

# Impact of the Global Credit Crunch

Views of the general secretaries of trade unions

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Survey conducted by Electoral Reform Services

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## Summary

**This survey conducted among general secretaries of independent trade unions gives a comprehensive view of the economic climate from the perspectives of trade unions.**

Union leaders expect the economic climate will improve in mid 2010 and that their priority will be to protect their members' pay and working conditions. They are however working with companies to prevent job losses and ensure redundancy processes are fair. Detailed analysis shows that it is the unions representing the private sector whose members have been most affected by the economic climate particularly in terms of facing redundancies.

Opinion of the Government's handling of the economic situation is divided with about a third saying it has been good and a third saying it has been poor.



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## Opinion of the Economic Climate

Three quarters (77 per cent) of general secretaries said that this recession was more severe than ones we have had in the recent past. Only one per cent said it was less severe, 14 per cent said it was the same and five per cent did not answer.

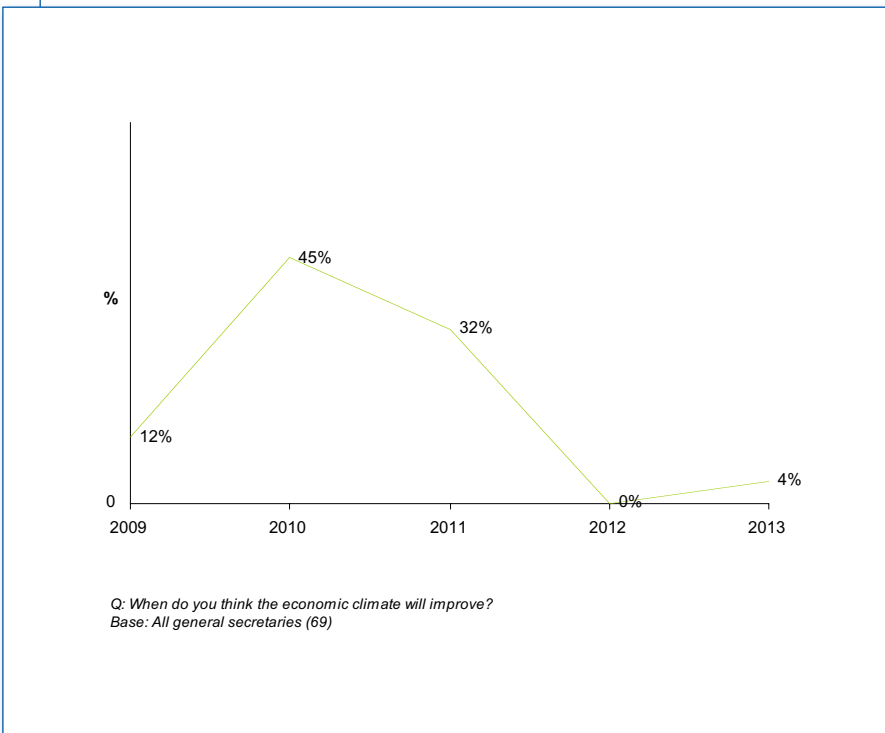
Unions who are affiliated to the TUC were more likely to say than those who were not affiliated that the economic climate was more severe than previous recessions (89 per cent vs 69 per cent).

### When will the economic climate improve?

Nearly half of union (45 per cent) leaders expect the economic climate will not improve until 2010. In fact nearly a third (31 per cent) said it will not improve until the second or third quarter in 2010.

This pessimistic view was consistently held across all types of unions.

Figure 1



## Impact on unions

It appears that the economic situation has not had a significant impact on unions; a minority (26 per cent) said they were considering cutting costs.

