2016) also report that organisational participation (i.e. through trade unions) during the 2008-09 recession was associated to higher levels of well-being.

Despite this, research regularly finds that union members report lower job satisfaction than non-members, and that this is consistent across several datasets, countries, sectors, and time periods (Laroche, 2016; Bryson and Forth, 2016, Doucouliagos et al., 2017). This could be down to the fact that unionisation is more common in low paid sectors, where job quality tends to be poor and consequently, job satisfaction low (Webb et al., 2018). On measures such as job satisfaction, unionised employees may be generally less satisfied with their jobs due to the precarity of their work or low pay. Evidence suggests that most of the negative union effect on job satisfaction can be accounted for by job quality, the industrial relations climate, wages, and bargaining coverage (e.g. Hammer and Avgar, 2005; Bryson et al., 2010; Hipp and Kolins Givan, 2015). This has been shown to be the case in the UK, where levels of job satisfaction can be accounted for by the relative characteristics of union members such as the jobs they hold (Bryson and Davies, 2019). The decline in union membership and bargaining power has negatively impacted on the extent to which unions can improve job quality, but unionised jobs often report better job quality, both in terms wages and other services (Bryson and Green, 2015).

Other services offered by trade unions can impact inequality outcomes, other than pay, with many studies finding that equal opportunities practices are more likely to have been adopted in unionised than non-unionised workplaces (Harcourt et al., 2008; Hoque and Bacon, 2012, 2014). A number of examples, from a range of countries, exist where collective bargaining has addressed workplace inequality, through its impact on addressing organisational culture and structure, recruitment, promotion, and training (Carley, 2000). One of which is the

London Fire and Civil Defence Service, which following a workforce opinion survey involving unions, adopted an agreement aimed at embedding the programme for equality in a broader programme of widespread cultural change, in partnership with unions (Carley, 2000).

One recent study evaluates the TUC's equality representative initiative that was implemented after the recommendations of the Women and Work Commission's (2006) inquiry. It documents the impact union equality representatives have had in British workplaces and suggests ways to improve the effectiveness of equality representatives (Hoque and Bacon, 2012). Equality representatives in the study report that they had a positive impact on equality in the workplace, with many of them finding that they have impacted positively on employer disability, gender, race, age, sexual orientation, and religion and belief practices (Hoque and Bacon, 2012). The study also suggests that equality representatives are more likely to effectively have a positive impact on workplace equality when negotiation over equality had taken place, and if the equality representatives were given a statutory right for time off.

As in the previous section, we now provide examples of how these services have been secured by trade unions through recognition agreements in the care, construction, contact centre and retail sectors. Studies have highlighted numerous problems with poor job quality and subsequently, high rates of workforce attrition (Evans et al, 2006; Kim et al., 2011).

Care

Evidence from unionised care workplaces in Wales shows that trade unions have secured fringe benefits and services that improve job quality. For example, the national agreement secured by UNISON in Four Seasons Care homes, secured agreements on overtime pay, hours and the secured union facilities. Another agreement secured by UNISON in Dimensions care homes secured increased holiday time for staff. This resulted in staff receiving 30 days holiday (including bank holidays), rising to 35 days. There is a strong link between reasonable levels of paid holiday and job quality (Aletraris, 2010; Bryan, 2006).

Construction

The National Agreement for the Engineering Construction Industry was negotiated through a partnership between Unite and the GMB. In addition to the pay outcomes it delivered, the agreement offers:

- further refinement of pay grades;
- overtime;

- shift payments; hours; holidays; special leave; mileage; paternity leave; redundancy; grievance; disciplinary; standby and callout agreements; and
- union facilities.

Contact centres

The examined collective agreements covering contact centre workers in Wales provides a range of services for workers. For example, Legal & General contact centre staff receive enhanced entitlement to special leave, redundancy pay and union facilities through the agreement negotiated by Unite. The joint agreement between SSE, GMB, Prospect, Unison and Unite trade unions includes agreements on: overtime pay; hours; holidays; special leave; sickness pay; career breaks; mileage; maternity and paternity leave; flexible working; dependency leave; disciplinary procedures; health and safety; and union facilities.

