

Update

CAMPAIGN FOR

TRADE UNION FREEDOM



Carr Review collapses

INDUSTRIAL DISPUTES

THE REVIEW of rules governing industrial disputes, lead by Bruce Carr Q.C. collapsed in August when he notified the Government that: "I am concerned about the ability of the review to operate in a progressively politicised environment in the run-up to the general election and in circumstances in which the main parties will wish to legitimately set out their respective manifesto commitments and have already started to do so".

The statement is seen as a rebuke to public statements made by Cabinet Office Minister Francis Maude and others on ballots for industrial action.

Set up in the wake of the Grangemouth/Falkirk row last year Maude and business secretary Vince Cable, asked Carr to examine union laws and come up with recommendations relating to union conduct during industrial disputes.

The review was described by the TUC and unions as "headline grabbing union bashing" and a "political stunt" and refused to give evidence.

The CBI also refused to give evidence and Vince Cable gave the review a wide berth.

Carr had been handpicked by the Government to deliver a report, which they hoped would be used to bash unions in the run up to the General Election.

Victory over Big Mac

BY TONY BURKE

USA

THE USA National Labor Relations Board has ruled that McDonald's and its franchise operators could be held jointly liable for employment and wage violations. The ruling comes after the NLRBs lawyers investigated complaints against McDonald's and its franchisees by workers accusing McDonald's of "illegally firing, threatening or otherwise penalising workers for their pro labour activities".

The NLRB ruled that McDonald's was a 'joint employer', which could hold the company responsible for actions taken at thousands of its restaurants.

"Employers like McDonald's seek to avoid recognising the rights of their employees by claiming that

they are not really their employer, despite exercising control over crucial aspects of the employment relationship," said Julius Getman, employment law professor at the University of Texas. "McDonald's should no longer be able to hide behind its franchisees."

McDonald's said it would contest the decision.

The NLRB decision was taken at the same time that hundreds of fast food workers held their first convention in suburb of Chicago.

Described as 'alt.unions' workers in fast food and other low paid work have been forming unions launching demonstrations and strike action around specific campaigns most notably the campaign for a minimum wage of \$15 per hour at outlets such as Burger King, McDonald's, Taco Bell, KFC, Wendy's and other brands.

It is estimated that 6.7 million workers have already had their wages increased as a consequence of the actions by alt.union. Seattle has increased its minimum wage to \$15. Chicago and San Francisco are both contemplating their own increases to \$15 per hour.

McDonald's had previously described demonstrations outside of its corporate headquarters and restaurants as "astroturf rallies organized by outside groups" but removed this from their website by saying that the company "respects our employees' right to voice their opinions and to protest lawfully and peacefully."



TONY BURKE IS CHAIR OF THE CAMPAIGN FOR TRADE UNION FREEDOM

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Respect at work

By ADRIAN WEIR

THE TUC has set out a four point campaign – ‘Respect At Work’ – on employment rights that it hopes will inform the debate in the run up to next year’s General Election.

The four elements are:

- stemming the tide of casualisation – including ending the abuse of zero hour contracts and, equal pay for agency workers
- abolition of Employment Tribunal fees
- a new framework of employment rights – including reversal of the coalition attack on statutory redundancy and TUPE and, unfair dismissal protection from day one
- improved worker voice – including promotion of collective bargaining, better information and consultation rights and, worker directors.

It is in connection with the fourth point that *Beyond Shareholder Value: The Reasons and Choices For Corporate Governance Reform* has been launched by the TUC, a collection of essays on reforming corporate governance that includes some discussion about the possibility of worker directors in the UK.

There is now no question that reform of the way our large corporations are managed is clearly overdue. A recent study by the High Pay Centre found that directors’ pay was now running at almost 180 times that of the lowest paid workers. In the discussion in this book the point is made that thirty or so years ago directors’ pay may have seemed

reasonable in relation to other wage earners but has grown exponentially under neo-liberalism, prompting some to argue that if they could have got away with before they probably would have done – but there were social brakes, there are no such brakes now.

At the public launch of the book, Labour’s Shadow Business Minister, Iain Wright MP, was moved to promise a worker representative on company remuneration committees and even Tory Jesse Norman MP spoke about crony capitalism – the broken link between corporate reward and company performance!

Readers will soon discover that the debate on reform of corporate governance may be divided into two schools of thought – reform to improve economic performance and reform to provide worker voice – although of course there is some cross over between the two positions. In the former camp, some reformists argue against the corporate greed discussed above.

Others are more concerned about, the central thesis of the booklet, moving away from a duty to solely promote shareholder value and open up duties to other stakeholders.

An exclusive focus on shareholder value is said to promote short termism in that directors in the UK work to the publication of quarterly reports and eschew long term measures that may not synchronise with a quarterly reporting structure. Corporate bonuses are structured to short term results.

Further, how does the advent of

high frequency share trading in the Anglo-American world fit in with the long term? Colin Crouch’s essay also raises the dubious practice of private equity investment delisting Stock Exchange listed companies often to strip out the assets before returning the significantly poorer corporation to the market.

