



BARGATE MURRAY - EMPLOYMENT LAW UPDATE

Philip Henson, Partner in the City of London law firm **Bargate Murray** discusses the key findings of new Government report showing the decline of Trade Union membership in the UK.

New UK Government report shows decline in Trade Union Membership (and some very interesting statistics)

The Department for Business Innovation and Skills (BIS) has recently published a <u>National Statistics publication</u> showing that Trade Union membership is in decline. However, it is the detail of the report in other areas (population density, hourly rates, etc.) which will be of interest to most commentators.

The Key findings are as follows (I have highlighted some of the most interesting findings)

- Trade union membership levels for UK employees fell by 2.7 per cent (179 thousand) to 6.5 million compared with 2009. By comparison, total UK employment rose by just under a half per cent in the year to 2010.
- Private sector union densities fell by 0.9 percentage points while public sector union density fell by 0.3 percentage points
- Union density was highest in professional occupations at 43.7 per cent whilst sales occupations had the lowest at 12.9 per cent.
- Females are now generally more likely to be union members than male employees and this relationship holds whether by age, in the public sector, workplace size, job or other individual characteristics.
- Employees of a UK nationality have a higher union density of 27.2 per cent compared with non UK nationals whose union density is 21.3 per cent.
- Across all sectors, just under half of UK employees (46.1 per cent in 2010) were in a
 workplace where a trade union was present this represents a fall of 0.5
 percentage points compared with 2009 and a fall of 2.8 percentage points over
 the last ten years from 2000. Just over 30 per cent of UK employees said their pay
 and conditions were affected by a collective agreement, down from 36.4 per cent
 in 2000.



- Collective agreements covered 16.8 per cent of private sector employees in 2010, a fall of 5.7 percentage points compared with 2000, but in the public sector this was nearly four times greater at 64.5 per cent, although this has fallen by 3.6 percentage points from 2009, and by 9.7 percentage points compared with 2000.
- Public administration and defence industry and education employees had the highest trade union presence at their workplaces of around 82.0 per cent each, whilst accommodation and food service industry had the lowest at 10.0 per cent.
- The hourly earnings of union members, according to the LFS, averaged £14.00 in 2010, 16.7 per cent more than the earnings of non-members (£12.00 per hour). Over the last ten years to 2010, the average hourly earnings have shown steady growth in both public and private sectors partly due to inflation. The trade union wage premium in 2010 was higher in the public sector at 21.1 per cent compared with 6.7 per cent in the private sector.
- Union density was highest in black or black British employees at 29.8 per cent in 2010, this was followed by "white" employees at 27.0 per cent and by "mixed ethnic background" employees at 23.9 per cent. Chinese and other ethnic groups had the lowest union density at just 16.1 per cent analysis by gender showed similar pattern

With 6.5 million members trade unions will continue to be a force that cannot be ignored.

(c) Philip Henson

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