Retail

Agreements secured in the retail sector have offered workers benefits not directly linked to pay and have secured workplace policy changes that improve job quality. For example, the agreement negotiated by USDAW and Unite secured agreement on an equal opportunities policy. However, there is little evidence assessing its content or outcomes. Tesco's national agreement with USDAW covers a range of additional services and benefits for members. It includes a policy on pension contributions, working hours, holiday entitlements, maternity pay, special leave, flexible working and childcare vouchers. The USDAW agreement with Morrisons offers similar benefits and includes an agreement to pursue a partnership approach to support staff in maintain their wellbeing, with a specific focus on mental health.

Employer outcomes

Much of the existing academic literature has concentrated on the impact trade unions have on firm performance, particularly regarding productivity. The focus of these studies has been on whether trade unions negatively impact firm performance (Freeman and Medoff, 1984; Blanchflower and Bryson, 2007b). It is important to note that the correlations in these studies do not imply causation, and that productivity and firm performance are not the primary focus of trade union activity, so these studies are analysing a secondary effect of union activity.

Addison's (2014) research finds that trade unions have no impact on firm performance. However, declining union power is associated with rising earnings inequality and a loss of

direct communication between workers and firms (Fitzenberger et al., 2013). A Joseph Rowntree Foundation study that used large-scale survey evidence found that where employers allowed unions a role in determining pay and employment matters, employment growth stayed constant and the chances of workplace closure were reduced (Milward et al., 2001).

While individual studies that analyse particular sectors or focus on a particular context for wage performance, highlight a positive relationship between trade unions and productivity, a review of the literature using bibliometric techniques and meta-regression analysis found a near zero association between unions and productivity (Doucouliagos et al., 2017). However, there is important country and industry variation, with a negative association reported in the UK. While the precise reasons for this are unclear, one factor could be the sample selection of the manufacturing sector, such that the results have reflected the sector's general decline in productivity (Doucouliagos and Laroche, 2003).

Although drawing from a much smaller evidence base, collective bargaining can lead to a number of other non-core outcomes primarily impacting the employer. Evidence shows that collective bargaining is not always to the detriment to the employer, and in some cases, can lead to more efficient outcomes (Bryson and Forth, 2016). This is because unions aggregate worker's preferences to communicate them in a single voice and act to intervene in disputes and provide discipline. Unions can have positive effects on employer outcomes including impacting on labour turnover, absenteeism, and innovation (Bryson and Forth, 2016); although, further investigation is needed to quantify the exact impact of non-core outcomes on employers, especially as some employers resist unionisation.

The negative relationship between unionisation and resignations is well documented (e.g. Miller and Mulvey, 1994, Lucifora, 1998, Bryson and Forth, 2016), with studies finding that unionisation helps resolve concerns employees have, resulting in lower turnover. However, this negative association appears to only be significant when unions have an on-site union representative, suggesting that union representatives play an important role in achieving positive outcomes (Amossé and Forth, 2016).

The evidence of how trade unions impact absenteeism is less clear. Early British studies find either no association or a positive relationship between unionisation and absence rates (Fernie and Metcalf, 1995; Addison and Belfield, 2001). This positive association is also replicated in a later study using the LFS 2006-2008 (Veliziotis, 2013). However, evidence suggests that this association depends on the strength of union membership and the relationship between unions and management. Internationally, work absence is lower where there is a positive union-management relationship founded on strong unionism (Deery et al., 1999) and for those active in the union (Deery et al., 2014).

There appears to be an ambiguous relationship between trade unions and capital investments (Menezes-Filho and Van Reenen, 2003, Bryson and Forth, 2016). Unions in the UK do not reduce research and development as predicted and found in the US, but technological diffusion is unrelated to unionisation when the effects of other factors are accounted for (Menezes-Filho and Van Reenen, 2003). Recent UK empirical studies find positive associations with unionisation and product innovation (Bryson and Forth 2016). Despite this, a negative association between unions and physical capital formation is found when data are aggregated at the firm level (Doucouliagos et al., 2017).

