

No 1/2007

REPORTS AND ONGOING PROJECTS

CLR News

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NOTE FROM THE EDITOR

In September 1992 a joint EFBWW/BISS summer conference took place in Brussels. During that week we visited the construction site of the new offices for the European Parliament with practitioners in urban development, architects, academics and trade union officers and we discussed the European Single Market and its consequences for our industrial relations. We held workshops on free movement and on labour migration. It tasted good and we decided to stay in touch.

Out of this first exchange of views and experiences the European Association for Construction Labour Research was founded. This loose network later on became the European Institute for Construction Labour Research, abbreviated as CLR in all languages and established as a non-profit-making association under Belgian law.

Although we had a whole catalogue of wishes (the organisation of workshops, research, publications and a quarterly), we knew that we didn't want to go for bureaucracy and heavy overheads. Instead the idea was to work on a 'light' version of international research and cooperation. With the growth of the worldwide web, these aims came within reach.

CLR-News has had some 45 issues after a start with a dummy in 1993 and since the late nineties our distribution network has grown with readers all over Europe, but also in North America, Asia and Africa. Although most readers receive the quarterly as a digital file we know that a lot of you still appreciate and prefer hard copies. It is obvious in our virtual world: digital information is quick but with a short kept quality. Hard copies are read better; with growing postal costs we have to make up our mind in this year how to continue with free copies.

Our website www.clr-news.org also has served a growing public. It is especially interesting to see in the annexed tables that visitors use the site to download our reports and other publications.

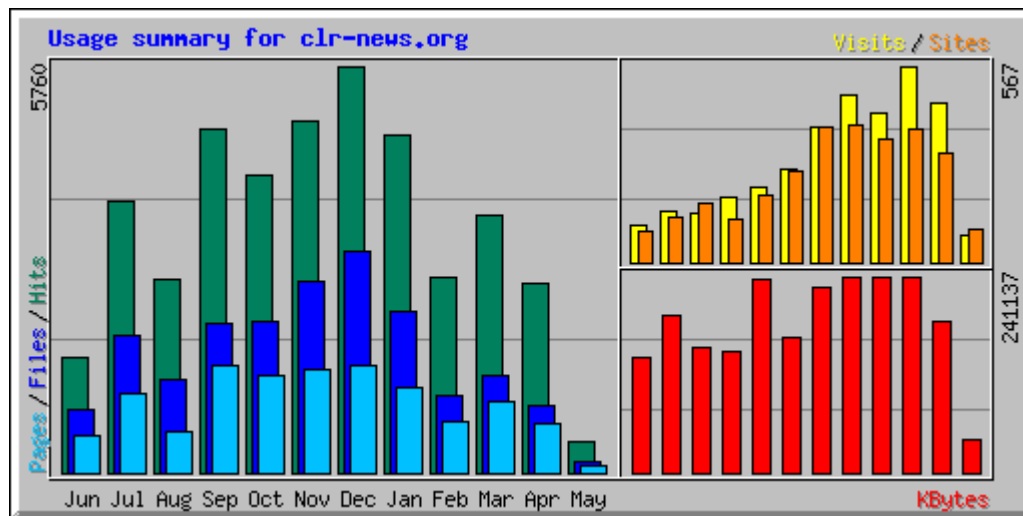
For the distribution of our series CLR-Studies we started cooperation with Reed Business Information and since 2006 we have contracted

i-books as our new publisher with whom the cooperation is very productive and friendly. And again the worldwide web is used as **i-books** is specialised in web selling: www.antenna.nl/I-books

This quarterly is dedicated to reports of several activities in the recent past and activities to come.

We look forward to a fruitful cooperation with all of you in these new projects and initiatives.

Jan Cremers, 14 May 2007



Summary by Month										
Month	Daily Avg				Monthly Totals					
	Hits	Files	Pages	Visits	Sites	KBytes	Visits	Pages	Files	Hits
May 2007	62	24	15	11	98	41093	79	109	170	438
Apr 2007	88	32	23	15	316	185970	462	700	961	2669
Mar 2007	117	43	32	18	384	240120	567	994	1362	3643
Feb 2007	98	38	25	15	354	241137	430	710	1091	2761
Jan 2007	154	73	38	15	399	239356	484	1201	2275	4785
Dec 2006	185	100	48	12	391	228243	392	1512	3126	5760
Nov 2006	165	90	48	8	263	165060	267	1455	2711	4969
Oct 2006	136	69	44	6	195	236445	215	1367	2155	4218
Sep 2006	161	70	50	6	126	149075	190	1528	2120	4857
Aug 2006	88	42	19	4	172	153639	143	595	1306	2729
Jul 2006	124	62	36	4	131	193156	150	1128	1952	3845
Jun 2006	54	30	17	3	87	140342	107	535	906	1638
Totals						2213636	3486	11834	20135	42312

REPORTS

CLR annual meeting,

Thursday 29th 2007, University of Westminster, London

Agenda:

9.30am – 12.30pm.

