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Social Partnership: Rebuilding Union Capacity Through Education

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Abstract: This paper employs a case study approach in order to update and expand on previous analyses of developments in union education in New Zealand. This particular paper focuses on the role of union education in the rebuilding of union capacity and reflects on theoretical and practical difficulties that confront unions in the wake of neoliberalism.

Introduction, Purpose, and Research Approach

For some time I have been attempting to document and analyse developments in labour union education in a small democracy, New Zealand and, in the process, rethink selected issues of theory, policy, and practice. (eg Law, 1997, 1998, 2003a, 2003b; Law and Piercy, 2000). This paper is concerned with aspects of the relationship between unions and the state and some educational implications. This general line of inquiry has been encouraged by the recent resurgence of interest in union education (Bridgford and Stirling, 2002; Burke and others, 2002; Delp and others, 2002; Spencer, 2002). The particular focus of this paper has been prompted by some specific issues raised by Michael Newman (2002) in Bruce Spencer's edited volume. A veteran of a 13 year period of Australian union education framed by "co-operation between trade unions and the government" (p. 160), Newman asks whether unions "should struggle to remain part of the system or whether they should clearly seek to become a part of civil society" (p. 163). The purpose of this paper is to help explore further whether or not this is necessarily an 'either/or' question. It offers a case study examination of union education programmes in New Zealand that are designed to increase the capacity of unions to engage in social partnership. The research has been conducted and the paper written from a labour studies perspective. The research included: an analysis of the overarching political context; a review of the union movement's general economic, political, and social) and educational strategies; a review of the purposes and content of the two series of seminars; insights gained as a participating activist/researcher in several seminars; and a preliminary evaluation of the immediate (short term) impact of the seminar series.

Unions and the State: Some Theoretical Notes

The recent union education literature raises, once again, a myriad of tricky questions about the role and future of unions in contemporary economies and thus the purposes of their educational endeavours. Such questions are usually posed and answers attempted within a particular, national context. This makes good sense. Most national traditions of labour relations are very strong with, well-established frameworks, institutions, and cultures (Crouch, 1993; Traxler and others, 2001). But at the same time national traditions are not shaped in isolation. Directly and indirectly, powerful, broader, economic, intellectual, and political impulses continue to leave their indelible imprints. Thus writers like Bev Burke and her colleagues (2002) urge educators in Canada to apply "a global lens to all aspects of union education" (p. 28).

Elsewhere Franz Traxler and his colleagues (2001) explore two relevant questions about the internationalisation of labour relations. Loosely summarised they are: (1) 'are the pressures of economic internationalisation placing pressures on national systems of labour relations to converge?' (2) in the light of that internationalisation, 'what impact might the retention of "distinct national labour-relations systems" (p.4) have on economic performance?' The answers to these and similar questions have major implications for unions and union education. In short, this is because they pivot around the role of the state in the labour market. Traxler and his

colleagues identify three broad categories of state regulation:

- Neoliberalism which is associated with labour market deregulation, although Traxler and others suggest that in practice it is more complicated than that.
- Statism: situations where “state control overrides collective bargaining” (p. 188).
- Corporatism: situations where the state “aims to actively integrate organised business and labour into the state’s effort to formulate and implement incomes policy” (p. 188).

It is interesting to note that their study concludes that “All in all, there is every reason to believe that the corporatist trajectory will be sustained despite persisting internationalisation” (p. 305). The radical shifts in New Zealand’s recent labour relations history have attracted considerable international interest. According to Traxler and his colleagues (2001), it has moved through several ‘labour relations regimes:’ statism (1970-85); ‘other’ corporatism (1986-90); and neoliberalism (1990-96). They would probably classify the present phase (post-1999 election) as ‘other corporatism.’ In the neoliberal period, the workforce was deunionised following the passage of the Employment Contracts Act (ECA) in early 1991; a year later the legislative base of the country’s unique system of union education rights was repealed (Law, 1997).

Towards a New Social Partnership

Prior to the 1999 election, a group of centre-left authors (mainly economists) with close connections to the union movement and the Labour Party, sought to chart a path that reconciled better economic and social policy with the constraints imposed on a small country by powerful, international, financial markets (Chatterjee and others, 1999). They acknowledge the importance of competition and the role of the private sector, but equally importantly, they argue, are the things a government could do. “Governments are not hamstrung,” claim Harris and Eichbaum (1999, p. 224), “there is both a need and the scope for innovation.” A “key element,” they hold, is that the government “accepts new responsibilities and finds better ways of delivering through economic and social partnerships.” Such dynamic partnerships imply an active civil society that includes a revitalised union movement. Since late-1999, the Labour-led government has tried to facilitate this through new legislation (Employment Relations Act [ERA], 2000) which promotes collective bargaining and a degree of re-unionisation, and provides new union education rights (Law, 2003a; 2003b). The government is also involving union representatives on a number of important policy making and consultative bodies.

