The Professional Footballers' Association: A Case Study of Trade Union Growth

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Abstract

This article initially discusses the decline in trade union strength in the 1980s and 1990s and provides a brief review of the literature on the decline. It is shown that whilst this downward trend is discernable as the aggregate trend, not all unions have experienced a decline. The experience of the Professional Footballers' Association (PFA) – the trade union for the football industry – provides an individual case study example of a union that 'bucked the trend'. The case study analysis of the PFA points to the interdependence of internal and external factors that have combined to strengthen the union and enhance its stakeholder position within the football industry, at a time when the trade union movement was experiencing member losses and a loss in power and influence.

Acknowledgements

Thanks go to Sheila Rowbotham of Manchester University, Christine Oughton of the Football Governance Research Centre and John Kelly from Management and Organizational Psychology at Birkbeck College, and to Jonathan Michie from Birmingham Business School, for their advice, assistance and support in the publication of this research paper. Many thanks also to Mick McGuire, deputy Chief Executive of the Professional Footballers' Association for allowing the opportunity to spend time at the Professional Footballers' Association.

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I. Introduction

This paper analyses the experience of the Professional Footballers' Association (PFA) in the context of aggregate trade union decline throughout the 1980s and 1990s. The PFA is the trade union that represents the professional football industry in England, and is a member of the Trades Union Congress. In particular, this paper focuses on why, in times of discontinuity for the aggregate union movement, specific unions such as the PFA not only demonstrate continuity, but also advancement? In contrast to the general decline of the union movement, the PFA experienced increases in membership throughout the 1980s and 1990s and sustained 100% union density amongst football clubs from the Premier and Football League, which contributed to a strong membership backing. The PFA can therefore be described as:

> "one of the strongest unions in Britain with a membership that is incredibly loyal to its leadership. The union has become a fourth force in the governance of the English game" [1]

Initially, a description of the decrease in the power of the aggregate trade union movement in the 1980s and 1990s is given, followed by a brief review of the literature on the decline. This is proceeded by the case study of the PFA, which provides a divergent account to the aggregate union movement. The case study is divided into two parts. Firstly, an internal union analysis concentrates on the development of the PFA, and centres upon industrial relations, educational and professional activities. Secondly, an external analysis takes into account changes in the labour market in the football industry, more specifically the growth in wages and employment numbers, and analyses how these changes have affected the PFA. Throughout, the aim of this paper is not to promote the PFA as a 'leading edge' case study offering a prototype framework for a union (Kelly, 1990: 30); rather it provides

[1] Banks (2002: 159)

a descriptive and interpretive case study account of an exceptional union, and analyses why the experience of the footballers' union did not reflect that of the aggregate trend.

II. UK Trade Union Strength: 1980s and 1990s

The latter two decades of the twentieth century were periods of backward motion for the trade union movement in the UK. Table 1 charts this decline in terms of union membership, union density and the number of strikes per year. These three measures are by no means exhaustive, but they clearly indicate the general downward trend in trade union strength.

Table 1: Trade Union decline: 1979 – 2000

Year	Union Membership (Millions)	Union Density (%) (All employees)	Collective Action (No of Strikes)
1979	13.2	56.1	-
1980	12.6	55.2	1348
1981	12.3	52.6	1344
1982	11.7	49.7	1538
1983	11.3	47.6	1364
1984	11.1	46.6	1221
1985	10.8	45.0	903
1986	10.6	43.5	1074
1987	10.5	43.4	1016
1988	10.4	41.2	781
1989	10.0	38.6	701
1990	9.8	37.5	630
1991	9.5	37.0 (33.6)	369
1992	8.9	36.3 (32.2)	253
1993	8.7	34.9 (31.5)	211
1994	8.2	32.9 (30.1)	205
1995	8.0	32.0 (28.8)	235
1996	7.9	31.0 (28.2)	244
1997	7.8	29.9 (27.3)	-
1998	7.9	29.5 (26.9)	-
1999	7.9	29.8 (27.0)	-
2000	7.8	30.0 (27.0)	-

Source: *Certification Officer's Annual Reports* for Union membership; *Employment Gazette* and *Labour Market Trends* for Union Density; Kessler and Bayliss (1998) for Collective Action. Figures in brackets are from the Labour Force Survey in Brook (2002).

Trade union membership fell from a high of 13.2 million in 1979 to 7.8 million in 2000. The loss of 5.4 million members represents a 41% decline. Tied to this is the decline in union density from 56% to 30% over the same period. Both these

measures demonstrate a steady year on year fall from 1979 to the mid-1990s where they appear to have reached a relatively stable level.

The third measure of union decline is the incidence of strike action in terms of the number of strikes per year. The propensity to strike and the ability to mobilise union membership historically represents trade union power and influence concerning the organisation of the workplace. Thus, a downward trend in the number of strikes suggests a reduction in trade union influence at the workplace and a loss of workplace support. By the 1980s, private sector strikes had all but disappeared, leaving the public sector to lead the industrial disputes (Kessler and Baylis, 1998: 243). This led to a reduction in the average amount of strike activity per year, from 2601 in the 1970s, to 1129 and 307 in the 1980s and 1990s respectively (Kessler and Baylis, 1998: 243), leading McIlroy to coin the term the 'vanishing strike' (1995: 120).