1. Introduction of the participants.
2. Annual report 2006
 - CLR-News
 - CLR-Studies
 - Workshops, seminars, research
 - Financial report.
3. Ongoing research and projects
 - brief presentation by the participants -
4. New projects for discussion
 - to be presented in advance on paper -
5. Activities in 2007
 - CLR-News
 - CLR-Studies
 - Workshops, seminars, research.
6. Any other business.
7. Lunch (12.30-1.30 pm)

Report:

1. Participants

B: Werner Buelen; DK: Jens Arnholtz Hansen, Elsebet Frydendal Pedersen, Bo Sandberg; GB: Michaela Brockmann, Paul Chan, Linda Clarke, Ian Fitzgerald, George Fuller, John Grahl, Jörn Janssen, Carol Jewell, Alan Ritchie, Barckley Sumner, Kevin Williamson; NL: Jan Cremers; S: Sven Ljung; ES: Oscar Vargas Llave.

2. Annual report 2006, Jan Cremers

- **CLR-News:** Four issues were produced. 1/*Labour Relations in Construction* dedicated to the European social dialogue in construction, 2/*Japan – what can we learn?* with Stefan Hochstadt as co-editor and with contributions from Japanese experts, 3/*Nordic Working* in cooperation with FAFO-Oslo and mainly dedicated to the impact of EU enlargement for the Nordic labour market, 4/*Undeclared Labour in Construction; the Italian Case* based on Italian contributions to the research on undeclared labour.
- **CLR-Studies** No 5 was published in 2006 in three languages: *Shifting Employment: undeclared labour in construction;* *L'emploi décalé: le travail non déclaré dans le BTP;* *Beschäftigung in Bewegung: ungemeldete Arbeit im Baugewerbe.* CLR-Studies are increasingly used in political decision-making. The 'The Free Movement of Workers' study played a key role in the debate about the Services Directive of the European Commission, in the European Parliament, in academic fora and at national level. Next to this the German and Dutch governments decided to revise their implementation after our comparison was made.
- **Other publications**

The British Construction Information Quarterly has published a contribution *Undeclared labour in Construction: findings about nature, size and effects.* It was a first overview of the desktop research for the CLR-study.

Transfer, the ETUI-REHS journal, published in the 2-2006 issue an article by Jan Cremers: **Free movement of services and equal treatment of workers: the case of construction**, based on the ongoing CLR-research in this field.

The use of the website www.clr-news.org is promoted. All the country reports for the undeclared labour study can be downloaded. New on site is a library with older contributions that are worthwhile to list up. Contributions are welcome.

- ***Workshops, seminars, and research***

The final seminar in the series on 'People in Construction' funded by the Economic and Social Research Council took place in Brussels 17th March 2006 on "The Future of Construction Labour in Europe". It is considered to publish the keynote contributions to this series of seminars as a book.

CLRdenmark organised a major CLR-Conference 25th April 2006 in Copenhagen; the working method used was a 'Trial'. The work of CLR is having more and more resonance and spin-offs, for instance: An international conference of FIEC and EFBWW 14/15 December 2006 in Helsinki on "The prevention, reduction and sanction of undeclared labour in the construction industry" based on the research report on 'Undeclared Labour'. CLR colleagues also participated in some of the EFBWW-meetings where the findings were discussed.

Jan Cremers was asked as an expert to several meetings on the posting of workers; one of these meetings was organised by FAFO-Oslo and dedicated to labour migration after enlargement. CLR colleagues participated in a conference organised by the British Institute of Employment Rights on 'The draft Services Directive versus Social Europe'. CLR was furthermore invited to participate in a meeting on the competitiveness of the construction sector, organised by the industry department of the European Commission. CLR GB produced 2 newsletters in 2006 and 1 in 2007 and held an AGM on 5th December 2006. Jörn Janssen was also asked to speak for CLR at a Construction Rally and Lobby on 'Direct Employment' organised by AMICUS 28th March in London at Central Hall Westminster, just by the Houses of Parliament.

- ***Financial report:***

The most important item in financial transactions is the publication of CLR-Studies, which remains a revolving system; the sales of previous copies are used to finance the publication of new books. The publisher is now International Books, which provides a more congenial environment than the previous publisher and sells predominantly through the Internet. Another question that has to be solved in the new budget year is the distribution of CLR-News. Most readers receive it nowadays by mail. However, there are still hard copies sent out. The experience is that hard copies are really

read; but the problem is that the dissemination by post is rather expensive. We have asked readers to react on this. One solution could be to direct readers more to the website.

3. Ongoing research and projects - brief presentation by the participants:

Jörn Janssen/CLR: Study on the transformation of wage labour, predominantly in construction, in late medieval England, based on labour statutes.

Kevin Williamson/TGWU: Involved in recruiting migrant workers into the union.

Elsebet Frydendal Pederson and Bo Sandberg produced a report on the on-going activities of CLR Denmark, including a survey of East European workers in construct by FAOS and a conference on migrant workers on 25th

Ian Fitzgerald Northumbria University: Research on ‘Polish migrant worker routes into employment in the North East and North West construction sectors’. The GMB has set up a special branch for Polish workers in Northumbria. (See Abstract 1, p.19)

Paul Chan/Northumbria University; 1) A project on skills and training ‘Developing a road-map of the future capacity of manufacturing and construction in the Tyne and Wear region’ (See Abstract 2, p.20); 2) proposal for seminar series on construction labour mobility.

