

# Unite briefing on Current UK power Industry Walkouts

# **Background**

The dispute centres on a contract to extend the diesel refining capacity at a refinery owned by Oil giant TOTAL in Lincolnshire. The contract to complete the work was awarded to the California based engineering group Jacobs in 2006 with a completion date of 2009.

It then subcontracted to an Italian firm, IREM, after a tender process in which five UK and two European contractors responded. It is understood that the terms of the contract specified that IREM would be using its existing permanent Italian and Portuguese workforce for the job.

(Information taken from BBC News website, 2/02/09)

Whilst the situation at TOTAL is receiving the majority of media attention it is not the only case about which Unite has concerns. There are particular concerns about the award of contracts, and the conditions associated with them at two other power stations, at Staythorpe and Isle of Grain. Unite concerns centre around the potential undercutting of the National Agreement for the Engineering Construction Industry and what is believed to be the refusal of these contractors to accept applications from UK workers.

# **Summary of Unite Statements**

Unite have been explicit in all their statements in that this debate is not about special privileges for UK workers over those from overseas. Instead this about ensuring that British workers have the same opportunity as anyone else to apply for the thousands of skilled, well paying jobs that are being created.

The following quotes from Joint General secretary Derek Simpson, taken from recent press releases on this situation, illustrate this point clearly.

"Our members are not asking for special favours – they are demanding fair play. The UK needs to upgrade and build new power stations and there are huge opportunities to create thousands of well paid and highly skilled jobs. It will be a disgrace if UK workers are not even allowed to apply for jobs to build British power stations." (28<sup>th</sup> January 2009)

"Unite has raised the growing problem of UK workers being excluded from important engineering and construction projects at the highest levels of Government, including with the Prime Minister and the Secretary of State for Energy and Climate Change"

"Unite is opposed to the practice of some employers in the engineering and construction industries explicitly refusing to consider applications for work from UK labour." (30<sup>th</sup> January 2009)

"The problem is not workers from other European countries working in the UK, nor is it about foreign contractors winning contracts in the UK. The problem is that employers are excluding UK workers from even applying for work on these contracts."

"There should be a level playing field for workers who wish to apply for work on Britain's engineering and construction projects. No European workers should be barred from applying for a British job and absolutely no British worker should be barred from applying for a British job." (2<sup>nd</sup> February 2009)

### Unite Plan for Dealing with the Situation.

On the 2<sup>nd</sup> February 2009 Unite published its proposed three point plan that the UK should follow to resolve the wave of unofficial unrest gripping the UK.

The plan consists of the following;

- Resolve the immediate problem that exists at Total's Lindsey oil refinery.
   Reach an agreement which gives fair consideration for UK labour to work on the contract.
- 2. Carry out an investigation into the practices of contractors and subcontractors in the engineering and construction industry. Follow by action from government which will insist that companies applying for contracts on public infrastructure projects, sign up to corporate Social Responsibility agreements which commit to fair access for UK Labour.
- 3. Overturn European legal precedents which allow employers to undercut wages and conditions. A European Court of Justice precedent gives employers a license for social dumping and prevents unions from taking action to prevent the erosion of UK workers' pay and conditions.

Unite will continue to strongly support the demands and campaign of the ETUC for a social progress protocol in the European Treaties and a revised Posting of Workers Directive.

# The Inequities of European Labour Law.

Unite has worked in solidarity with the rest of the European Trade Union movement for more than a year now to raise awareness of the implications of the recent ECJ cases, and the failure of many member states to adequately implement the Posted Workers Directive.

As a movement we have been clear in our argument that these cases have fundamentally altered the balance of power between the European Social Model and rights of business. What we see happening in the UK in the past week is the consequence of Europe's politicians failing to heed our warnings and ignoring the consequences for working people of their decisions.

The actions of the UK Government have been one of the major brakes on European Social development in recent years. Unite has constantly had to fight against the UK government's weakening and blocking of European legislation such as the Temporary and Agency Workers Directive, the EWC directive and revision of the Working Time Directive.

Change must happen and must happen quickly. We no longer accept a European Union that seems to regard the rights of working people as second class rights. The responsibility for this dispute lies not with working people and trade unions, of any nationality, but with Europe's politicians, governments and business community. Unite has been absolutely clear about this issue throughout this dispute.

It is clear that without fundamental and rapid changes the situation we have seen in the UK over the past week has the potential to be replicated across Europe. Europe's workers will no longer stand being played off against each other by business. Unite is ready to work with all sister unions across Europe to overturn the ECJ judgements, ensure a true posted of workers directive that actually protects the rights of Europe's workers and ensure a European Union whose foundation is social progress not the maximisation of profit for the business elite.

## **Countering the Extremists**

Unite is clear in everything that it is doing in this situation that the target of workers' anger are the employers, contractors and inequities of British and European Employment Law.

Unite has rejected in the strongest terms possible any attempts by extremist political parties and the xenophobic elements of our media to use this dispute to further their own indefensible and utterly repugnant positions.

Unite has been at the forefront of the fight against the racist BNP in the UK for many years and will continue to lead that fight at this year's European elections. Last year Unite members were key to stopping the BNP winning Seats in Keighley and Sandwell, without our mobilisation and DVD to all our members these areas would have fell to the BNP. Unite also sponsored the Hope not Hate bus that stopped off at major towns and cities throughout Britain before last years local elections.

As was made explicitly clear in the statement of 2<sup>nd</sup> February, this dispute is not about giving one nationality precedence over another in applying for jobs in the UK. In fact it is precisely the opposite.

It is about giving all nationalities the same opportunity and ensuring that all nationalities benefit from the same terms and conditions, won through the efforts of trade unionists, once in employment in this country.

In fact the Unite plan for dealing with the long term cause of this dispute is clear. That it will only be through Europe's workers coming together in solidarity that we will be able to overturn the unjust implications of the recent ECJ judgments.

This is the only way to ensure the free movement of labour within the European Union based on the principle of treating everyone fairly and with respect and not the charter for social dumping that many employers currently seem to view it as.