

Agency workers directive commission proposal threatens all contractors

Prime minister Gordon Brown has proposed the creation of a commission to arbitrate the question of how the Agency Workers Directive will be applied to us contractors.

The commission is to be created in a joint effort by the London-based [Confederation of British Industry](#), the employers group that is opposing the directive, and the London-based Trade Union Confederation, the labour union alliance that is supporting it.

New Law Will Cost Us Contractors Our Work

The Agency Workers Directive is a law under consideration by the European Commission which would oblige contractors to have the same rights as employees. A study by the CBI has shown that it would raise the cost of contracting to a point that would cost us all about 250,000 jobs.

Until now, the UK has blocked passage of this directive, but the UK is in the minority at the Commission and the directive could be passed when France takes over the EU presidency in 6 months.

Trade Union Lobby Threat

Meanwhile, back home, trade union lobbying has led to a Labour backbencher protest on the issue and the proposal of a Private Members Bill which would implement the directive. This is reportedly the largest backbencher revolt that Brown has had to face so far with more than 100 MPs backing the bill. Debate is scheduled on the bill on February 23.

Most Of US Will Be Caught

Fortunately for us contractors, big business doesn't want this legislation passed and has been lobbying hard to keep it out. This proposal of a commission is an attempt to find some sort of middle ground that will eventually allow some sort of new legislation. Talks are underway separately with the CBI and the TUC.

The commission would seek to arbitrate on all the contested issues surrounding agency workers, including length of employment before any new rights would be enforceable. It would set out a process for identifying those full-time workers with whom an agency worker could compare wages and conditions. It would also examine how the impact of any voluntary agreement reached in the UK would work under subsequent EU directives governing agency employment.

“ This will put perfectly good contractors at risk ”
John Cridland - CBI

The CBI is suggesting that there should be a one-year period for temporary workers to qualify before being obliged to take on employment rights. The TUC points out that this will leave 90,000 workers outside the law, but in fact, most of us contractors will be caught by the new legislation.

The CBI has not yet commented on the Brown proposal. Previously, the CBI's deputy director-general John Cridland said: "Union attempts to lump all temporary workers under the category of 'vulnerable' simply do not wash. Temps have a wide range of employment rights covering working time, paid holiday, National Minimum Wage, Health and Safety and discrimination, and many are well paid."

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The commission would not be a permanent body, rather it would lay the framework under which new legislation could be elaborated.

There is still considerable resistance on the TUC side to the creation of this commission. The TUC can of course count on pressure from the European Council of Ministers to aid in its lobbying effort.

Contractors are urged to contact their MPs at this critical juncture; this legislation is critical to the future of our industry.

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