Oskar Vargas Llave: 1) Health and Safety training; 2) European initiative on the integration of migrants; 3) Limitation of stages in subcontracting and number of temporary workers; 4) Identity cards on site.

Jens Arnholtz Hansen/FAOS, Elsebet Frydendal Pedersen/Technical University of Denmark, Bo Sandberg/Danish Building Workers Union: 1) FAOS is surveying Eastern European construction workers concerning the long-term effect on wage formation and conditions of employment until August 2007; 2) Lifelong learning in construction now terminated.

Werner Buelen/EFBWW: The EFBWW has singled out three items of EU labour law to be discussed in the Social Dialogue, 1) undeclared labour, 2) the definition of self-employment, 3) the liability in the subcontracting chain (rejected by FIEC members). It is intended to set up working parties on these issues.

Alan Ritchie/UCATT: A central issue of the construction unions is self-employment. This is difficult to control as it is often employed through gang-masters and dubious labour agencies. The unions have to put pressure on the British Government to have regulations enforced. There is now a unified front of the four unions: Amicus, GMB, TGWU and UCATT.

Michaela Brockmann/University of Westminster, with Christopher Winch and Linda Clarke: Research on 'Cross-national Equivalence of Vocational Skills and Qualification' (See Abstract 3, p.22).

Sven Ljung/Swedish Building Union: Under attack from the new government the Swedish trade unions witness a decline of trade union density.

Carol Jewell/Reading University: Working on a PhD on undeclared labour.

John Grahl/Middlesex University: 1) Currently following up the development of the ('Bolkestein') Services Directive and its background; 2) Member of the working group: Alternative Economic Policy for Europe; the last memorandum published 2006.

George Fuller/UCATT: Active in political initiatives for the regeneration of East London in the context of the Olympic Games.

Linda Clarke/University of Westminster: 1) Research project 'Disability and Employment in different sectors' (See Abstract 4, p.24); 2) *with Working Lives Institute* research project on 'Diversity in Construction' funded by and published by the Greater London Authority (See Abstract 5, p.25).

Jan Cremers/University of Amsterdam: 1) Updating the research on the implementation of the Posting Directive; 2) work in the follow-up of the research on undeclared labour; 3) self-employment and dependency relations in the labour process; 4) a new book (in Dutch) on works council issues based on a case study. Next to this Jan is

involved in a major European research project on the impact of globalisation on company structures and the role of stakeholders (via the Dutch institute GITP). He has left the Dutch national training fund for works councils and is nowadays as a guest researcher at the Institute for Labour Studies (AIAS) in Amsterdam. His new mail is jan.cremers@gitp.nl

5. Activities in 2007

o *CLR-News* (subeditors)

2007:

1. Survey of present CLR-Network activities and campaigns (*Jan Cremers*)
2. Changing employment conditions in construction with contributions by Jan Cremers, John Grahl, Jörn Janssen, George Fuller (*John Grahl/Jörn Janssen*)
3. The impact of migration in the construction industry with contributions by Jens Arnholtz Hansen, Paul Chan, Ian Fitzgerald, Oskar Vargas Llave, Bo Sandberg (*Bo Sandberg/Jens Arnholtz Hansen/Elsebet Frydendal Pedersen*)
4. Transnational comparison of the concepts and practices in training and skills in Europe with contributions by Michaela Brockmann, Paul Chan, Linda Clarke, Andrew Dainty (*Linda Clarke/Paul Chan*)
5. (or later) Health and Safety, including disability with contributions from Oscar Vargas Llave, Marc van der Meer, Linda Clarke, EFBWW (*Oscar Vargas Llave/Linda Clarke*)

2008:

1. The structural development of the construction industry and employment (*Jan Cremers*)
2. Observatory 2007 of employment in the European construction industry (*Bo Sandberg/Sven Ljung*)
3. Responsibility/liability of the main contractor (*Jan Cremers*)

· *Proposed CLR-Studies*

No 6, Linda Clarke & Marc van der Meer eds.: Diversity in Construction in Britain and the Netherlands (including women, ethnic minorities and the disabled).

No. 7. The Future of Labour in Construction, with contributions based on the ESRC seminar series

• ***Other publications***

An update of the posting situation is prepared by an editing team of Jon-Erik Dolvik, Gerhard Bosch and Jan Cremers for the International Journal of Industrial Relations. The update will take on board new positions from the European Commission and the modifications that have taken place at national level with regard to the implementation of the Posting Directive. Also the latest position papers from the European partners will be presented.

A publication is considered on the functioning of the Dutch compliance office, installed by the social partners in construction to monitor compliance with collective agreements and statutory minimum prescriptions.

The findings of the study on undeclared labour will lead to publications in a Dutch quarterly (Zeggenschap). More publications are to be considered.

• ***Workshops, seminars***

* 29th March 2007, CLR-GB University of Westminster/London: Undeclared Labour in Europe – Employment Flexibility in Britain?

* 25th April 2007, CLRdenmark in Copenhagen/DK: Migrant Labour: a result of the construction boom? Or a situation that will remain?

