

CLR

Newsletter 3/2004

The CLR-London Office is a platform linking CLR activities at EU and GB levels as well as trade union and academic work in GB in the field of Construction Labour Research. It will support related initiatives specific to GB.

Introductory Note

This Newsletter is intended to fuel a debate that turns around a crucial issue of CLR. George Fuller contributes a very personal note to this debate and highlights, at the same time, the subject of the ESRC/CLR Seminar 28th October 2004 at the University of Westminster – see below. We hope that this note sets an example how our seminars - it was the second in the series 'People in Construction' - may spark off considerations that deserve the attention of the wider audience of CLR. Further considerations may be sparked off by the simultaneous EPSRC/ESRC series reported below.

The report from another international seminar in Antwerp, organised by the European social partners of the construction industry and CLR, on 'Stress' in the sector, points to a side aspect of employment conditions, but a very dramatic one. In construction more than in any other industry workers put their health and lives at risk. With increasing demands on mental skills it is not only physical but also mental health that is at risk.

After little more than a year's existence CLR-London will need to review its achievements, plan for the future, reconsider our division of labour, and appoint a committee. We shall call a meeting before the end of the year. Please let us know your issues to be discussed.

Jörn Janssen, 13th October 2004

Debate

Hegemony behind the Hoardings

Often, it seems to me, industrial relations discourse accepts that a degree of partnership exists between legitimate representative institutions of capital and labour in a modern industrial settlement. But I don't think these partnership conditions apply in the UK, and under the pressure of capitalist neo-liberalism, this is increasingly the case elsewhere.

At a recent seminar at Westminster University one of the speakers, made a reference to concepts developed by Gramsci, the Italian Marxist, when he spoke of Lou Lewis, the recently retired London and SE regional secretary of UCAIT and leader of site militancy in the 60's and 70's, as an organic intellectual.

Below, using my own interpretation of the book *Gramsci's Political Thought, An Introduction by Roger Simon** I attempt to explain some of my understanding industrial relations.

In Gramsci's concept of hegemony, a ruling class – whether in-situ capitalist, or future working class - or variations – must rule/lead subordinate classes through hegemony: a mixture of consent and force; with the interests of other classes and groups taken into account as far as possible and necessary, so that the state the hegemonic class rules through, rests on a firm base in society; with force held in reserve. It is the function of intellectuals to create, and recreate - as things change - the common sense/ideological cement of this society.

Thus historically priests had this hegemonic intellectual function in feudal agrarian society. Turning to capitalism Gramsci wrote of the beginning of the era of mass production (Fordism) in the USA, that a new type of capitalist hegemony was born in the factory. It was achieved through the crushing of trade unionism,

introduction of 'Taylorism' ('scientific management') and the regulation of employees behaviour regarding alcohol (prohibition) and family life, combined with good wages and social benefits and extremely subtle ideological and political propaganda.

For Gramsci, Taylor was not the only intellectual of fordism; the line foremen functioned as organic intellectuals: as they supervised the workgroups and enforced the rules, they upheld the ethos and applied common sense – the ideological cement of hegemony - in the factory.

Thus Lou Lewis, as a site worker and rank and file leader in the 60's and 70's was one of several thousands of site stewards - organic intellectuals - upholding and extending the collectivist ideology/common sense of the post-war settlement; which was itself the outcome of ideological contest and struggle of previous decades. In the post-war settlement the capitalist class conceded working class and allied groups' demands regarding housing, health, education, full employment, nationalisation and the role of trade unions.

According to my understanding of Gramsci, the capitalist class had to compromise to this extent in order to maintain its leading position and control of the state because its pre-war hegemony in society, along with its common sense/ideological cement, had rotted and was falling out of the brickwork; new cement and bricks (alliances) were needed, and formal industrial relations systems were part of this.

Following the breakdown of the post-war settlement and the election of Margaret Thatcher a neo-liberal hegemony has been born behind the building site hoardings, which excludes 'industrial relations'.

The client gives the work to the management-contractor who markets all parts of the job to labour only subcontractors and labour agencies. In effect the subcontractors'/agencies' function is then to launder the job of its social charges and employment rights through bogus self-employment and other forms of unlawful employment; combining cost cutting with social control.

This regime is supported by the state via the CIS (Construction Industry Tax Scheme), whereby self-employment CIS4 cards are inappropriately issued to the labour-only contractors' labour force. Though Inland Revenue officials – with public service ethics - raise their concerns with government, the government with its ideological commitment to 'flexible labour markets' takes the issue to the management contractor capitalists – seen as *the* leading figures in the industry - and nothing changes.