Building Union Capacity 1: Notes on the Re-Establishing of Union Education Rights

The union movement’s approach to the restoration union education rights has been based on a paper prepared by Maryan Street and myself (1999) at the request of the New Zealand Council of Trade Unions (CTU). The case was essentially the same as that we argued in the 1980s. The new emphasis on the ‘knowledge economy’ placed even greater pressure on policy-makers and politicians to come up with workable and durable ways of increasing workers’ knowledge and skills levels. In our view, the rationale of the ‘knowledge economy’ does not stop or start at the factory gate or office door. The desire to have active, informed, participating workers, who can then become active, informed, participating citizens, should be the concern of any government that is serious about fostering democracy. Unions, we argued, have a vital interest in helping to build a workforce that is capable of contributing at all levels of society. To talk of an active, informed, and competent citizenry is to talk about union members and potential members making considered decisions about life at work and life in the community, considering options, making real choices. To achieve these aims, unions have to take a lead in providing workers with access to a range of personal, work-related and interest-generated skills that will have both beneficial economic outcomes and beneficial social outcomes. The ERA includes relatively uncomplicated

provisions that afford eligible union members a statutory entitlement to PEL for Employment Relations Education Leave (ERE), which includes union education. ERE can be used for programmes approved by the Minister of Labour (in practice an advisory committee). Inclusive guidelines permit a wide range of ERE programmes. A full schedule of courses can be found via www.ers.govt.nz/er. (For an extended discussion of the above see Law, 2003a, 2003b).

Building Union Capacity 2: Notes on Industry Training

In the late 1980s, the Labour government initiated a substantial reform of education and training. Unions had a vital interest in these reforms. Influenced by ideas and developments from Australia, they:

- supported competency based assessment, unit standards, and a national qualifications framework;
- accepted the Australian view that public education institutions, specifically the polytechnics, were not meeting the needs of working people;
- endorsed the suggestion that training should be ‘industry-led’ through broadly based industry training organisations (ITOs) on which unions would be represented; and
- generally endorsed other reforms including changes to school qualifications and a restructuring of all post-compulsory education (Law, 1998; Law & Piercy, 2000).

Notwithstanding union support, National’s Industry Training Act, 1992 turned its back on the core principles of tripartism and effectively left it to statutory facilitated, employer controlled industry training organisations (ITOs) to decide whether or not to include union representation. The Labour-led government has restored unions as-of-right participation in ITOs, but the capacity of unions to participate effectively was in question. Once the ERA restored basic union education rights, the CTU sought state funding for more strategic projects. One, the ‘Industry Training Union Capacity Building Project,’ sought to:

- “up-skill unions to ensure effective participation in the governance of ITOs;
- increase union involvement in industry training;
- inform unions about tertiary education reforms; and
- enhance union relationships with other stakeholders in the tertiary sector” (Beaumont, 2003).

The strategic framework was sketched by CTU economist, Peter Conway, one of those responsible for the Chatterjee and others (1999) volume, at the first seminar. He emphasised the CTU view that unions, as workers’ representative organisations, had a *right* to be actively involved as full partners in industry training. However for this to be effective, union representatives had to develop an understanding of the “political economy of skill and skill development.” Central to this was the need for a solid understanding of the policy debates around tertiary education. Conway developed these themes at a later seminar where he presented the CTU’s overall strategic framework in more detail. The main features are:

- sustainable development;
- growth and innovation;
- economic transformation;
- inclusive economy; and
- a social development approach.

Unions accept that for the economy to deliver reasonable living standards, industry training and skill development has to be linked to economic development, including regional economic development. This requires union involvement in the creation and implementation of industry strategies. Using the notion of ‘organising plus,’ the CTU also holds that industry training has to

be linked to broader workplace issues such as work-life balance, health and safety, and worker involvement. This extends beyond the workplace to issues such as the strengthening of civil society, enhancing general educational opportunities, social development, and an improved social wage. These central themes, which are consistent with much of the Chatterjee and others (1999) volume, were explored, argued, and developed by other contributors and by participants over the course of the main seminar series and during two additional, abbreviated series.