* 4th May 2007, CLR-Germany in Dortmund/D: Nichtgemeldete Arbeit im Bausektor – eine vergleichende Studie für Europa.

* 7-8th June 2007 London: International workshop on bogus self-employment

* 28th June 2007 Seminar on a vocational training system for construction to be held at the University of Westminster.

* 3-6th September 2007 in Manchester: International Industrial Relations Association European, Linda Clarke, Jan Cremers, Jörn Janssen taking part with a paper on ‘The Transformation of Employment Relations or Undeclared Labour, the case of the construction industry’.

* 8th September 2007 in Kortrijk (Belgium): conference on vocational training in construction.

“Undeclared labour in Europe: employment flexibility in Britain?”

CLR Seminar 29th March 2007 at the University of Westminster

This seminar was organised in conjunction with the CLR Annual General Meeting and its core theme was based around the examination of the nature and implications of ‘undeclared labour’ in Europe. The audience was varied, including representatives from government bodies, employers, trade unions and academic researchers, and there was a lively debate.

The seminar was kicked off by Jan Cremers, CLR, who provided a summary of a new book in *CLR-Studies* on undeclared labour in construction, ‘Shifting Employment’, to set the scene. Based on earlier analyses of studies undertaken across member states in Europe (including new member states), Jan contended that the practice of subcontracting is extensive. He observed that the highly complex employment relations in construction often involve the use of bogus self-employment with the onus of hiring in and out through questionable agencies. Jan suggested four areas of consideration in relation to the future political dimension of labour law, including the need for a uniform definition of the employment status (and of self-employment), for an adequate implementation of labour law and social security rules from a trans-national perspective, greater cooperation between member states regarding posted workers, and a more coordinated approach on the actions taken on undeclared labour.

The employers’ perspective was then voiced by Gerry Lean from the Construction Confederation. Gerry defended the position that larger employers tend to comply with good practice when it comes to employment relations. However, Gerry noted that undeclared labour is particularly problematic in other more invisible areas. Gerry expanded the notion of undeclared labour, (stereo)typically associated with illegal immigrant labour, to include small half-legitimate businesses, legitimate employees who ‘moonlight’ and friends and neighbours who partake in paid/unpaid building work. He suggested that government regulation, especially in terms of taxation rules, could be a way forward in gaining a better understanding and control of the

issue of undeclared labour, although the jury is still out on the recent CIS taxation rule changes introduced in April 2007.

Professor John Grahl from Middlesex University discussed the implications of undeclared labour from an European perspective. Professor Grahl observed that the use of undeclared labour is on the rise across Europe and bemoaned the decline in dialogue between social partners (the state, employers and trade unions) as Europe moves in favour of more flexible employment relations. Harry Cohen, Member of Parliament at Westminster, then provided us with the importance of the role of government in protecting the welfare and health and safety of all workers, declared and undeclared, in the construction industry. This was timely given recent announcement from Britain's Health and Safety Executive on the British construction industry's deteriorating health and safety record. Alan Brkljac, from the Transport and General Workers Union, suggested a possible correlation in the health and safety record and the influx of migrant labour in construction.

The somewhat intense and at times emotionally-charged seminar concluded with a plenary discussion where participants debated on the extent of fragmentation in the industry and the promotion of complex employment relations in construction. There was a general consensus that the workforce in construction requires more regulation and that more needs to be done to eradicate the use of bogus self-employment. We were reminded by Oscar Vargas Llave from Fundación Laboral de la Construcción earlier in the AGM proceedings of new Spanish law to be introduced this year that limits the number of tiers of sub-contracting to a maximum of three. Perhaps the Spanish could lead the way in achieving the recommendations provided by the speakers at this thought-provoking seminar?

Paul W Chan - 11 May 2007

Workshop on Construction Services

European Commission, Bureau of European Policy Advisers, Brussels, 17th April 2007.

The European Commission has taken the initiative to consult a broad range of representatives from different interest groups and stakeholders in a series of workshops on the impact of the Single Market. The idea behind the meetings is to reflect on the development of the Single European market with participants who do not belong to the inner circle of lobbyists and interest groups that are regularly present and active in Brussels.

One of these workshops was dedicated to construction services.

The Commission was well represented with officers from the employment and social affairs department, the industry department and the internal market department.

The relatively open and ad random definition of interest groups became manifest as I found myself in a group of participants coming from such divers organisations as the national institutes for social housing, recruitment offices and agencies, academics, customers associations, suppliers, and chambers of commerce and trade.

The opening was for McKinsey with statistics from Eurostat and own research on the present strength and weaknesses of construction. The presentation made focused mainly on the development of the market strategy of larger companies: from the design/build approach in the eighties to the design/build/finance/operate approach in the nineties to the integrated building services of today. Furthermore, they stressed the fact that Public Private Partnership (PPP) had created a new environment for integrated planning and execution.

Although it is easy to criticise this view, there is enough evidence for this development in certain segments of the building market. But there is also an increase in subcontracting and outsourcing as part of what is being executed.

