

Power station and refinery workers vote for strike action

Ballot result over cheap foreign labour to be revealed

by Tim Webb

Some of Britain's largest refineries and power stations face being shut down after workers voted to stage official action over the hiring of cheaper foreign labour.

The result of the ballot – to be revealed tomorrow to the employers, including BP and Shell – follows months of “wildcat” action sparked by the use of foreign contractors at Lindsey refinery in Lincolnshire.

The vast majority of 7,000 of GMB union members at seven sites, which include the nuclear complex at Sellafield and BP's North Sea gas pipeline, have voted in favour of industrial action, the Guardian has learned. They want employers to allow unions to carry out full audits of the contracts of all 30,000 workers. Unions accuse companies of reneging on national collective pay deals by hiring workers, often from overseas, on lower wages.

Fellow union Unite, which represents the remainder of the workforce, has also been balloting its members. It is expected to announce the result next week, but members are also understood to have balloted overwhelmingly in favour of action. GMB will wait for the result of Unite's ballot before taking action.

Union officials will meet employer representatives for talks, but workers' leaders are determined to take action to prevent the further erosion of the principle of collective pay bargaining. Employers counter that being prevented from hiring foreign staff for lower wages than agreed under collective pay deals obstructs the movement of labour in the European Union.

Employment lawyers said that companies could attempt to overturn the ballot in the high court, which would make the planned industrial action illegal. Victory for employers would seriously undermine the union movement by limiting the use of its ultimate sanction, the right to strike.

Marc Meryon, a partner specialising in industrial relations law at Bircham Dyson Bell, said: “This is a conflict between two rights in European law: one is the freedom of movement of labour and the other is the right to go on strike. Employers are likely to have been taking advice over whether unions can have a lawful strike over employing foreign contractors on lower wages”.

Wildcat strikes swept Britain's construction and energy industries at the beginning of the year after Total hired about 100 Italian and Portuguese contractors at its Lindsey refinery. Total insisted it was paying them the same wages but British workers questioned why they were not employed instead. The use of foreign labour became more of a flashpoint in March when it emerged that power firm Alstom was paying Polish construction workers at its Isle of Grain plant, in Kent, £4.50 an hour less than their British counterparts. The Engineering Construction Industry Association (ECIA) said at the time that the “incident resulted from a misinterpretation”. The ECIA, which will meet representatives from GMB and Unite, did not return calls from the Guardian.

The seven sites at risk are: BP's Forties pipeline facility at Grangemouth; the Ineos refinery at Grangemouth; Sellafield; Shell's refinery at Stanlow; RWE's power plants at Staythorpe in Nottinghamshire and Aberthaw in South Glamorgan; and Chevron's refinery in Pembroke.

The unions are negotiating a new three-year pay deal. Employers are said to have agreed to the principle of setting up a national skills register which unions believe would identify what type of training in Britain is most needed. Unions also want a unemployed workers' register which companies must use to fill vacancies. Employers are said to have also agreed to allow unions to audit their workforces' pay, "except in exceptional circumstances" which unions believe is an unacceptable caveat. "We don't trust them anymore", said one union source.

Employers are required to pay the minimum wage to foreign workers but many circumvent collective pay agreements by using subsidiary companies to hire them on a lower wage.