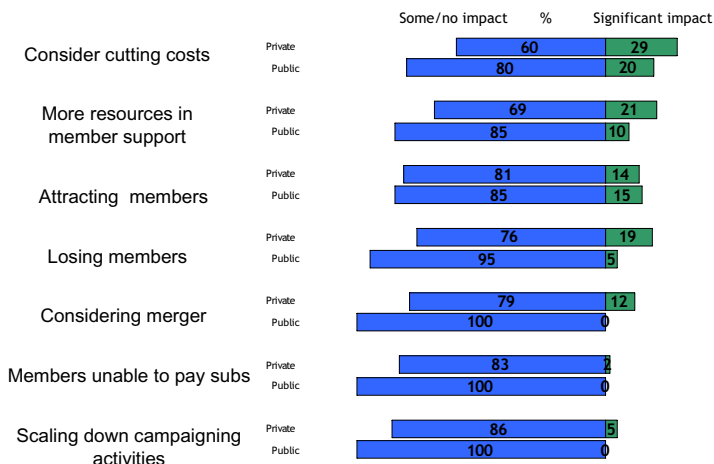
14 per cent said they were attracting members; the same proportion who said they were losing members (13 per cent).

16 per cent were switching more resources into member support. However, very few (three per cent) were scaling down campaigning activities, considering a merger (seven per cent) or said that their members were unable to pay their subscriptions (four per cent).

Unions representing public sector workers appear, **at this point in time**, to have had less impact from the economic situation compared with private sector unions. For example, none say they are scaling down campaigning activities, have members who are unable to pay subscriptions or are considering a merger, full details in the chart below.

Figure 2

### Impact on unions - by sector



Q: How much impact has the current economic climate had on your union with regard to....

A: very significant impact, fairly significant impact, some impact, little or no impact

Base: All general secretaries (69) private sector (42) public sector (20)

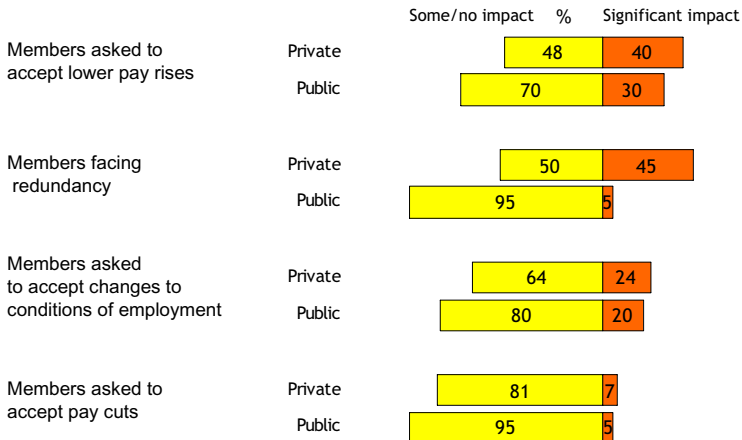
## Impact on Members

A third of unions (35 per cent) said that members have been asked to accept lower pay rises; a similar proportion (30 per cent) say their members are facing redundancy. One in five union members have been asked to accept changes to conditions of employment and seven per cent have members who have been asked to accept pay cuts.

Unions representing the private sector are much more likely than those representing the public sector to have members facing redundancy (45 per cent vs five per cent). Unions whose members work in the public sector have had been less affected by the economic climate compared with the private sector as can be seen from the chart below.

Figure 3

### Impact on members - by sector



Q: How much impact has the current economic climate had on your members with regard to....

A: very significant impact, fairly significant impact, some impact, little or no impact

Base: All general secretaries (69)

## Union Priorities

Unions' main priority was to protect members' pay and conditions of employment (cited by eight in ten), full details in chart below. Six in ten were working with companies to prevent job losses and half were ensuring that redundancy processes are fair. A third were providing support to those being made redundant. One in five were lobbying Government for better support for the unemployed.

As nearly half of private sector union members were facing redundancy it was not surprising to find that these unions were very much focused on issues relating to job losses, fair redundancy processes and providing support for those being made redundant.