Roger Courtney from Manchester University, who has just finalised with his colleagues a study on the competitiveness of construction commissioned by the industry department of the European Commission, was asked to react. First of all he found parts of the

introduction too UK-biased. Large French contractors already executed integrated services in the late eighties (highways, utilities). Secondly, he stressed the fact that PPP as such is just a way to finance public works. In practice it often works out as a procedure that leads to more planning and greater integration in an industry that is often characterised by complete fragmentation. The integrative method is not exclusive for PPP-projects; any contractor or client could use it. He stressed the need for reflection on the built environment. Building houses is one thing, but nowadays the share of the costs related to construction as such is only 20%; property costs make up 80%. Sustainability and the pollution caused by construction (not only in demolition but also with the 'leftovers') are becoming important issues.

Based on his research he had come to the conclusion that 'integrated systems work better'. This demands for a variety of measures: registration, performance indicators, more planning, and reliable and stable relations between the different actors over a longer period than only the duration of sites. This would also improve possibilities for innovation and quality.

In the discussion the Commission's services seemed clearly concerned with the fact that mobility is still low and growth is non-existent, especially amongst SMEs. At that point of the agenda it turned out that EBC (the European employers organisation for SMEs) was well represented. The meeting changed almost into a SME-lobby: 'What do small companies need?' – 'Money and tax relief.'

One of the Commission's advisers was keen enough to question whether growth will come and asked to what extent SMEs in construction are different from SMEs elsewhere. His question on which constraints SMEs have to face was not really answered. The notion that SMEs have perhaps to work in a market without conditions for real/permanent growth was not elaborated.

The afternoon session was dedicated to the users and suppliers. Finally there was one hour reserved for labour migration and free movement. I was invited to introduce the findings of our work on posting and on undeclared labour. The watershed inside the Commission between the social department and the internal market department became apparent when I highlighted the problems with the

implementation of the posting directive and raised the problem of the differences in the national regulatory frame with regard to self-employment. This regulatory frame serves as a building block for several European Directives. Our experience, however, is that, when differences in the definition of self-employment between the Member States are maintained the effect of national instruments diminishes in a situation where labour trafficking has appeared on the market as a consequence of loopholes and contradictions in the national and European regulatory frame. Some countries have a well-regulated market; others have nothing to comply with. It is then possible to use free provision of services as an argument to evade statutory and other labour provisions and regulations. This creates divergences instead of equal treatment of workers. This is the reason why the trade unions from the start, since the mid eighties when a social clause in public procurement was requested, have promoted the host country principle. The poor implementation of the posting directive can create a distortion in competition. Construction and other labour intensive sectors with serious labour shortages and a lack of skilled workers as a result of the ageing of the workforce have to fight against bogus self-employment and dubious labour trafficking caused by the contradiction between on the one hand the free movement of workers and their equal treatment and on the other hand the provision of services.

The representative of the Employment/Social affairs department agreed with the main conclusions of the CLR-study 'that the implementation of the posting directive has been poor in several Member States' and that coordination, control and registration have to be improved. He also raised the question of whether other instruments have to be elaborated, such as liability in the chain of subcontracting. The representative of the Internal market department tried to give us a lecture on the difference between on the one hand the free movement of workers and the decision of an individual worker to go abroad and on the other hand the free provision of services, a distinction already made by us as early as 1988 at the start of the Single Market project. In his eyes these two things were mixed up and in his opinion the posting directive was an 'anomaly' anyway. By his statement he made it very clear that his department inside the Commission's services is part of the problem to be solved.

In a final reaction, I explained that a free provision of services that consists of the appearance on the market of agencies only specialised in the hiring in and out of labour-only subcontracting and/or the recruitment of bogus self-employed (delivering ‘services’) has everything to do with an evasion of the equal treatment that has to be the guiding principle for the free movement of workers. It is a method to by-pass statutory obligations and fair labour conditions, created by the lack of consistency in EU-law.

Jan Cremers, 1 May 2007

A statutory minimum wage in Great Britain

The introduction of a minimum wage in 1998 in the UK, in fact one of the promises of the new Labour government, was a controversial item in those days in a country that till then knew only limited labour legislation. During a London meeting of the British Universities Industrial Relations Association (BUIRA) on March 30th 2007 Willy Brown, professor at Cambridge University and till the end of 2006 one of the independent members of the *Low Pay Commission*, gave an overview of the experiences after the introduction. The Low Pay Commission was installed by the Blair government and has to prepare annual advice on the necessary level of the minimum wage, advice that is normally accepted by the government without substantial changes. The composition of the Commission consisted from the start of three groups: three representatives from the employers’ side, three members coming from the trade unions and three independent members. Officially the members act on a personal ticket. However, as Willy Brown stated, both the trade union members and the employers often act in one block. The real power of the Commission therefore often lies in the hands of the chair, who has the task to bring people and their positions together.

At the start in 1999 the main argument on the employer’s side was that the introduction would bring a loss of jobs and a decrease of overall employment especially in the lower paid services sectors.

After almost ten years one can say that there is no evidence at all for this argument.