Overall, the evidence on the effect of unions on employer outcomes is unclear. While trade unions cannot be associated with increased productivity, they are also not necessarily harmful to productivity and have a role in coordinating and managing change, and reducing labour turnover and absenteeism. There are suggestions that through the workplace coordination provided by collective bargaining, unions can increase efficiency, contributing to lower turnover, lower absenteeism and increasing innovation. However, the evidence suggests that these depend on sector, strength of the union and relationship between employers and unions (Garnero et al., 2019). This would benefit from more research, particularly focusing on Wales and the UK; controlling for sector variances such as differences in pay and willingness to unionise.

There is a lack of robust evidence showing the impact of unionisation on sector outcomes in Wales. As discussed above, the prevalence of trade unions in the Welsh public sector has been linked to greater levels of workforce engagement through the social partnership model (Foster and Scott, 2007). In a review of this in action in the education sector, this represents a new form of governance and improved engagement between employees in the teaching unions with their employees (Stevenson, 2014). While these small case studies demonstrate the potential value of trade unions by drawing on qualitative data, there are no major studies comparing trade union membership in Wales with the rest of the UK, which look at the impact of trade unions on sector productivity or growth.

Conclusion

This review has provided a review of secondary quantitative and qualitative data on trade union activity internationally and in Wales. It found that trade unions can add value for both employees and employers, through both their core activities, which can raise wages and reduce wage inequality, as well as through the services they provide and their wider work to improve job quality (Mishel and Walters, 2003; Milward et al., 2001; Hoque et al., 2017).

The review provided a detailed overview of the changing patterns of trade union membership in Wales, comparing this to the UK and Europe. It showed that along with Northern Ireland, Wales has maintained the highest levels of trade union density, at 36% in 2014. The review reported that the higher membership in Wales is due to the strength of the Welsh public sector, Wales' social partnership approach, and the intergenerational transmission of trade union membership.

The socio-political context in which unions operate has important influences upon membership density and the types of services provided. Although trade union membership and coverage has declined in most countries, excluding the Nordic countries, in Wales the social partnership model gives public sector trade unions a stronger role in decision-making processes surrounding industrial relations, and supports unions' abilities to effectively shape pay outcomes and improve job quality. Overall, this has provided a more stable environment for unions to operate within when compared to England. However, despite the protection offered by the Trade Union (Wales) Act 2017, trade unions in Wales still face challenges around recruitment, operating costs and access to workplaces. This is particularly the case in areas of the economy located outside the public sector.

The evidence on the effect of unions on employee satisfaction and employer outcomes is less clear. For employees, trade unions can mitigate negative effects on well-being, especially in the context of reorganisation, by negotiating conflict and managing organisational change. For employers, while trade unions cannot be associated with increased productivity, they are also not necessarily harmful for productivity and have an important role in coordinating and managing change and reducing labour turnover and absenteeism. Through workplace coordination provided by collective bargaining, unions can reduce wage inequality, increase efficiency; and contribute to lower turnover, reduced absenteeism and increased innovation. However, these effects vary by sector, strength of the union and the relationship between employers and unions. This would benefit from more research, particularly focusing on Wales and the UK.

This review has highlighted significant evidence gaps. The need for refinement of official statistics at the UK level is necessary to provide a more accurate picture of trade union activity and the impact of trade unions (Davies, 2016a, 2016b). Beyond the official statistics,

there exists a variety of literature analysing how trade unions add value internationally and in the UK. However, there remains an absence of evidence at the Wales level, with few existing studies of trade union activity in Wales and limited statistical information, evaluations and academic studies to support insights gathered during the course of this research.

Further research is therefore necessary to more systematically assess the impact of trade unions in Wales and thought should be given to how the impact of trade unions is quantified and what the most effective measures of trade union impact might be. There is potential for new measures of trade union impact and value to be developed.

