

Lindsey refinery dispute: A reply to the GMB union

9 March 2009

The press office of the General, Municipal and Boilermakers (GMB) union sent an email taking issue with the February 21 article, "Report exposes false claims of British unions' 'Britons First' campaign". The article reported on the findings of the government Arbitration Conciliation and Advisory Service (ACAS) into the Lindsey oil refinery strike against Italian contractor IREM, demanding "British jobs for British workers". Below we publish a reply by author Robert Stevens.

Original letter from the GMB Press Office

Comments: The ACAS report into the dispute on this at the Lindsey Oil Refinery undermines confidence in ACAS as an independent body. The main suspicion was of undercutting of agreed pay rates in the industry. Nowhere in the ACAS report will you find that ACAS actually established what rate of pay the Italian contractor was paying those workers brought in. The very hub of the dispute was ignored, or maybe conveniently forgotten about, by ACAS. ITN found documentary evidence of undercutting. GMB Press Office

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Robert Stevens replies:

You state, "The ACAS report into the dispute on this at the Lindsey Oil Refinery undermines confidence in ACAS as an independent body".

ACAS is not an independent body, but a non-departmental government organisation. It is the trade unions such as the GMB who have historically accepted its claims to independence.

But while now claiming that the Lindsey Oil Refinery report undermines confidence in ACAS, you do not actually make any attempt to refute the report's findings. You state instead that, "The main suspicion was of undercutting of agreed pay rates in the

industry", and that by not establishing "what rate of pay the Italian contractor was paying", the "very hub of the dispute was ignored".

This is a re-writing of what the Lindsey Oil Refinery dispute was about. It is well documented that the strike began and was then supported by the union leadership on the basis that the contract had been awarded to an Italian company employing a predominantly Italian and Portuguese workforce. The main demand of the strike was that British workers be allowed to work on the contract, not any dispute with the contract itself.

The strike at Lindsey began on January 28 immediately after shop stewards informed the workforce that IREM would either not be employing British labour, or, according to IREM, would make only a small number of jobs available in Britain, because it employed its own permanent workforce, unlike British contractors. "Suspensions" of undercutting wage rates by IREM were raised after this, but largely in order to provide a justification for the trade union's nationalist campaign.

The main slogan associated with the strike was the demand, "British jobs for British workers". And though the unions at times sought to downplay this, the demand nevertheless accurately summed up the campaign's aims. It was, moreover, taken up by several right-wing newspapers, including the *Daily Star*. And when the settlement was finally reached, giving 102 jobs to British workers, Derek Simpson, the general secretary of Unite, posed with two *Daily Star* models holding posters emblazoned with the demand emblazoned on the Union flag. In addition, the *Daily Star* of February 6 ran with the headline, "We've Won Thanks To Daily Star". The article included a quote from at least one GMB official, Phil Whitehurst, who told the newspaper, "We couldn't have done it without the unequivocal support of the Daily Star and its

readers, you have been great."

On the issue of undercutting, we would like to point out that there have been confirmed instances of workers being employed at the Ferrybridge and Fiddlers Ferry power stations on "out of scope" contracts, i.e. not covered by trade union sanctioned national construction industry agreements. There was no mere "suspicion" involved here, but no action was taken. The strike was directed against IREM *because it is a foreign contractor employing foreign workers.*

In any event, why even now does the GMB still cite only a suspicion of undercutting? After all, Unite was involved in discussions on the contract prior to the breakout of the Lindsey dispute and must, or should, have known precisely what the agreed wage rate was. The ACAS report states that IREM had agreed to adhere to the National Agreement for the Engineering Construction Industry as part of the terms of the contract and that "in submitting a tender, would be implicitly accepting that all of their workers on site would be employed on the terms and conditions set down in the National Agreement for the Engineering Construction Industry (NAECI), including their pay".

You offer by way of refuting these findings that "ITN found documentary evidence of undercutting". What precisely does this refer to? I am only aware of one televised interview with an Italian IREM worker who says he was paid less than a British contractor. This may indeed be true, but even if this is so, it does not justify the stand taken by the GMB and Unite. If IREM agreed to pay the going rate and then broke this agreement, then the concern of the unions should have been with ensuring that the Italian and Portuguese workforce was not cheated. This would have been part of a common Europe-wide struggle against the employers for better pay and conditions, not a beggar-thy-neighbour demand to place "Briton's First".



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