The labour-only subcontractor is now the organic intellectual closest to the workers. His words and actions purvey the common sense: no employment rights or training; hiring and firing, shifting people

around; employing his relatives; has sole access to the management contractor. In processing the workers CIS4 tax card, he gains legitimacy as a person linked to the state. To gain further legitimacy and licence, he has been known to make union-dues check-off agreements with trade unions.

He presents and is seen as somebody who has 'made something of himself': instead of union man there is 'enterprise culture man' going around be-suited in a flash car with lap-top, may have a 'nice house', take guests to the races etc; in with the celebrity culture of the times. If faced with resistance from individuals, lacking recourse to any rule-based system, he may resort to threats or actual violence through third parties; and he gets away with it because of his mixture of control over and consent from the workforce who see the tax advantages of 'self-employment' as outweighing any disadvantages.

Looking to Gramsci, for insights into how to overcome this neo-liberal capitalist hegemony behind the hoardings, it seems evident a counter hegemonic strategy is required. A weakness of building industry trade unionism in the post-war consensus era was that it was - to use a Gramscian term - economic corporate; meaning that it concentrated on economic questions. This is highlighted by the fact that site stewards were also known as bonus stewards and some became and remain successful labour-only subcontractors. Militancy at the economic corporate level is liable to be outflanked and isolated by hegemonic state that paints them as a sectional interest.

One of the most successful challenges to site neo-liberalism has been from worker-initiated campaigns outside coroners' courts of enquiry into site fatalities. Here, in my view, with relatives, lawyers and academics involved and messages getting across to wide sections of society via the media is trade unionism that is not economic corporate but in embryo counter-hegemonic to neo-liberalism.

Management contractors who for years have been degrading building workers through bogus self-employment, have been placed in a position where they can't deny unions a say in site safety organisation. This way of working – countering the prevailing ideology and hegemony - by appealing to the interests of wide sections, could be used on other issues that have been suppressed and flung out over of the site hoarding by neo-liberalism; especially when high status buildings or long term government backed plans are involved; this way a better, stronger 'system of industrial relations' may emerge.

George Fuller/Building Link-Up

CLR-London Events

Contracts of Employment vs. Contracts for Services?:

Collective Bargaining and the Nature of the Employment Contract in Construction

University of Westminster, 28th October 2004

This third ESRC/CLR seminar in the series 'People in Construction' promises to be a fascinating and stimulating day, with excellent participation from mainland Europe. It is about the nature of the employment contract in construction, which has long been threatened in Britain through so-called self-employment and is now also under attack elsewhere in Europe, including in Germany and France, and particularly now through a proposed new EU Services Directive.

- 10³⁰ Registration and coffee
- 11⁰⁰ Welcome: Linda Clarke
- 11¹⁵ Jan Cremers (European Institute for Construction Labour Research): *The free movement of workers and the transnational provision of services*
- 11⁴⁵ Ernst-Ludwig Laux (Deputy General Secretary of the German building union, IG Bau): *Threats to the contract of employment in Germany*
- 12¹⁵ Francois Michon (Director of CNRS Research on 'Socio économie du travail de l'emploi et des relations professionnelles', Université de Paris 1): *The segmentation of the labour market and the 'interim' contract: unequal access to employment in France*
- 1⁰⁰ Lunch
- 2⁰⁰ Hans Baumann (Swiss building union, GBI): *Transnational collective agreements as a means to secure employment – the example of the Alp-Transit project*
- 2³⁰ Brian Bercusson (Professor of European Labour Law, Kings College London): *The development of the employment contract and the legal basis to achieving equality of employment conditions*
- 3¹⁵ Tea Break
- 3³⁰ Discussion panel: *Contracts of employment versus contracts for services?: the British situation*, introduced and chaired by: tbc
- Gerry Lean (Construction Confederation): *When does a contract for services become a contract of employment?*
- Alan Ritchie (UCATT General Secretary)
- Nigel Griffiths, MP, Minister of Construction, invited
- 4³⁰ Concluding Remarks
- 5⁰⁰ Finish: Drinks + nibbles

Report

Stress in the Construction Sector

European Seminar in Antwerp 8 October 2004,

organised by
FIEC, Federation of the European Construction Industry;
EFBWW, European Federation of Building and Woodworkers;
CLR, European Institute for Construction Labour Research.