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Annex 1: Key trade union legislation since 1979

Legislation	Key outcomes of legislation
Employment Act 1980	Encouraged secret ballots both on proposed industrial action and in electing union officials by making public funds available [sections 1-2]. Limited the closed shop by protecting from dismissal workers who objected to union membership on grounds of conscience or other deeply held personal conviction [section 7]. Superseded by the Employment Act 1988 and the Employment Act 1990.
Employment Act 1982	Removed the immunity from actions in tort which had been enjoyed by trade unions since 1906. This enabled employers to apply for injunctions against unions (as opposed to individual officials and members), to sue unions for damages and, ultimately, for Courts to sequester the assets of unions. Required approval of all closed shop agreements by a secret ballot held every five years. In most cases, approval was required by 80% of those eligible to vote or 85% of those voting. Employment Act 1988 and the Employment Act 1990 which effectively outlawed closed shops altogether.
Trade Union Act 1984	Introduced secret pre-strike ballots. Required trade unions to ensure that all voting members of their executive committees were directly elected by secret ballots at least once every five years [Part 1]. Made the continuance of trade union political funds dependent on approval in ten-yearly ballots [sections 12 and 13].
Employment Act 1988	Gave union members the right to complain to an industrial tribunal about unjustifiable discipline by their union (e.g. for refusing to strike) [sections 3-5]. Established a Commissioner for the Rights of Trade Union Members. The Employment Relations Act 1999 [section 28] abolished this Commissioner, with effect from 25 October 1999. It did, however, strengthen the powers of the Certification Officer to hear certain complaints about trade unions.
Dock Work Act 1989	Abolished the Dock Labour Scheme which restricted employment in scheme ports to registered dockworkers. Dock

Legislation	Key outcomes of legislation
	Labour Boards, consisting of equal numbers of employers' and workers' representatives decided who should be on the register.
Employment Act 1990	Made it unlawful to refuse a person employment either because he is or because he is not a member of a trade union.
Trade Union Reform and Employment Rights Act 1993	Extended the law on union and political fund ballots to give independent scrutineers a right of access to union membership registers and to require an independent person to store and distribute voting papers and to count votes cast [sections 1-3]. Allowed employers to take action which discriminates against trade union membership (e.g. to offer higher pay to those who accept personal contracts and give up collective bargaining rights) provided that the primary purpose of the action is to bring about a change in negotiating arrangements [section 13]. Gave individuals the right to join the union of their choice [section 14]. Required unions to give employers at least seven days' notice of their intention to ballot on industrial action and to provide them with sample ballot papers [section 18].
Deregulation (Deduction of Pay from Union Subscriptions) Order 1998	Ended the requirement that employers must seek employees' consent to having their trade union subscriptions deducted directly from pay (the "check off") every three years. The Order came into force on 23 June 1998.
Employment Relations Act 1999	Introduced statutory procedures for trade union recognition in firms with more than 20 employees where a majority of the relevant workforce wanted it [section 1 and Schedule 1]. Gave employees the right to be accompanied by a trade union representative or fellow employee during disciplinary and grievance procedures. Abolished the Commissioners for the Rights of Trade Union Members and Protection against Unlawful Industrial Action [section 28].
Employment Act 2002	Put Union Learning Representatives on a statutory footing and gave them the right to paid time off work to pursue their duties [section 43].
Employment Relations Act 2004	On statutory union recognition procedures, minor changes were made concerning top up recognition; Central Arbitration Committee checks on union membership; ACAS's role in nonstatutory recognition; definition of union membership; petitions; disclosure of information to unions; time limits; detriment and dismissal; union access; determining of bargaining units; Central Arbitration Committee ballots; core