Criticism on the labour side (and by industrial relation experts) has always been that the level fixed at the start was so low (£3.6 per hour, some 5 Euro in 1999) that the impact on the labour market was expectedly almost negligible. In the meantime, the minimum rate per hour has been raised steadily (to £5.52 per hour, about 7.70 Euro by October 2007). 8% of the working population is paid according to the minimum rate and in general the consequences for economic performance can be seen as rather limited.

One thing is however remarkable: the introduction of the minimum wage has led to an increase in part-time work. Whether this means that workers perform the same hours as before with the same payment (that is in fact too low) and that they have thereby become so-called 'part-timers' or whether they have really chosen to use the improvement of the wages to work less is unclear. But as most workers involved belong to the vulnerable groups on the labour market this increase is not self-evident.

Negotiations in the Low Pay Commission are always market conforming deliberations, strongly characterised by consensus and the wish to compromise. From the outside, it looks as if the debate is only sideways influenced by the question of the income necessary for a decent living and for basic purchasing power. Great Britain is one of the EU Member States with the highest overtime and working hours, often indeed necessary for workers to earn a decent income.

Finally, one important positive result: the introduction of a minimum wage has diminished the gender gap in the lower echelons of the labour market. Men and women in these segments of the market earn more and more the same minimum rate.

Minimum wage regulation is no longer controversial in the UK. Willy Brown expects even a conservative government to continue with this regulation of the lowest parts of the labour market.

Jan Cremers, guest researcher AIAS, 2007-05-01.

More information: <http://www.lowpay.gov.uk/>

Construction Rally and Lobby, London – 28th March 2007

This event was organised having received a motion from the Amicus National Sector Committee for Construction, because of the difficulties that primarily electricians were experiencing in achieving direct employment, in full compliance with the industries National Agreement. “JIB Electrical Contracting Agreement”.

Background

This Agreement “JIB Agreement” (and for future reference referred to as the Agreement) was first introduced to the industry in 1968. Not very well supported by trade union members at that time because it was seen by the membership as a Agreement that would limit site by site bargaining and place restrictions on membership control and having to suffer the dictate of an imposed National Agreement. However since the introduction of the Agreement it is fair to say that the majority of electricians working in the industry have supported the National Agreement and the benefits therein.

Up to around about the early 1980’s the Agreement served something in excess of 40,000 electricians who were directly employed sometimes on a short term basis, as short as a couple of weeks, on other occasions it could be a couple of years or even longer. Employers were quite happy to engage people on a short term basis without any problems. However, the in period since the early 1980’s the industry has seen a growth in the development of non-direct labour, perhaps through the development of Employment Legislation, both UK and European. Perhaps it is legitimate to assume that Employers have taken the position that they do not want the obligations of employing workers on a direct basis in order that they can hire and fire without any concerns in terms of litigation.

The Union has been particularly concerned about this development in trying to achieve direct employment in compliance with the National Agreement. A number of various initiatives have been tried. An Agency, Esca Services was developed and introduced into the industry which was jointly owned by the Union and the Employers Association the ECA. This was a failure and did not achieve the results expected. Also the National Agreement was amended in order to develop some

control but Employers have not adhered to this particular section of the Agreement and unfortunately the anticipated control has really not developed.

Current position

So therefore it was determined that in order to try and develop an initiative to rekindle the principles of direct employment in compliance with the National Agreement a Rally and Lobby was held in London on the 28th March 2007. The Rally was overwhelmingly supported by over 1,000 workers attending the Rally, which was particularly significant understanding that the 28th March was a mid-week date and workers attending the Rally were not paid for the day. The Union is Full Square behind its members in the demands for direct employment and is prepared to support workers who are prepared to impose these demands of companies who sub-let work either to agencies or sub-contractors and of course, assist the plight of non-UK labour that may be exploited through these practices.

Also on the day there was a Lobby in Parliament. A number of Labour MP's attended the Lobby and listened to the legitimate complaints being raised by members. Hopefully, this will impact, particularly in terms of future Government procurement policy in support of direct employment and our National Agreements. Without the support of the members in making these demands, and some help from a Labour Government, our National Agreements are seriously at risk. A truly lamentable situation understanding where we have come from and the beginnings of the National Agreements was as a result of the industrial strife that existed prior to the inception of the National Agreement in 1968.

Tom Hardacre, Lead Industry Officer, Construction - Amicus

ABSTRACTS

Working in the UK: Polish migrant worker routes into employment in the North East and North West construction sectors¹

This latest TUC report builds on a previous Northern TUC/Northumbria/UCATT joint project in the North East of England.² Data for this Working in the UK report was provided by key informants from the first Northern TUC/Northumbria/UCATT project, UCATT officials in the North West and a Solidarnosc national organiser. The report has the central aims of identifying the means that Polish workers are using to find work in the sector and to document any organising strategies being used by trade unions to recruit these newly arrived workers. Using a key informant approach it identifies three main routes into employment for Polish migrant workers. These are 'on spec', 'direct company recruitment' and 'direct agency recruitment'

The *on spec* route relates to Polish workers freely finding their own means of transport to the regions and then simply looking for work in construction as best they can. This particular route is now becoming more structured as family and friends begin to assist those in Poland, and in some cases in other parts of the UK, to find employment opportunities. For example in the North East many of those Polish workers identified in the first project had, through Polish contacts in the North West, moved to that region due to, it is believed, the higher levels of pay available. *Direct company recruitment* was only found to be in use in the North East and a fuller account of those companies involved is provided in the first project report. The overriding means of recruitment in the North West, with minimal North East use, was *direct agency recruitment*. This was reported to have taken over from the on spec route and was providing a second wave of Polish migrant workers into the region.