III. Interpreting Union Decline

The reasons why the aggregate union movement suffered a decline in the 1980s and 1990s fall into two main areas. Firstly, it is possible to identify internal union policy factors, and secondly, the importance of the influence of factors external to union control. With internal union policy in particular, much work has focused upon the strategies that leaders of trade unions could adopt. For instance, Mason and Bain (1993: 342) identified mergers with other unions or cost-reducing strategies, primarily aimed at self-preservation as having an effect on the outcome of a union. However, the field of union recruitment has been a major area of strategic focus. Undy et al (1981), for example, proposed that the primary determinant of trade union growth was the role that trade union leaders adopted in developing and implementing policies with respect to recruiting and retaining members and developing bargaining relationships with employers and government. They described the effect that internal government had on trade unions by citing the example of the largest general union in Britain, the Transport and General Workers' Union (Undy et al, 1981: 91 – 100). The TGWU experienced significant growth in the 1960s and 1970s due to the influence of the General Secretary who pursued both competitive and aggressive recruiting policies (Undy et al, 1981: 98). However, the TGWU experienced growth at a time when aggregate union membership was increasing and the structural conditions were favourable to the general trade union movement. In contrast, throughout the 1980s,

union recruitment came under fire from different directions and several aspects have been identified as to the failure on the part of the union movement; a lack of formal recruitment policy; insufficient investment; a failure to build up dedicated recruitment resources; a failure to look beyond traditional unionised boundaries; the failing of recruitment drives due to a tendency to focus on new individualism (Waddington and Whitston, 1997: 516) at the expense of embracing a sense of collectivism at the workplace (Heery, et al, 2000: 986-987).

Turning to factors outside of the control of individual trade unions, the two most frequently cited are the business cycle and associated unemployment, and government legislation. Various business cycle models exist that use the concept of cyclical variables to explain the changes in union membership (Bain and Elsheikh, 1976, Booth, 1983, Carruth and Disney, 1988). While the earlier models proved ineffectual due to their inability to separate between cycle and trend, all possess a commonality in that prices, wages and unemployment are the critical determinants in their explanations (Waddington and Whitston, 1995: 169). Carruth and Disney (1988) recognise that other factors such as compositional changes in the workforce and changes in legislation did have an impact upon union membership. However they argue that it is difficult to systematically attribute the precise effect that each factor had, instead positing that the downturn in trade union membership in the 1980s was attributable to the recession, with changes in prices, wages and unemployment used to develop an econometric model to account for union decline. While the business cycle model has some credibility when accounting for the decline in membership numbers in the 1980s - price inflation grew at a slower rate than wage inflation, thus real earnings rose, high levels of unemployment reached a peak of 12.5 million in 1983, explaining why union membership and influence declined after 1979 (Kessler and Bayliss, 1994: 43) - it is unlikely to be the sole explanation behind aggregate union decline. The business cycle model is particularly limited in accounting for the experience in the 1970s, when there was a change in union fortunes (Freeman and Pelletier, 1990: 145), and for the experiences in the 1990s.

Freeman and Pelletier (1990) argue that the Thatcher government was the predominant cause of the fall in union density due to the labour laws that were introduced. Indeed, their analysis found that legislation was responsible for a decline

in union density of between 1 and 1.7 percent per year between 1980 and 1986 (Freeman and Pelletier, 1990: 155). Cumulatively, this meant that legal changes were associated with a union density fall of 9.4 percentage points from 1980 to 1986 – effectively accounting for much of the decline in union density during that six-year period (Freeman and Pelletier, 1990: 155). It is indisputable that the legislative changes in the 1980s - the Employment Acts of 1980, 1982, 1988 - had the effect of reducing union power. They offered employers the ability to withhold recognition, oppose union involvement at their workplace, disallowed unions to pressure employers for recognition, and prohibited the closed shop (Freeman and Pelletier, 1990:147). With evidence pointing to unionisation increasing wages and decreasing profits, it was apparent that over a period of time management would begin to oppose union involvement at the workplace and restructure to marginalize union influence. For example, in 1984, 66% of organisations in the Workplace Industrial Relations Survey recognised trade unions for some of their employees. By 1990, this figure had fallen to 53%, with an even larger fall in private sector manufacturing firms from 65% to 44% (Millward et al, 1992, in Blyton and Turnbull, 1994: 113).

In addition to the business cycle and legislative accounts of union decline, there are other explanations such as a change in the composition of the workforce. Green (1992), for instance, suggests that changes in industrial and occupational structure, the size of places of employment and the proportions of different groups within the labour force account for 30% of the decline. However, some argue that the changes are only descriptive rather than explanatory (Blyton and Turnbull, 1994: 113), or that it is difficult to measure compositional change and that sectoral changes were in evidence prior to 1980 (Waddington and Whitston, 1995:171).

Whilst these accounts analyse the decline in the general trade union movement, they deflect attention away from the experience of individual unions. In contrast to aggregate losses in membership or density, particular unions experienced an increase in membership numbers throughout the 1980s and 1990s, such as the Royal College of Nursing (RCN). The RCN experienced growth in membership from 44,000 in 1950 to 180,000 by 1981, further increasing to 300,000 by the late 1990s (Kessler and Heron, 2001: 368). Case study research on the RCN found member-

facing activity to be the driving force of union renewal, in contrast to the predominant claim to renewal based upon:

> "the importance of local collective issues of terms and conditions in stimulating local union organisation"[2]

Additionally, Kessler and Heron emphasised that the RCN had an appreciation of the complex interaction between industrial relations, professional and educational activities within the union (2001: 389). In this context, industrial relations correlate broadly to labour relations - pay and conditions of employment - whilst professional activities concern policies that provide career guidance and advice, and educational activities aim to meet the training needs of union members. This particular approach to describing the characteristics of the RCN has a degree of resonance with the PFA. The three distinct yet interactive aspects of the RCN - industrial relations, professional and educational activities - can provide a useful conceptual tool for analysis of the PFA.

