

## House supports UK contracting industry in debate on agency workers

The Government successfully contained debate on the Agency Workers Bill in Parliament on February 22. This is good news for all UK contractors, and shows that the bill is liable to be voted down. The future of our industry is at stake as, if the bill were to be passed, it would brutally raise the cost of contracting for most businesses.

“ The Government will not sign European legislation that threatens the flexibility of our industry ”

Pat McFadden - Labour Business Enterprise Minister

### EU Threat Also Confronted

The next threat will come when France assumes the EU Council of Ministers Presidency in June and re-proposes this legislation at the EU level.

The Government is committed to fighting the EU legislation although it may be too much in a minority. The Government said in the debate today that a strategy for changing the EU legislation was still possible. But victory on this front will be difficult as only Ireland and Germany are now entirely on the same side as the UK. What we probably should expect is a negotiated solution in which the Government can preserve the essential character of the UK contracting industry while still implementing an EU-wide proposal.

### Backbencher Bill Not Workable

Andrew Miller who is leading a group of more than 100 backbenchers who proposed the bill reiterated the usual laundry list of unresearched complaints about contractors.

Miller referred to contracting as “legalised discrimination.”

Miller gave examples of migrants from Central Europe replacing UK citizens as contractors-- a trend not supported by market statistics-- and attacked “permatemps,” or contractors who work for companies for a long time.

### Contractors Seen As Weak, Vulnerable

Despite the body of evidence compiled by the London-based Confederation of British Industry, none of which supports the points Miller made, Labour backbenchers cheered and acclaimed these views. There was even a suggestion that contracting increased gender inequality as female temps supposedly would be paid less than male employees-- another statement that is entirely unsupported by statistics as female contractors do just as well as males with the same skills.

Conservative MP Charles Henry cited the Government’s own opposition to the bill, and quoted statistics from the CBI and the London-based Association of Technology Staffing Companies to support the position that there was no need for this legislation. He referred to the European legislation as working to the least common denominator.

### Government Seen To Successfully Oppose

Labour, Business and Enterprise Minister Pat McFadden successfully spoke in opposition to the bill condemning the absurd excesses it invoked. McFadden also cited the potential damage the bill would do to British business. McFadden also stated that the European legislation could still be successfully opposed. McFadden insisted that the Government would not sign any version of the bill that would damage British labour flexibility.

“ This bill will put people out of work ”

Charles Henry - Conservative MP

### Contracting Is A Real Activity, Government Says

One of the most impressive aspects of the debate today was that the Government clearly recognised the economic importance of contracting. McFadden made regular reference to the crucial role that we contractors play in British industry. It was also emphasised that contracting is a business and lifestyle choice and therefore merits support. At the same time, the important distinction was made between the kind of vulnerable temp workers who are subject to exploitation, particularly those who come from abroad, and those whose skillsets make contracting a logical choice to earn more income than one could in a job.

### James v. Greenwich Cited

One of the MPs cited the case of James v. Greenwich as an instance in which a contractor was allegedly deprived of employee rights. As this case is a landmark of legislation on the subject, it is deplorable that a member of Parliament should not be better aware of the facts.

But it was fortunate that a good deal of the real facts about our industry were read into the record by various MPs who opposed the

bill. A picture was created of successful and happy contractors as opposed to the ridiculous fictive image that the trade unions have attempted to foist on the country.

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