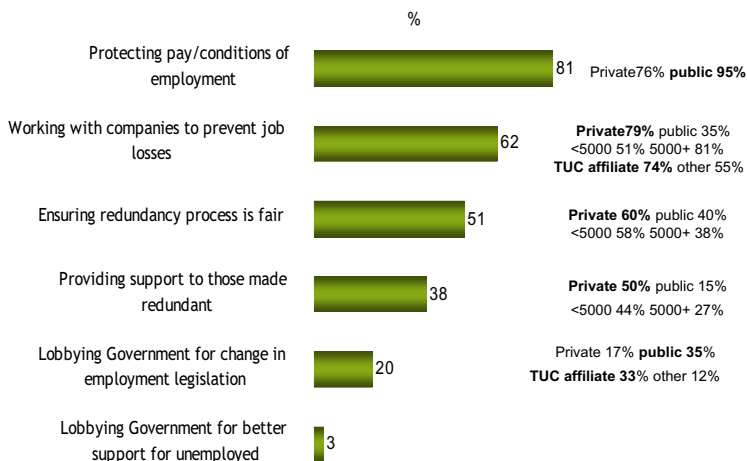
However, public sector unions are more concerned with protecting pay and conditions of employment.

Lobbying Government for change in employment legislation is a priority for public sector and TUC affiliated unions.

Only three per cent were interested in lobbying Government for better support for the unemployed.

Figure 4

### Union priorities - by sector



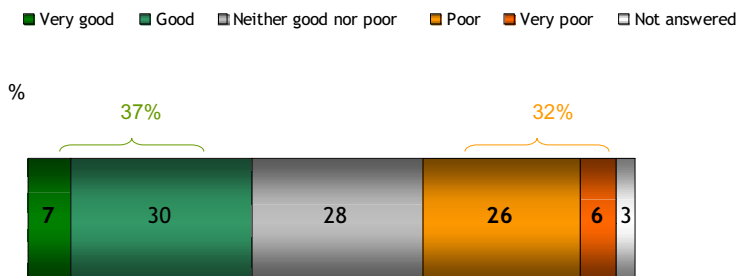
Q Which of these are your unions priorities at this time? Select three  
 Base: All general secretaries (69) private (42) public (20) <5000 (43) 5000+ (26) TUC affiliate (27) not (42)

## Opinion of Government handling of the economic situation

Opinion of the way the Government is handling the economic situation is divided. A third think their handling is good, a third say it is poor. Larger unions (50 per cent) and TUC affiliates (48 per cent) give the Government higher rating than smaller unions (30 per cent) and those not affiliated to the TUC (31 per cent).

Figure 5

### Opinion of Government handling of economic situation



Q: How would you rate the Government's handling of the economic situation?  
Base: All general secretaries (69)

## Technical appendix

These results are based on online or postal responses or 69 trade union general secretaries. All 131 national trade unions listed by the Certification Officer as of 31 March 2008 were invited to participate in the survey; federations were excluded.

Those who responded were representative of all independent unions in terms of size and TUC affiliation as can be seen from the table below.

Fieldwork was conducted between 4 February and 3 March 2009.

	Survey Universe	Respondents
<b>Base</b>	131	69
	%	%
<b>Size:</b>		
Up to 2,499	47	46
2,500 - 4,999	13	16
5,000 - 9,999	8	10
10,000+	33	28
<b>TUC affiliates:</b>		
Yes	40	39
No	60	61
<b>Sector:</b>		
Mostly Private	n/a	61
Mostly Public	n/a	29
Both	n/a	5

## For Further Information

This report was produced by ERS Research, a division of Electoral Reform Services. If you would like more information about the survey please contact Cynthia Pinto, Head of Research on 0208 829 8409 or your normal ERS contact.

The study was commissioned by Unions 21. For more information about Unions 21 please contact Sue Ferns [sue.ferns@prospect.org.uk](mailto:sue.ferns@prospect.org.uk)



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