Building Union Capacity 3: Notes on Regional Economic Development seminars

Another, more localised CTU educational initiative is the regional development seminar series. As part of its growth strategy, the Labour-led government made funding available for regional development projects. Unfortunately, union involvement has been quite low. The CTU series is a first step to rebuilding regional union capacity.. The basic format includes:

- an overview of the regional economy;
- presentations from regional development agencies;
- consideration of regional economic development and skill development;
- the fostering of positive employment relations and the regional economy (essentially making the case for ‘bringing unions back in;’
- an analysis of the role unions can play in a regional economy; and
- a workshop session on revitalising local/regional union structures.

Our local (Waikato) seminar highlighted the sheer magnitude of the problems facing unions. First, capacity in the regions has very limited. In part this a consequence of the ECA. Second, capital (usually non-unionised or modestly unionised companies) and local government (in essence dominated by regional capital) can be unwilling to engage unions at the regional level. But on a more positive note, the seminar did reveal a genuine willingness on the part of tertiary educational bodies to work more closely with local unions in building capacity.

Building Union Capacity 4: Notes on Workplace Learning

Two other CTU initiatives are worth noting briefly. Both focus on workplace learning. The first, is well underway. It is a tripartite project (with Business New Zealand , the Industry Training Federation, and the Tertiary Education Commission) that aims to win employer and union support for workplace learning. The CTU regards this as part of its overall strategy to democratise access. The second initiative, which is yet to be funded, is a pilot project intended to enhance learning opportunities for workers at the workplace through the appointment of union learning representatives (ULRs). ULRs will be expected to develop a learning that only makes workers more aware of and encourages them to take up not only training opportunities promoted by their employer but also the much wider range of options available through public education bodies and through unions themselves.

Summary Discussion

The initiatives summarised here have a number of positive dimensions. But the theoretical and practical difficulties still faced by unions are substantial. These include:

- The neoliberal legacy to which unions are very highly exposed. The ideology is deeply embedded into economic and social policies and into the political culture. Individually and collectively, as some of my union membership research in the dairy industry shows (eg Law, 2003c), neoliberal thinking has reshaped the ways in which political issues are presented and the ways in which people respond.
- Economic deregulation has been pervasive. The country is highly dependent on exports and very open to imports with little tariff protection.

- The ‘third way’ approach is facing a legitimacy crisis. Powerful political forces, actively supported by most large businesses and influential media, are again advocating a radical, neoliberal economic and social agenda. This trend has been boosted by the recent introduction of the ‘race card’ into the domestic political debate.
- Active resistance to any labour market re-regulation. The ERA, changes to health and safety legislation, and improved holiday legislation have all been poorly received by business. Currently, a sustained campaign by business, opposition parties, and the media is forcing significant backtracking on very modest amendments to the ERA.
- Unions are struggling to recover membership, especially in the private sector, where union density is now around 12-13%.
- The practical application of an industry-based skill development strategy can exclude unions structurally. The reinstatement of a union presence on ITOs is welcome, but without a presence at the enterprise and the workplace levels, the educational opportunities made available to workers will fall far short of CTU objectives.

Conclusion

If this ‘snapshot’ contribution to an evolving evaluation of developments in union education in New Zealand is more sombre than previous contributions, that is because it reflects the current tone of domestic politics. While it implicitly celebrates new initiatives, it also attempts to take stock of political, economic, and organisational impediments. In summary, it holds that ‘social partnership’ approach is affording unions with opportunities to build capacity and, in the process, contribute to the democratisation of education and training. But real organisational gains in the private sector and in the regions are likely to depend on, more quasi-corporatism: a combination of much stronger, facilitative (not prescriptive) legislation and further funding of projects like the proposed ULR initiative. This brings me back to Newman’s questions. That unions have a social movement/popular education agenda that extends beyond ‘mere labourism’ is not disputed. But as voluntary, member organisations based in the relations of production, they operate within the framework of specific, concrete circumstances over which they have limited influence. Further; their presence and claims to representation are contested, not just by employers, but also by other union organisations. But given the neoliberal legacy and given the historic patterns of state violence in response to industrial and political militancy, which I have not had space to discuss here, options are limited. Thus it seems that without a measure of social partnership, it would be difficult for unions to retain an active presence in the workplace beyond selected core industries or sectors within industries let alone in the wider society. Perhaps this supports Traxler and his colleagues’ observation that the corporatist trajectory will be sustained.

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