¹ This research brief details the construction findings of the full report which also includes food processing. The main report *Working in the UK: Polish migrant worker routes into employment in the North East and North West construction and food processing sectors* is to be launched at the Northern TUC annual conference in Newcastle upon Tyne on the 14th April 2007 and is available from the author.

² Ian Fitzgerald (2006) *Organising migrant workers in the North East construction sector*, Newcastle: NTUC, available at http://www.nerip.com/Reports_Briefing.aspx?id=198

Trade union recruitment strategies in both regions followed a common theme, with what was described by full-time officials as typical organising strategies in use. Although, engagement with groups of Poles had been based on a number of differing approaches including using mobile phones to contact key Polish workers, who then passed on information, and visiting community centres, churches, homes and other locations that were favoured by the Polish workers. Following author discussions in Poland with Solidarnosc national and regional officials the report sets out a number of recommendations for a strategic trade union approach to the recruitment of Polish workers which can be used for other migrant groups and other sectors.

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Developing a road-map of the future capacity of manufacturing and construction in the Tyne and Wear region

Context

People hold the key to the success of businesses in any sector! Yet, in recent times, there have been concerns that skills shortages may thwart the productive capacity of British businesses, thereby resulting in adverse effects for the competitiveness of UK economy. Approaches taken thus far to solve the skills shortages problem have been disparate and largely disconnected. Examples of such approaches include the key skills agenda of enhancing literacy and numeracy in school pupils and university graduates, issues relating to employability and work-based learning, New Deal schemes to tackle the unemployed and under-employed, employment of migrant labour, and upskilling initiatives through organisations like the Sector Skills Council, to name a few. For employers, getting a skilled workforce is increasingly frustrating because of the complexities involved in terms of number of enabling organisations and the cumbersome process of obtaining funding and training places. At the same time, employers are also dissatisfied with the quality of entrants coming into industry from training and educational institutions. This is not helped by the

UK government's desire to get 50% of the population into universities, and relatively voluntarist view towards encouraging vocational education and training. In order to ensure that businesses get the skilled workforce they need for a sustainable future, it is imperative that the training needs and provision for the future capacity are mapped out. The proposed research focuses on the manufacturing and construction sectors in the Tyne and Wear region. The research seeks to deliver a road-map to help employers in their decision-making process in relation to engaging with the skills development agenda.

Aims and Objectives

The key objectives to be fulfilled by this studentship include:

- F** To map out the stakeholder groups (e.g. enabling organisations, training and education institutions, employer groups etc.) currently involved in the skills agenda in the Tyne and Wear region;
- F** To examine the effectiveness of the enabling organisations in resolving the skills problem;
- F** To investigate good practice available both nationally and internationally, and;
- F** To provide the evidence base for skills policy making in the region (and nationally).

Benefits

The project is intended to provide sound evidence base that will synthesise the numerous, disparate initiatives in combating the skills shortages problem. By mapping out the key stakeholders and examining their efficacy in resolving the situation, the project can provide greater clarity for employers in terms of where to go to develop a skilled workforce. Ultimately, the project is about appropriate engagement with employers and other stakeholders that will ensure that skills training is undertaken for ensuring the future capacity of the region's (and UK's) economy.

Methods

- F** Systematic review of the literature and skills policy;
- F** Focus group interviews and questionnaire surveys;
- F** Case study methodology, and;
- F** Simulation and modelling.

Deliverables

- F** A series of systematic reviews for lobbying purposes;
- F** Good practice guidelines and case study material;
- F** Clearer information for employers, and;
- F** A simulation model (road-map) to enable employers to participate in the skills development agenda.

For more information, please contact Dr. Paul W Chan at the School of the Built Environment in Northumbria University on email paul.chan@unn.ac.uk or +44 0 191 227 4219.

Cross-national Equivalence of Vocational Skills and Qualifications

This study explores differences in understandings of skills and qualifications within the vocational education and training systems of four European countries (England, Germany, France and the Netherlands). It is a two-year project, ending in March 2008, and is funded by the Nuffield Foundation. It is closely linked with the current Nuffield Review of Education Phase 14-19, which looks at general and vocational education in England and Wales. It is a timely project, as recent European Union initiatives to establish a European Qualifications Framework (EQF) are aimed at enhancing transferability and comparability of qualifications as part of its wider goal of establishing a European labour market. Given the distinct traditions of VET systems and labour processes in different European countries, the EQF raises important questions regarding the validity of comparators and thus the feasibility of such a framework. The objectives of the study are:

- To examine the meanings of terms and concepts underpinning VET systems and qualifications, such as knowledge, skills, competence, vocational education, training, occupation.
- To analyse the ways in which these concepts are embedded and operationalised within the different national contexts.
- To identify the problems these difference pose to the integration within an EU framework.