Legislation	Key outcomes of legislation
Employment Act 2008	<p>issues for collective bargaining; change of employer identity; and associated employers.</p> <p>The Employment Act 2008 amended trade union membership law in light of the European Court of Human Rights judgment in <i>Aslef v UK</i> so that trade unions can expel members on the basis of their membership of a political party. [section 19]</p>
Employment Relations Act 1999 (Blacklists) Regulations 2010	<p>On 2 March 2010 blacklisting became subject to express statutory prohibition, by way of the Employment Relations Act 1999 (Blacklists) Regulations 2010 (SI 2010/493). The Regulations prohibit the compilation, use, sale or supply of trade union blacklists. Blacklists are termed “prohibited lists”, defined in regulation 3(2). Prohibited lists are those that contain details of persons who are/have been members of trade unions or who are taking part/have taken part in the activities of trade unions, which are compiled with a view to being used by employers or employment agencies to discriminate in relation to recruitment or treatment.</p>
Trade Union Act (2016)	<p>Introduced new ballot thresholds for industrial action: a 50% turnout requirement for all industrial action ballots; – an additional requirement that 40% of those entitled to vote must vote in support of industrial action in key sectors, including in devolved areas such as health, education (under 17) and fire services (in addition to the pre-existing requirement of majority support for industrial action from members who actually voted); – to make provisions relating to facility time for trade union officials in the public sector; and – restrictions on the deduction of union subscriptions from wages in the public sector (known as ‘check-off’).</p>
Trade Union (Wales) Act 2017	<p>Seeks to amend provisions in the Trade Union Act 2016. Sections 3, 13, 14 and 15 of the UK TU Act which amend the Trade Union and Labour Relations (Consolidation) Act 1992 (TULR(C)A) impose new requirements in relation to balloting for industrial action, facility time and check off (payment of trade union subscription fees by way of a deduction by the employer from the employee’s wages). The Act seeks to reverse the effect of these provisions, which in Welsh Government’s opinion will protect the continued delivery of public services in Wales; Section 2: makes provision to ensure the prohibition that prevents devolved Welsh public authorities from using workers</p>

Legislation**Key outcomes of legislation**

supplied by employment agencies to provide cover during industrial action cannot be lifted.

Source: Pyper (2017) and Bowyer (2017)

Annex 2: Trade union representatives

Trade union representative	Description of role	Legal status
Union representatives	Represent and give advice to colleagues when they have problems at work	Statutory rights in workplaces where the union is recognised. Paid time off to carry out duties and for training, and protection against dismissal and detriment, defined in the ACAS Code of practice on time off for trade union duties and activities.
Union learning representatives	To promote and enable training and learning	Statutory rights in workplaces where the union is recognised. Paid time off to carry out duties and for training, and protection against dismissal and detriment, defined in the ACAS Code of practice on time off for trade union duties and activities.
Health and safety representatives	Work to keep members healthy and safe at work	Statutory rights in workplaces where the union is recognised. Paid time off to carry out duties and for training, the provision of facilities to help them perform their duties, and protection against dismissal and detriment. Covered by the Safety Representatives and Safety Committees Regulations, 1977.
Information and consultation representatives	Representatives who are informed and consulted about issues at work if the company or organisation has 50 or more employees.	Statutory rights for those representatives who negotiate to create an Information and Consultation of Employees Regulation and in workplaces where the union is recognised. Paid time off to carry out duties and protection against dismissal and detriment.
European consultative bodies	Employee members whether union or non-union, of a special negotiating body	Paid time off to carry out duties and protection against dismissal and detriment.
Pension representatives	Elected for the purpose of consultation over changes to pension arrangements.	Paid time off to carry out duties and protection against dismissal and detriment.

Trade union representative	Description of role	Legal status
'TUPE' representatives	Must be informed and consulted over the transfer of undertakings	Statutory rights in workplaces where the union is recognised. Paid time off to carry out duties and for training, the provision of facilities to help them perform their duties, and protection against dismissal and detriment, defined in the ACAS Code of practice on time off for trade union duties and activities.
Collective redundancy	Consulted within a 90-day period when there is a proposed redundancy of 20 or more employees.	Statutory rights in workplaces where the union is recognised. Paid time off to carry out duties and for training, the provision of facilities to help them perform their duties, and protection against dismissal and detriment, defined in the ACAS Code of practice on time off for trade union duties and activities.
Equality representatives	Aim to make sure people are treated fairly at work and do not suffer from discrimination on the basis of sex, race, sexual orientation, disability, age, religious beliefs or because they work part-time.	Non-statutory rights to time off with pay, or access to training or facilities.
Environmental representatives	Raise awareness of the green issues in the workplace	Non-statutory rights to time off with pay, or access to training or facilities.
Workforce agreement representatives	Other representatives who are consulted over particular statutes to the workplace concerning working time, maternity and paternity, and fixed term employment.	Do not have the right to time off, but have the protection against dismissal and detriment.

Sources: ACAS (n.d.), TUC (2010b) UK Government (n.d.-b), UNISON (n.d.-b). TUC Education and Learning Services to trade unions in Wales is devolved and funded by the Welsh Government through the Wales Union Learning Fund (TUC, 2018)

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