The cross over for advocates of improved economic performance and worker voice is found with those who argue that an involved workforce with access to the highest levels of decision making bring to the table knowledge and information otherwise unavailable to management.

Worker voice is the key to open improved performance.

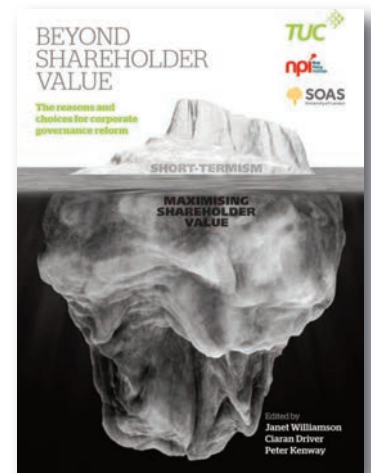
There are statutory provisions for worker directors in 19 European countries; 14 with widespread rights across the public and private sectors – Austria, Croatia, Czech Republic, Germany, Denmark, Finland, France, Hungary, Luxembourg, Netherlands, Norway, Sweden, Slovenia and Slovakia plus a further 5 with more limited rights – Greece, Ireland, Poland, Portugal and Spain.

It’s clear from this list that although worker directors do not guarantee improved economic performance, those countries that are economic high flyers are also the ones that have a system of industrial democracy that includes worker directors. Michael Gold’s essay is a very interesting piece of work. He argues that our system corporate governance denies to workers the fourth element that makes a democratic whole.

Firstly, we have civil citizenship, the rights to individual freedom;

and briefings are posted on our website which can be found at www.tradeunionfreedom.co.uk

This year we have carried blogs and articles on UK employment rights, zero hours, agency workers, TTIP, the AWB abolition, employment tribunals, Orgreave, FIFA and Dubai, Blacklisting, ILO



secondly, we have political citizenship, the right to vote; and, thirdly, we have social citizenship, the right to social welfare (gradually being eroded in the UK of course).

In the UK what is missing is citizenship at work that meaningful participation rights, including worker directors, would go some way in meeting. At the level of mobilising workers to support the demand for a voice we should leave the argument linking worker directors with improved economic performance slightly to one side, important though it is, see Frances O’Grady’s essay on promoting a high investment, high skill and high productivity economy.

We should shift the argument to a rights issue, workers’ rights to seats on the board to act as a counter veiling power to the obsession with short termism and board room excess.

These issues have contributed to the crisis, a crisis under which working people are bearing the brunt with overbearing austerity measures and attacks on their limited rights at work.



ADRIAN WEIR IS ASSISTANT CHIEF OF STAFF AT UNITE THE UNION

The Campaign for Trade Union Freedom on social media

The Campaign’s Twitter feed hit over 1,000 followers recently! @unionfreedom keeps supporters up to date with news, and comment on employment rights and collective bargaining issues from the UK, Europe and around the world as well as notifications when new articles, blogs, reviews

Conventions, TUPE and more.

The website also carries campaign news, book reviews and our own briefing notes including the Coalition Government’s employment law review.

We always welcome articles and blogs from our supporters.

Countering inequality

WHAT IS the point of trade unions? What do they deliver? Are trade unions relevant in 21st century modern society? These and many other questions are answered by the authors a new publication from the Institute of Employment Rights and CLASS.

Lydia Hayes and Tonia Novitz begin by recoding the consistent popularity of trade unions over the past four decades. And yet, despite this popularity, trade union membership has declined and the number of workers who currently have their terms and conditions of work negotiated by a trade union has fallen dramatically.

According to the authors, this decline has been shaped by trade union laws which inhibit trade union recruitment, activity and collective bargaining. Attacks on trade union activities by politicians and misrepresentation in the media has fuelled the decline.

The result has been a dramatic increase in levels of economic inequality, reflected in the fact that income differences between top earners and those on the lowest wages are now higher than at any time since records began. The UK now ranks as one of the most unequal societies in the developed world and according to the authors, current levels of inequality have far exceeded the point at which inequality is proven to be socially corrosive.

So what is to be done? According to the report, as reflected in many of the statistics and graphs provided, there is an historic link between strong trade unionism and more equal societies. Without trade unions, the realities of working life mean that individual workers are under pressure to simply accept the pay and conditions that an employer presents to them. To do otherwise risks

missing out on the chance of a job or being dismissed. The bargaining power of trade unions has the potential to defend existing employment conditions, so that new workers are not brought in on lower rates of pay or forced to accept other terms which are inferior.

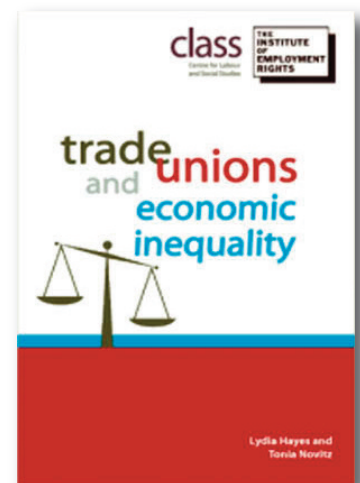
Nor do the authors simply address the issue of pay. They argue that trade unions also impact on issues relating to health, discrimination and security at work as well as

encouraging wider political engagement in society.