Despite the loss in membership and power that the general trade union movement suffered throughout the 1980s and 1990s, the experience of the RCN suggests that aggregate level analysis cannot accurately describe individual union experience. The following section of this paper provides case study evidence to support this claim by focusing on the PFA throughout the 1980s and 1990s to illustrate the contrasting experience of the union to that of the aggregate union movement.

IV. Research Method

This paper is based upon a two-stage methodological approach. The first stage involved analysis of the literature on trade union decline in the 1980s and 1990s, focusing upon the range of general, aggregate level accounts. This provided the background research to this paper, and introduced the contextual period on which to conduct an analysis of the PFA. Secondly, case study research concentrating on the PFA presented the contrasting experience of the individual union to that of the general

[2] Kessler and Heron (2001: 389).

trade union movement. The data collected was through a combination of document analysis, triangulated with time spent within the union. Access to the PFA was through the Deputy Chief Executive who acted as a facilitator (Fetterman, 1989: 43), which enabled acceptance by other members within the PFA and provided an initial level of trust. This facilitated a number of both semi and unstructured interviews, conducted with individuals from various functions of the organisation. The interviews offered an insight into the different operations of the union and how these had developed throughout the 1980s and 1990s.

V. The Professional Footballers' Association: A Case Study

The PFA was formed in 1907 in Manchester, six years after an initial attempt at unionisation within the football industry had failed due to ineffective administration and a lack of membership (Harding, 1991: 32). The membership level at the end of the first year was strong, with 1300 paying members (Harding, 1991: 50), although during the first 30 years of the union there was a high degree of membership fluctuation. For instance, union numbers reached a low of just over 100 in 1925 before rising to almost 2000 in 1937 (Harding, 1991: 157 - 198). Despite sustaining over 3000 members for the last sixteen years, in comparative terms, the PFA has always been a relatively small union. By contrast, in 1997, almost 90% of TUC affiliated unions had a membership in excess of 100,000, with the 8 largest unions accounting for more than 60% of the membership (Black et al, 1997: 136). In the same year, the PFA had a membership of 4054 professional and semi-professional football players. Nonetheless, this figure represents a membership high for the union. Table 2 indicates the PFA membership numbers between 1982 and 2001. Membership levels experienced a fall from 2917 in 1982 to its lowest level in the 1980s and 1990s of 2560 in 1983. This was followed by a steady rise to 3739 members in 1991 – an increase of 1179 members or 46% in 8 years. In the year the Premier League started, 1992, there were 3716 members. Membership numbers hit a high in 1997 of 4054 before decreasing to 3238 in 2001, as the boom period of the 1990s was slowed by a number of factors including overspending, forcing a cutback on the size of playing squads. The 1990s witnessed fluctuating membership levels; however they are significantly higher than in the 1980s. From 1982 to 2001, membership levels went

from 2917 to 3238 – an 11% increase. However, the increase from 1983 to 1997 was 58% - from 2560 to 4054 - demonstrating a significant level of fluctuation.

Aside from the fall between 1999 and 2001, there was an upward trend in union membership throughout the 1980s and 1990s. However, this fall is predominantly due to external industry problems including the ITV Digital collapse in 2001, which resulted in a collective debt of £180 million owed to the 72 clubs in the Football League. This helped to exacerbate the financial problems inherent in many football clubs. In addition to membership numbers, the maintenance of 100% union density amongst Premier and Football League members indicates that the union sustained a strong bargaining position in the football industry.

Table 2: PFA Membership and Income: 1982 – 2001

Year	PFA Membership	Year-on-year increase/decrease	Percentage Change (%)
1982	2917	-	-
1983	2560	-357	-13.9
1984	2593	+33	+1.3
1985	2704	+111	+4.1
1986	2837	+133	+4.7
1987	2888	+51	+1.8
1988	3197	+309	+9.7
1989	3293	+96	+2.9
1990	3557	+264	+7.4
1991	3739	+182	+4.9
1992	3716	-23	-0.6
1993	3537	-179	-5.1
1994	3552	+15	+0.4
1996	3929	+377	+9.6
1997	4054	+125	+3.1
1998	4033	-21	-0.52
1999	3848	-185	-4.8
2000	3496	-350	-10.1
2001	3238	-258	-8.0

Source: Professional Footballers' Association Reports on the Annual General Meeting