The Social Dialogue of the European construction industry will produce a document aiming at combating work-related stress in the sector. This document will complement a framework agreement on the same issue signed at inter-professional level by the social partners UNICE/UEAPME, CEEP and ETUC 27 May 2004. This was the conclusion of the European seminar on Stress in the Construction Sector 8 October 2004 expressed by representatives of the Social Dialogue. The seminar was the final event presenting and discussing the results of a research project managed by Jan Cremers/CLR for FIEC and EFBWW and funded by the European Commission as part of a respective programme. The research report will be published soon in CLR-Studies in English, French and German.

The message was unequivocal, contrary to the common picture of construction work, there exist serious risks of 'negative' stress in a number of manual occupations, commonly considered as simply physically demanding. Almost all speakers emphasised that the cooperation of the social partners at the level of undertakings is crucial to improve working conditions. Though Britain was not represented amongst the country reports it was clear that in this country employment conditions are most unfavourable to combatting psychical strains in a common effort of workers and managers. And the report points to the excessive suicide rate in the British construction industry.

The approaches to the subject reflected immense differences in the awareness of occupational health. Typically, 'best practices' to prevent and combat negative stress, were reported from the Netherlands/Janneke Waage and Denmark/Lars Veemands, notorious for cooperative social partnership. Both speakers underlined the dialogue between management and staff in work organisation as a means to reduce excessive psychical/emotional strain.

The future looks rather bleak. Whilst working conditions in construction firms seem to give rise to more and more stress, the conditions for combating stress seem to be deteriorating. How, for instance, can a dialogue between management and staff be developed under conditions of precarious and illegal employment relations, with migrant workers speaking foreign languages, with self-employment, and under conditions

of immensely tight time schedules, in small and medium sized undertakings. These are the conditions spreading in European Union member states under the impact of liberalisation.

When, therefore, the European social partners sign a well-meaning document or even agreement, this does not by itself translate into employment conditions favourable to preventing work-related stress on building sites.

Jörn Janssen/CLR-London

EPSRC/ESRC Seminar Series ‘People and Culture in Construction’

The research councils have been very generous with their funding of research seminars on people in construction, with the result that this year and next will see a rich – some might say confusing or even competing – array of events. In the People and Culture in Construction series, organised by Andrew Dainty of the University of Loughborough, two seminars have already taken place, the first in April on ‘Critical Perspectives on Workforce Diversity in the Construction Industry’ and the second at the University of Reading on ‘Disconnected Agendas: collaborative working and workforce consultation in the UK construction industry.’ Two further seminars are now promised, the first on 1st November at the University of Glamorgan on ‘Industrial Relations in the Construction Industry’ and the second at the University of Reading on 26th November on ‘Foreign Labour and Development Trajectories in the UK Construction Industry.’

The first seminar in April was valuably focused on action towards diversity, particularly in the construction professions, and made a good case for institutionalised prejudice in the industry. The presenters – Barbara Bagilhole (author of ‘Women in non-traditional occupations’), Andrew Dainty (organiser of the series), Marilyn Davidson, Andrew Gale, Alistair Gibb, Chrissie Pepper and Helen Stone – all have considerable expertise in the area of women in construction and have helped to make the Universities of Loughborough and Manchester key research centres on diversity in construction. In the afternoon diversity was extended to embrace ethnic minorities and the disabled, beginning with Andrew Caplan of Royal Holloway College who has been involved in the extremely illuminating but rather poorly disseminated reports for the CITB on ethnic minorities in construction. The day was a full one, with plenty of ideas for employers on what to do, though the question continually raised was whether there is sufficient political will to ensure that something happens.

The second seminar, on casualisation in the UK construction industry, similarly left one with the

impression that there is plenty to do but limited political will to do something. Indeed, Stef Stefanou of John Doyle Construction challenged all the many initiatives to change the construction industry by showing the gap between the fantasies put forward and the reality on site. Alan Ritchie, about to be the new UCATT General Secretary, only rubbed salt into the wounds in this respect in showing the reality of poor employment conditions for labour in the industry. Jill Wells, formally of the ILO, showed how Britain shares the casual nature of its industry with many developing countries. Craig Barker of the University of Sussex presented us with a highly informative account of the legal nightmare of self-employment as a status. Only with Gunder Odgaard of the Danish trade unions (and, dare I say it, my own contribution) did we get a picture of a clear – more productive and humane – alternative to the British model and understand that there is no inevitability to the casual route.

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To Our Readers

The CLR-London Newsletter is the main organ of exchange for CLR in Great Britain. In order to fulfil this function it will depend on the cooperation of its readers. The editors ask everybody who is interested in construction labour to contribute with information and commentaries. Please send your suggestions, articles, information, letters, material etc. to

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