- To develop cross-national criteria for comparability.

The project involves case studies in each county, exploring the VET systems in relation to four occupations in four different sectors, selected because of significant labour mobility:

- Software engineering in ICT
- Nursing in health
- Bricklaying/masonry in construction
- Large goods vehicle driving in logistics

The case studies in Germany, France and the Netherlands are carried out by our partners, who are all recognised experts in the field: Anneke Westerhuis (Netherlands), Georg Hanf (Germany) and Philippe Méhaut (France). We have developed a trans-national conceptual framework mapping out the concepts across different dimensions of VET to guide the research at macro- and micro-level. We have completed the macro-level phase which involved interviews with employer organisations, trade unions, and regulatory bodies at national and EU level. Micro-level interviews will be conducted with line managers and managers with responsibility for VET in selected companies for each of the occupations. Outputs so far have included a comprehensive literature review, published on our project website: <http://www.kcl.ac.uk/schools/sspp/education/research/projects/eurvoc.html>.

We will also develop a glossary of VET terms and concepts with guidance criteria for comparability, as well as journal articles and a book.

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Enabling and Disabling labour markets?

For a long time, discussion on disability and employment in UK has been dominated by what is termed the ‘capability’ approach, which focuses on the individual’s experience of disadvantage. This is evident in the current government Equalities Review and in its policy emphasis on disability benefit. Indeed, the drive to reduce the number of those in receipt of benefit has focused largely on the individual and his/her integration in the labour market, including through ‘reasonable adjustment’ measures. This has also largely gone together with a neglect of policy at sector level, unlike in a country like the Netherlands where concern has been at the same time with the extent to which disability is attributable to the workings or malfunctioning of the labour market, reflecting, in this respect, what is known as the ‘social’ model. Here employers and trade unions have been involved in dialogue about the effects of employment and working conditions on disability and sickness absence and in sector-specific risk aversion measures.

Cecilie Bingham, Professor Linda Clarke, Elisabeth Michielsens, Sue Miller of the Westminster Business School, together with Dr. Marc van der Meer of the University of Amsterdam, have been engaged on a research project on disability and employment in the Netherlands and UK supported by Norwegian Work Research Institute. This is focused on three sectors – construction, ICT and health - and on three occupations within these – carpenters, software engineers and nurses. These sectors are contrasting in terms of their regulation and in terms of the degree to which they are themselves disabling, with construction having the worst record in this respect. They differ too in the degree to which those who are disabled are included or excluded, with health more inclusive and enabling than construction - which is, above all, disabling – and ICT somewhere in between. The research has investigated the interplay between training, employment and working conditions, and policy measures, in the three sectors with a view to identifying how these influence employment opportunities for persons with disabilities and how they act as disabling and enabling factors for labour market participation.

In showing how the nature of discrimination differs according to sector, as do the disabling features and the enabling measures required, the research has pointed to the need for a more social and sector-specific approach to disability policy in UK. Ideally monitoring is required to establish the degree to which each sector excludes those who become disabled and, at the same time, includes or enables the entry of disabled, as occurs in the Netherlands. In this way greater social responsibility would be placed on different sectors to include those with disabilities. But what is also apparent from the research is that what is regarded as disabling for one sector or occupation or even country is not necessarily for another. Dyslexia is, for instance, recognized as problematic for nurses in UK, but not for most building workers where occupational health screening would not seek to identify it; colour blindness is a disability with respect to electricians, but not for concrete workers. Disability is in this respect relative, defined as the converse to 'able-bodied' with respect to particular labour market sectors and occupations.

Contact Linda Clarke (clarkel@wmin.ac.uk) for a copy of the full research report.

Diversity in London's Construction Industry

This project, on the diversity performance of the London construction industry, was commissioned by the Greater London Authority (GLA) and London Development Agency and coordinated by the Working Lives Institute of London Metropolitan University. The final report from this research was launched by the GLA in February and can be accessed via their website (www.london.gov.uk/gla/publications/equalities.jsp). Given the large amount of construction activity taking place and planned for the capital, this project is both timely and promises to be important to informing policy, in particular for the new Olympic developments.

The research addressed a number of questions through a detailed examination of recruitment, employment and working conditions on major projects, including Heathrow Terminal 5 (T5) and Wembley Stadium. These included: Why does the construction industry remain a predominantly white male able-bodied enclave, despite all the

efforts made to make it inclusive? What are the real obstacles to women, those from ethnic minorities and those with disabilities entering and remaining in different construction occupations? On T5, for instance, many attempts have been made to include the local labour force and to improve diversity, including through conditions laid down in the contract, a local labour scheme, the establishment of a special training centre, direct as opposed to self employment, and trade union involvement. We found that, even despite all client encouragements and serious skill shortages, the ready supply of local labour experiences great difficulty in entering such a major construction project. The research has instead pointed to the inappropriate nature of training provision and the organization of working conditions, in particular long working hours, as lying at the root of the exclusivity of the construction industry. The conclusion drawn is that adherence to traditional practices – old-style apprenticeships, craft-based skill structures, an itinerant workforce, and intensive deployment of labour – are the real basis of the construction industry's lack of diversity.

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