In addition to the quantitative increase in membership, the additional member services that the PFA enhanced and developed throughout the 1980s and 1990s

characterises a qualitative growth. For instance, in 1985 a joint initiative between the PFA and the Football League to provide a private contributory pension scheme for all full-time professional footballers was started, known as the *PFA/Football League Players' Retirement Income Scheme*. Following this, the *Footballers' Further Education and Vocational Training Scheme* (FFE+VTS) was initiated in 1986. This is one of the three welfare schemes the PFA operates. The additional two are the *Benevolent Fund* that provides grants to members or former members needing financial assistance, and the *Accident Insurance Fund*, which assists former players experiencing medical difficulties due to a previous injury during their career (Waddington, 1998: 32). In 1986, *Football in the Community* was formed by the FFE+VTS. 90 professional clubs in the Football League and 10 clubs from the Nationwide Conference have community schemes that offer a wide range of sports and social based activities supported by the PFA as it is incorporated as a separate registered charity and the PFA allocates an annual funding budget. In 1989 the financial department of the PFA - *PFA Financial Management Limited* - was established. Further assistance is provided to players contemplating a post-football career through *PFA Coaching*, which formed in 1994 to offer all members the opportunity to gain formal coaching qualifications. In addition to the development of these services, *PFA Enterprises*, the commercial department of the union has been in existence since 1972 and generates revenue through partnerships with organisations such as Adidas and Sky Sports. Nevertheless, in spite of these supplementary services, the central role of the PFA has not changed. The core division of the union, set up in 1907, still provides industrial representation to its members.

Internal Union Analysis

The analysis by Kessler and Heron (2001) on the RCN identified the activities of the union within a three dimensional framework. This framework – industrial relations, professional activities and educational activities – provides a useful conceptual tool for analysing the activities and services that the PFA provides for union members.

Industrial Relations

In contrast to the average aggregate union density of 36% (Cully, et al, 1999: 88) the PFA has a density of 100% among football clubs from the Premier and Football League. This high level of union density indicates that membership of the PFA appears to be the social norm amongst professional footballers, as 100% union density has been a continuous feature since the 1970s. Nevertheless, the PFA does not operate a closed shop union. Instead, it represents what Turner described as a closed union (Turner, 1962, in McIlroy, 1995: 13). This is different from the closed shop in that membership is only available to a concentrated group of workers. The term originates from Turner's study on the cotton unions in which certain unions that represented trades, which were skilled by nature, could regulate their membership intake (Turner, 1962: 114). The PFA is regulated in such a manner, with skilled Premier League and Football League professionals and youth trainees the predominant members. Nonetheless, the boundaries for union intake are not strictly defined to the Premier and Football League since a small number of semi-professional players with non-league football clubs have also become members of the PFA. Even so, it still transpires that only a select group of individuals are able to join the PFA. With membership comes the right to a wide range of services that the union provides. It is a somewhat idiosyncratic feature of the PFA that former members - even if membership was for 6 months whilst a trainee – have the right to certain entitlements that continue for life.

The fundamental policy aim of the PFA is to protect and serve the needs of its members. The industrial relations arm of the PFA involves a dual focus on the needs of individual players and a collective focus on protecting the industry, which as a consequence, directly benefits their individual members. The PFA offers individual representation to members facing disciplinary action from the Football Association or advice concerning contractual difficulties. Additionally, the PFA has a number of FIFA licensed agents who can represent individual members in contractual negotiations with a current or a buying club. This level of individual representation illustrates a high level of union organisation. These two factors go hand-in-hand as:

> "representation is highly regarded and at its most effective where unions are well organised"[3]

The high level of union organisation is evident in the organisational and governance structure of the PFA where two formal mechanisms exist through which individual union members are represented. The first is at organisational level. This takes the form of a PFA Management Committee that provides a voice for professional players. The committee comprises 13 professional players, one being the Chairman, whose role is to liase with the Chief Executive of the union, thus providing a direct communication channel to deal with any issues that arise. The second mechanism of representation is at workplace level. There is an appointed PFA representative at each of the 92 Premier League and Football League clubs, who receives regular information concerning union activities. The role of the PFA representatives at individual club level is to co-ordinate meetings with PFA members, which provide a communication channel for individual players to raise issues of concern. This does not mirror the trend in the aggregate union movement as between 1984 and 1998 the percentage of workplaces with union recognition that had a union representative on site fell from 80% to 70% (Cully et al, 1999: 242). This may only demonstrate a small decline, but the aggregate experience differs significantly from the football industry where all 92 professional clubs have a PFA representative at the workplace. This level of member representation at both workplace level and at union level through the Management Committee was influential when the PFA used the threat of industrial militancy during the 2001 dispute concerning the union's share of the broadcasting deal from the governing bodies. The agreements put in place in 1956 when ITV initially planned to televise live games entitled the PFA to receive 7% of TV monies (Harding, 2002: 15). This increased to 10% by the mid 1960s (Harding, 2002: 15). Had this been honoured, the PFA would have received £36.7m per year from 2001 onwards. However, the percentage level has been a source of controversy. By 1988, for instance, the PFA was receiving 5% of the TV monies (Harding, 2002: 16). However, in 2001, the PFA was only offered what amounted to 1.5% of the TV monies. Following this derisory offer, five representatives from the PFA visited the 92 Premier League and Football League clubs to discuss the situation with union

[3] Cully et al (1999: 214).

members; therefore multiple communication channels existed through which the PFA could impart information to their members that encouraged solidarity and strength and provided an important outlet for militancy. When put to a member vote, a 92% turnout resulted in 2290 voting in favour of strike action in contrast to 22 votes against – 99% favouring strike action - from an original ballot number of 2496 (Ziegler, 2001, PFA Annual Report, 2001: 12). This 99% level of member support enabled the union to negotiate a deal worth £17.5m per year for a prospective 10 years dependent on future TV deals. This will enable the PFA to maintain a strong stakeholder position in the football industry and provide the means by which the union can sustain and enhance the services offered to members.