In an effort to re-boost the role of trade unions in society, the authors conclude with a 6 point policy programme aimed at ensuring that trade unions are once again at the heart of economic, social and industrial policy in the UK.



CAROLYN JONES IS
DIRECTOR OF THE INSTITUTE
OF EMPLOYMENT RIGHTS



**CAMPAIGN FOR
TRADE UNION FREEDOM**

**THE INSTITUTE
OF
EMPLOYMENT
RIGHTS**

@TUC Congress – Joint Fringe Meeting

Sunday, 7th September
7pm (or end of Congress)
Liverpool Media Academy,
85-89 Duke Street, L1 5AP

Speakers:
Professor Keith Ewing
President, Institute of Employment Rights
John Hendy, QC
*Vice President,
Campaign for Trade Union Freedom*
Sally Hunt
General Secretary, UCU
Len McCluskey
General Secretary, Unite the Union
Chair: Carolyn Jones
Director, Institute of Employment Rights

REFRESHMENTS PROVIDED

Web: www.tradeunionfreedom.co.uk
Web: www.ier.org.uk

Twitter: @unionfreedom
Twitter: @ieruk

Fringe meeting sponsored by **THOMPSONS SOLICITORS** and supported by **WAR ON WANT**
STANDING UP FOR YOU **FIGHTING GLOBAL POVERTY**



Tribunal orders council to compensate workers offered cash to sign away rights

BARGAINING RIGHTS

BROMLEY COUNCIL has been ordered to pay more than £64,000 in compensation to 18 of its staff, after an employment tribunal ruled it had offered employees cash incentives to sign new contracts that took them out of existing collective bargaining agreements.

The Tribunal found that Bromley Council had written a series of letters to staff, with one letter offering £200 to workers if they signed new contracts of employment. The series of letters asked employees to agree to a localised pay award which replaced national and regional collective agreements.

UNISON General Secretary, Dave Prentis, said:

"The decision is a significant victory for our members at Bromley Council who were effectively coerced into signing away their employment rights. It should send

a strong signal to other local authorities that they cannot simply withdraw from collective bargaining by going behind the union's back and making these types of offers."

The case was brought by 18 UNISON members who did not sign the new contract, some of whom were ultimately dismissed and re-engaged on new terms of employment that included localised pay negotiations. The members are now set to receive £3,600 each.

Employers are prohibited from making offers to union members that have the purpose of changing their contracts so that their terms and conditions of employment are no longer determined by collective agreement.

The Employment Tribunal judgment is available here https://www.unison.org.uk/upload/sharepoint/Toweb/3683_001%5B2%5D.pdf

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Instead he will produce a report with no recommendations. But as Unite's Len McCluskey warned: "The Tories remain intent on going into the general election in 2015 with a vicious anti-worker programme".

The TUC's Frances O'Grady said that: "Bruce Carr has been cynically used by the government in a party political stunt for the Conservative Party.

"He is right to recognise this "politicisation". Mr Carr has found his work entirely pre-empted by a Conservative Party press release. The Conservative Party should now repay to the taxpayer the costs of the enquiry."

Len McCluskey said: "The Tories have spectacularly shot themselves in the foot on this. In

their haste to attack trade unions, they have embarrassed their own appointee, Bruce Carr, into accepting this report for what it was all along – a desperate pre-election stunt to smear democratic trades unions and their members.

Meanwhile Mark Serwotka general secretary of PCS said: "The Tories handpicked Bruce Carr to do their bidding but even he couldn't stomach their anti-union rhetoric." And UCATT general secretary Steve Murphy said: "The collapse of the Carr Review, demonstrates that the Conservatives' own placeman, realises that their proposed attacks on worker's rights, especially the right to strike, cannot be justified by anyone who believes in basic human rights."

Campaign for Trade Union Freedom

Affiliation costs

National Unions	100,000 + £650
	less than 100,000 £150
Regional Unions	£75
Union Branches	500+ £75
	less than 500 £35
Associations of TUCs	£35
Trade Union Councils	£35
Strike Committees, non-union organisations & individuals	£15

The Campaign for Trade Union Freedom is sponsored by 26 national trade union organisations and over 200 branches, trades councils and individuals and financed solely by supporters fees from trade union bodies and individuals. By becoming a supporter you or your organisation show your agreement with the call to repeal the anti-trade union laws, and aid the Campaign's fight. Please make cheques payable to Campaign, for Trade Union Freedom and send to the CTUF, 4th Floor, 1 Islington, Liverpool, L3 8EG Donations are gratefully received.

Union/TUC

National/Region/Branch

Name of secretary

Address

e mail

We may contact you with information about the Campaign.