The PFA also protects individual members by supporting the collective member needs of the industry. For instance, the union is involved in the Professional Football Negotiating and Consultative Committee, set up in 1992 to discuss issues of contemporary importance within the football industry. This committee provides the means to protect their members as a collective body by guaranteeing that changes cannot be made within the industry that directly affect the professional players without the agreement of the PFA. This acts as a mechanism that allows the PFA to protect a number of overriding principles concerning the football industry. For instance, the union strives to protect and maintain the current structure of the League system in England with 92 professional clubs competing. Not only does this protect individual union members who would find themselves out of work were their football club to cease to exist, it also is recognition of the social and cultural importance of football. Nevertheless, throughout the 1980s and 1990s, the financial state of the football industry has continuously been threatened and many football clubs have faced the prospect of liquidation. Clubs such as Bristol City, Derby County, Middlesbrough, and Fulham benefited in the 1980s, and more recently, clubs such as Crystal Palace and Queens Park Rangers benefited from this policy initiative.[4] The ITV Digital collapse in 2001 exacerbated the situation and left a shortfall of £180 million owed to Football League clubs. Again the PFA had to provide monetary assistance by providing loans or by paying players wages. In the case of Huddersfield Town, the players worked with the PFA to put the club into administration after many

[4] Professional Footballers' Association website, www.givemefootball.com

had not been paid for 5 months, while the PFA had to provide loans totalling over £1million to Bradford City in order to pay the players' wages after relegation from the Premier League in 2001.[5] In total, the PFA has collectively lent millions of pounds to football clubs in order to protect their members by subsidising their wages. The financial rescue packages that the PFA put together to save clubs from going bankrupt not only benefited the clubs and supporters involved but also provided a good public relations activity for the union (Harding, 1991: 334). Supporters, communities, the players and the media tend to have a positive image of the PFA as the union seeks to protect the football industry in contemporary society.

The current Chief Executive, Gordon Taylor, has overseen the developments in the PFA throughout the 1980s and 1990s. He has had an integral role in the development of the union since his appointment in 1981. Indeed, the association between Gordon Taylor and the PFA is so strong that Harding concluded:

> "it had appeared – understandably perhaps – that at times Gordon Taylor *was* the PFA" [6]

This association has developed through his dedication to the role, illustrated by his desire to reach mutually acceptable agreements, yet unafraid of potential militant action (Harding, 1991: 330-31). This dedication coupled with an ability to negotiate, strengthened the position of the union in the football industry, as instances such as the attainment by the PFA to gain power of veto over football clubs that tried to form another company to avoid bankruptcy illustrate. He also organised for the Football League to underwrite the loans that the PFA handed to clubs in financial difficulties by agreeing to directly channel the share of pooled monies from the club to the PFA (Harding, 1991: 335). These examples gave the union an enhanced role within the industry. More recently, in 1998, his address to the Trades Union Congress enhanced the profile of the union, where he urged the government to protect English sport from the power of business monopolies, a prevalent issue at the time as Rupert Murdoch was preparing a bid for Manchester United. During his time as Chief Executive of the PFA, Gordon Taylor has become President of FIFPro – the

[5] Professional Footballers' Association website, www.givemefootball.com
[6] Harding (1991: 360)

international professional footballers union – and a member of the FIFA Football Committee, UEFA and FA Committees, the Football Foundation and the Institute of Professional Sport.[7] This underlines his position of strength within the football industry, through which the PFA can benefit.

Professional Activity

The extent of activity within the industrial relations arm of the union implies the PFA pursues member protection within the football industry – job consciousness - in addition to a wider sectional focus on the regulation of the football industry. Nevertheless, while the traditional representational role of the PFA is the fundamental task underpinning the activities of the union, the commercialisation of the football industry throughout the 1980s and 1990s brought with it the need to provide a greater range of professional services to PFA members, and provided an opportunity to enhance the commercial aspect of the union. The establishment of a financial department in 1989 to provide financial services such as pension, mortgage and tax advice to PFA members illustrates a move to offer more than just industrial representation. Additionally, the commercial department of the union, PFA Enterprises, undertakes the role of developing commercial partnerships that provide support for the aims of the union. In the case of Adidas, the sports manufacturer has been a significant business partner with the association providing benefits to the union and its members. For instance, they have offered the opportunity for players to purchase equipment at a discount, and even provided all professional players in the lower leagues four pairs of Predator boots - £320 worth of equipment. Moreover, the PFA was instrumental in the deal that saw Adidas provide kit and equipment to all colleges in the UK that run football academy schemes. This illustrates the PFA has the capacity to develop business partnerships. This is a characteristic typical of business unionism, to which there is some degree of legitimacy as the PFA operates as a business and sells its services to its members in a professional manner. While providing a service to union members takes precedence over generating commercial income, the business acumen within the PFA suggests an association between the union and business unionism in the way that the union operates.

[7] Professional Footballers' Association website, www.givemefootball.com

Educational Activity

The third arm of the PFA focuses upon the role of the union as a supporter and provider of educational benefits to members. Member education has been a concern of the PFA since the 1960s, with the appointment of a dedicated education officer in 1971 (Harding, 1991: 312). However, with the foundation of the Footballers' Further Education and Vocational Training Scheme (FFE+VTS) in 1986, the level of educational provision was enhanced. The FFE+VTS is a registered charity jointly financed by the PFA through the educational fund and by the FA and the Premier League. It provides financial assistance to any member or former member of the union to undertake any form of vocational training or for further education. In 1997, the FFE+VTS provided educational grants totalling £1.5 million (Waddington, 1998: 32). Additionally, the educational element of the PFA works in partnership with certain universities that are responsible for running exclusive courses to prepare footballers for an alternative career. For example, the union has an association with the Institute for Chartered Physiotherapists and Salford University, and funds former professionals wanting to pursue a career in this field (Waddington, 1998: 32). Since 1991, the PFA, through the FFE+VTS, has also been involved in an American Scholarship initiative, whereby youth trainees released from a professional club have the opportunity to try and attain a 3-year football scholarship at an American University. If successful, the former YTS apprentices have the opportunity to study whilst continuing in education.

External Union Analysis

Initially, the arguments put forward to explain aggregate union decline will be applied to the case of the football industry. Following this, the football industry is looked at in more detail, in particular how the increase in broadcasting revenue had a significant impact upon the labour market in the football industry and in part, facilitated the growth of the PFA.

Aggregate Decline Arguments

When applying the arguments outlined earlier - the business cycle model and the effect of government legislation - there is a degree of ambiguity as to whether they can account for the increase in PFA membership through the 1980s and 1990s. In the

case of the business cycle model, the underlying basis is that union membership increases as prices rise at a greater rate than wage inflation, yet decreases when wage inflation rises beyond price inflation. The three variables – prices, wages and unemployment – combine to produce cyclical effects on union membership and density. In the case of the professional football industry, 100% union density throughout the 1980s and 1990s indicates no fluctuation. However the changes in union membership - which can be taken as employment numbers in the football industry - demonstrate an upward trend, most significantly between the years 1993 and 1998. This corresponded with a boom period for the football industry, where player salaries began to rise dramatically. As many players within the football industry began to experience a rise in wages at an inflationary level far exceeding price inflation, the business cycle model would imply that union membership of the PFA would fall. Nonetheless, membership numbers in the PFA continued to increase to a high of over 4000 in 1997 and 1998.

Separate from a business cycle model analysis, how relevant were the legislative changes made by the government in the 1980s and to what extent did they affect the PFA? Undoubtedly, the legislation had an adverse effect on the union movement, increasing the power that employers had at the workplace, leading to a reduction in union recognition. Indeed, throughout the 1980s and 1990s, there was a decrease in union recognition at workplace level from 73% in 1980 and 1984, to 64% in 1990 and 54% in 1998 (Cully et al, 1999: 234). Nevertheless, the impact of the legislative changes for the PFA and moreover, employers within the football industry – individual football clubs - were barely discernible for two reasons. Firstly, a certain degree of protection from anti-union legislation was provided by the collective bargaining arrangement that underpins employee regulations in the football industry. Essentially this means that a football club must honour its contract with an individual player and the player must do likewise. This collective bargaining arrangement is supported by the transfer system, which effectively provides the means through which football clubs can obtain compensation payments for individuals leaving before their contracted period expires. Secondly, while the legislative changes gave employers the right to union de-recognition, the situation in the football industry is such that PFA de-recognition is simply not workable. PFA recognition exists for a number of reasons: all Premier League and Football League footballers are members of the

union; more often than not, senior members of the coaching or management staff will have had playing careers and been a member of the PFA, therefore a degree of empathy exists towards the role and importance of the union; the clubs acknowledge the role the PFA has played in supporting the game. These factors would make it difficult for any football club to use anti-union legislation; there plainly does not exist the material basis for such an approach, as it would almost certainly have negative implications for the club involved. Therefore, the de-recognition trend in the aggregate union movement has not been emulated in the football industry as the PFA has always had recognition at the level of the workplace. Union recognition at the level of the workplace is an accepted norm in the football industry, with the idea that "recognition is the fulcrum on which membership moves" (Metcalf, 1991: 25) being particularly applicable to the PFA.

Broadcasting Income

Prior to the launch of the Premier League in 1992, the BBC and ITV dominated the TV broadcasting market, operating as a duopoly concerning the rights to broadcast live top division matches. However, this duopoly was challenged in 1992 as BSkyB entered into the equation. BSkyB won the rights to screen live Premier League games, and a relationship developed whereby both the Premier League and BSkyB benefited commercially. Table 3 illustrates how within a 15 year period, the TV rights fee increased from £6.3 million for a 2-year period, to £1.1 billion over 3-years – or alternatively, from £3.1m to £367m per year. This increase in revenue is indicative of the commercialisation of the industry, with the combined income of the 20 football clubs in the Premier League standing at £907.4 million in 2001 (Banks, 2002: 87).

With the PFA incorporated as a registered charity, the predominant income stream of the union is from the broadcasting arrangement. In 1988, the 5% levy provided £550,000 for the PFA. This rose to over £1m in 1992 – the year the Premier League started (Harding, 2002: 16). However, following the 2001 dispute, the PFA secured £17.5 million per year. Therefore as the increase in broadcasting revenue has entered into the football industry, the PFA has been a recipient of enhanced monetary assistance, despite attempts by the governing bodies to reduce the percentage levy.

This particular form of enterprise financing through which the PFA receives its income is unique in the British industrial relations system. In 2001, the annual PFA subscription of £75 accounted for 1.5% of the income of the union (Harding, 2002: 15). Therefore, only a fraction of the income the PFA receives is from members' subscription fees. The majority of the £13m income came from the broadcasting deal via the governing bodies, with £1m from PFA investments and commercial income (Harding, 2002: 15). By contrast, in 1991, 15 out of the 23 largest unions received over 90% of their financing through subscriptions (McIlroy, 1995: 44).

Table 3: Deals between English football Bodies and TV Companies, 1983 –2001

	1983	**1985**	**1986**	**1988**	**1992**	**1997**	**2001**
Length of Contract (yrs)	2	0.5	2	4	5	4	3
Broadcaster	BBC/ITV	BBC	BBC/ITV	ITV	BSkyB	BSkyB	BSkyB
Rights Fee (£m)	5.2	1.3	6.3	44	191.5	670	1100
Annual Rights Fee (£m)	2.6	2.6	3.1	11	38.3	167.5	367
Live Matches per Season	10	6	14	18	60	60	66
Fees per Live Match (£m)	0.26	0.43	0.22	0.61	0.64	2.79	5.56

Source: Williams, (2002: 3)

The Labour Market in the Football Industry

The fact that the PFA demonstrates 100% union density with Premier League and Football League clubs means that an understanding of the union cannot be separated from the experience of the labour market in the football industry. The period of rising employment in the football industry in the 1980s and 1990s and, concurrently, rising union membership, has a certain degree of relevance to the insider-outsider theory of employment and unemployment. While some economists look to efficiency wage models to explain cyclical involuntary unemployment (Akerlof and Yellen, 1986), these assume that labour market power lies in the hands of employers who are responsible for making wage and employment decisions (Lindbeck and Snower, 1988: 77). Nevertheless, the models do not provide an adequate conceptual basis for analysis of the football labour market. Instead, the underlying assumptions behind the insider-outsider theory of unemployment and employment have more relevance to the football industry between the 1980s and 1990s. For instance, insider-outsider theory focuses on an individual worker's ability

to influence wage negotiation and determination, rather than employer influence. Hence, for individualistic wage setting, an insider must be considered profitable to the firm. It can be argued that the commercialisation of the football industry after the introduction of the Premier League in 1992, the advent of pay to view television sold on the basis of live football coverage (Conn, 1997: 23-25)**,** and the resulting increase in industry revenue, positioned footballers' as 'insiders' in the sense that they were able to exercise a high degree of labour market power. The extent of this labour market power can be illustrated by three factors. First, the increase in player wages - table 4 illustrates the growth rate of player wages between 1992/93 and 2001/02 at a rate far exceeding the national average. Most notable is the 700% growth rate in the Premier League, which contributed to some 36% of players earning more than £500,000 per year in 2000 (Magee, 2002, 221). Nevertheless, labour market power was not just constrained to the elite level in the game; table 4 also illustrates that the average wage in the Football League Third Division grew 180% between the 1992/93 and the 2001/02 seasons, thus illustrating an improved level of employee bargaining power at that level.

Table 4: Estimated Average Gross Player Wages in £'000s: 1992/93 – 2001/02

	1992/93	**2001/02**	**Growth (%)**
Premier League	75	600	700
Division One	50	200	300
Division Two	20	70	250
Division Three	15	42	180
Great Britain Average Earnings	17	25	44

Source: Deloitte and Touche, 2003: 42

In addition to the growth of player wages, there was a rise in employment numbers from 3557 to 4033 between 1990 and 1998 (as measured by PFA membership). The rise signified an increase in the size of playing squads as football clubs sought to increase their competitiveness on the field. Finally, these two factors were accompanied by an increase in long-term player contracts. The effect of the Bosman ruling in 1995 (see below) meant that football clubs became more aware of the prospect of losing a player for nothing at the end of a contract; therefore offering longer-term contracts became normal practice in the industry (Magee, 2002: 220).

These three factors illustrate that labour market power shifted towards the player throughout the 1990s. With an increase in wage rates, employment numbers and longer-term contracts, it legitimises the concept of the professional footballer as an 'insider' in the 1990s. Nonetheless, how is it that the players appropriated the increased levels of revenue that entered into the industry? The enhanced level of individual bargaining power was in part, due to three reasons.

Firstly, the scarcity value of a player; in football, the supply of labour is relatively inelastic which means that there is a limit on the normal substitutions of other inputs for labour (Rosen and Sanderson, 2001: 64). This scarcity factor originates from the fact that footballers' possess a particular level of talent that other individuals do not and cannot obtain, even through training. As the increased levels of revenue entered into the football industry in the 1990s, the scarcity of talent was a factor in the rise in wage levels. The inequality in salary levels within the professional game also illustrates that there is an element of inelastic supply within the football industry. The concentration of wages at the top level in the game highlights the scarcity factor of star players. As the increased revenue streams entered into the industry in the 1990s, the top players were able to appropriate much of the increased revenue because of their scarcity value in the labour market. Table 4 illustrates this point as Premier League wages grew at a rate far exceeding the growth rate in Divisions 1,2 and 3.

Secondly, the role of the player agent has come to have a pervasive influence in the football industry in the 1990s. Unlike most trade unions, the PFA does not collectively bargain for member salaries. Thus wage negotiation takes place on an individual basis, which has been a key factor in the development of the agent as a mediator working on behalf of the player. By 2001, approximately 80% of players in the Premier League were represented by an agent (Roderick, 2001: 13). This high level of representation has made possible the exceptional growth rate of agents in England. Currently, there are 238 FIFA licensed agents working in England, the highest number in world football.[8] In contrast, the four other major leagues in Europe - Spain, France, Germany and Italy - have 149, 121, 115 and 46 licensed agents

[8] www.fifa.com

respectively.[9] These figures provide some validation to the statement by Magee, who argues that player agents can be described as the most significant figure in the football market (2002: 221). This is a valid point, given the extent to which agents' exerted power and commercial acumen in the labour market in the 1990s. Nevertheless, whilst the agent has come to occupy a prevalent role in the football industry, their presence could have threatened the existence of the PFA. Why would players need to join the PFA if their agent looked after their individual needs? The fact that the PFA has grown in strength despite the prevalence of agents suggests that professional footballers recognise the role of the union in the contemporary football industry and that the range of services offered by the PFA are more extensive than an individual agent can offer. Moreover, it suggests that PFA membership appears is considered a social norm within the profession.

Thirdly, the Bosman case in 1995 resulted in complete freedom of movement for a player within the European Union once a contract at a football club expired. This transpired after Jean-Marc Bosman had taken his Belgian club, RC Liege, to the European Court of Justice, contending that their refusal to sanction his transfer to French club Dunkerque unlawfully restricted his labour market mobility. Prior to this ruling, if a football club had offered a player a contract on terms at least as good as the previous contract, then a transfer fee could still be demanded if a player had wanted to leave. In the case of Bosman, RC Liege had offered a new contract at a vastly reduced salary. The European Court of Justice ruled in favour of Bosman, which resulted in a new era of free agency for professional footballers within the EU. This liberty was extended to the domestic transfer system in 1998, when players out-of-contract over the age of 24 were granted freedom of movement within the English professional system (Gerrard and Dobson, 2000: 147). The effects of the Bosman ruling on the labour market in the football industry were profound. It resulted in football clubs offering longer-term contracts on improved terms due to the potential threat of losing a player without attaining a transfer fee at the end of their contract, therefore acting as a catalyst in shifting a degree of negotiating power to the individual.

[9] www.fifa.com

The scarcity value of a player, the prevalence of agents and the Bosman ruling had a major influence in increasing labour market power in favour of the individual player throughout the 1990s. As a result, player wages rose and contracts tended to increase in length. Concurrently, as employment numbers within the industry grew, the PFA maintained 100% union density amongst Premier and Football League players, therefore the growth in squad size translated into membership growth for the union, underlining their position of importance within the football industry. Nonetheless, whilst the insider-outsider theory has become more applicable to the football industry due to a larger number of players employed at higher wage rates, the financial crisis in the game that has developed from the end of the 1990s is to some extent altering the situation. Individual bargaining power now only tends to be appropriate for the minority of footballers that play at the highest level in the game. For the majority of professional footballers' employed in the Football League, short-term contracts based on divisional status with adjustments concerning promotion and relegation, and performance-related pay will become the standard, with a power shift back towards the football club (Deloitte and Touche, 2003: 1). Moreover, employment numbers are falling and there is less guarantee of maintaining a stable enduring career in the industry. Indeed, at the end of the 2002-2003 season, a record number of almost 600 professional footballers were released from their clubs – approximately 20% of the number employed within the industry.[10] Despite these downward changes to the labour market, wages have remained exceptionally high and will continue to increase for the minority of highly talented individuals within the Premier League. The situation has therefore altered from a period of increasing employment throughout the 1990s with a labour market that could aptly be described as an 'insiders' market for all but the minority of elite footballers who still maintain a degree of individual bargaining power that position them as 'insiders' in the industry.

VI. Conclusion

The aim of this paper was to analyse the experience of the PFA in the context of the decline of the trade union movement during the 1980s and 1990s. The growth of the PFA in the 1980s and 1990s despite factors such as unemployment and anti-union legislation was due to a combination of internal and external factors. The

[10] Professional Footballers' Association website, www.givemefootball.com

internal elements of the union – industrial relations, professional and educational – combined to increase the strength of the PFA in terms of services to members and with respect to the stakeholder position it occupies within the football industry. Features such as the well-organised representative structure within the network of professional football clubs, the range of benefits available and the low subscription fee relative to services provided, assisted in maintaining 100% membership density amongst Premier and Football League players, and illustrates that membership of the union can be considered a 'social norm' of the football industry. Externally, the increase in broadcasting revenue played a role in consolidating both the position of the union within the football industry and the services it offers to members. Despite factors that contributed to an increase in player wages and employment numbers, including the scarcity value of a professional footballer, the increase in player agents and the Bosman ruling in 1995, the PFA maintained 100% union density amongst Premier and Football League players as industry employment levels increased. Notwithstanding the individualistic bargaining process of wage negotiation, this increase in PFA membership would not have been possible were it not for the extensive range of services that the PFA offers its members. Therefore, what is clear is that there is a degree of mutual interdependence between the internal and external factors, which combined to allow the PFA to grow in terms of both membership and influence over a period when the trade union movement generally was suffering both membership losses and a loss of power and influence.

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