



Brexit:
Unite
demands
protections
for you

Brexit  **Check** 

**General Engineering, Manufacturing &
Servicing (GEMS) Sector**

Brexit: Unite demands protections for you



The referendum result on 23rd June 2016 sent shock waves throughout the UK, making the politicians and the media sit up and take notice.

Unite recognises that millions of working people, including many of our members voted to exit the EU. The question now is on whose terms will Brexit happen?

We must unite to make sure that Brexit happens on our terms – protecting jobs and retaining vital workers' rights while outlining our vision for Post-Brexit Britain.

The same out-of-touch Tory government which called the referendum now has no plan for dealing with the result. That negligence has led to uncertainty which threatens all sectors of our economy – from manufacturing, to transport and finance.

As the financial crisis proved, in Tory Britain it is working people who are always forced to pay the price in times of uncertainty. A Tory vision of Brexit would see further austerity and attacks on our working rights, while racism and division would be allowed to run unchecked in our communities. Brexit must not be used as an excuse to cut jobs, move work out of the UK or attack workers' rights.

We cannot sit back and accept Brexit on the Tories' terms.

Unite is demanding a new industrial strategy, a plan which includes all our sectors, with decent jobs, fair pay and strong working rights at its heart.

Such a strategy must use every tool at the government's disposal including: plugging the skills gap by supporting apprenticeships; use of the public sector procurement to support manufacturing; removing barriers to reshoring jobs; and direct support for our strategic industries such as steel and energy.

This should culminate in new infrastructure projects to create jobs and grow our economy. Such a strategy would make sure Britain retains the best of the EU, while putting trade union values at the centre of Post-Brexit Britain.

“Nobody knows how long the Brexit negotiations will take or what the outcome will be. One thing is certain. Unite will defend our members. Together we will campaign to protect jobs, pay and conditions.”

Len McCluskey, Unite General Secretary





We Won't Pay for 'Brexit': Exiting the EU must not result in a renewed attack on our jobs, rights and communities.



Retaining Our Rights: Unite won't accept any watering down of our protections or union rights. All hard earned rights and safety regulations supported by EU law must be retained when Brexit happens. The UK must go further, by repealing the 'Swedish Derogation' and increasing rights and union freedoms above EU levels.



Access to the Single Market: Tariff-free access to the Single Market is vital to defend jobs. Such access will allow us to retain the best of the EU, while committing to a much needed industrial strategy.



A Seat at the Table for Workers: The collective voice of millions of working people must be central to the negotiations.



An Ambitious Industrial Strategy: The only way to mitigate the impact of Brexit is with an ambitious industrial strategy, using all options at the government's disposal.

Safeguards Against Exploitation **Unite on 'Freedom of Movement'**

Unite is calling for safeguards that defend all workers against wage cutting and that must include ending the exploitation of migrant workers.

These safeguards must include stronger collective bargaining rights, so any employer wishing to recruit labour abroad should only be able to do so if they are either covered by a proper trade union agreement or by sectoral collective bargaining.

This would allow us to hold the line and guarantee a union-backed 'rate for the job', no matter a workers' country of origin. Such safeguards would end the race-to-the-bottom attacks on wages, terms and conditions.

Len McCluskey, Unite General Secretary, says:

"The problem is not cheap labour in Britain – its cheap labour anywhere. Anyone who has had to negotiate for workers, in manufacturing in particular, knows the huge difficulties that have been caused by the ability of capital to move production around the world in search of far lower labour costs and higher profits. Supply and demand affects the sale of labour too, pitting worker against worker."

Unite supports all our members and will continue to support the right of EU workers to remain in the UK after Brexit.

Our role as a trade union is to unite working people to defend and promote our shared interests – secure work, decent pay and a strong collective voice.

We must not allow 'Tory Brexit' to be used as a weapon to divide us and drive down wages.



The Impact of Brexit at Work

The government has signalled that the UK is likely to Leave the European Union before 2020, but that doesn't mean Brexit won't have an immediate impact in our workplaces.

Already several large companies have made statements about future investment decisions. Unite is demanding that the government end the uncertainty by stating that guaranteed tariff-free access to the Single Market will be a red line in the coming negotiations.

Similarly, Unite is demanding that all workers' rights, health and safety standards and consultation rights which are underpinned by EU law are retained in UK law when Brexit takes effect.

Some employers may look to take advantage of the uncertainty, using Brexit as a cover to cut investment or undermine our rights.



If you sit on a European Works Councils or Social Dialogue project you cannot be excluded while the UK remains a member of the EU.



Employers cannot opt out of EU legal rulings, such as the ruling protecting holiday pay, which remain in effect.



Employers cannot claim that legislation such as the Working Time Directive, the Agency Worker Directive or the Driving Hours Directive no longer applies to UK workers.



Brexit In Your Workplace

Unite has launched a new Brexit Check website to monitor the impact of Brexit and provide resources you need.

Let us know what impact Brexit is having in your workplace. Contact: brexitcheck@unitetheunion.org or visit www.unitebrexitcheck.org



Brexit and General Engineering, Manufacturing & Servicing (GEMS)

Engineering, and thus the GEMS sector, is essential to our daily lives for indispensables such as: transport; running water; power generation; mobile phones; home entertainment and security, white goods; broadcasting; and broadband internet. It's also a great source of employment with engineer's working in a range of different settings including offices, factories, hospitals, laboratories, recording studios, at sea and underground.

UK engineering companies contributed an estimated £455.6 billion of the UK's total £1,683 billion GDP in 2014. That's a staggering 27.1% of total UK GDP, with turnover in engineering enterprises having grown by 3.4% to £1.21 trillion. That's a quarter of the turnover in all UK enterprises. However its value to the UK economy goes much beyond this an enabler, underpinning many segments of the economy and being a strong contributor to trade with almost a quarter of manufacturing factory output being bound for overseas customers with Britain being the 9th largest manufacturer in the world and manufacturing producing 10% of our overall Gross Value Added.

The number of engineering companies in the UK grew by 5.6% to 608,920 in 2016, with engineering employment growing by 1.8% to more than 5.5 million in the UK. The mean basic annual income for a Chartered Engineer increased by 10% between 2013 and 2014 to £68,539, with the average salary in 2014 for full-time engineering technicians being £35,208 - higher than the UK mean wage of £33,475.

The GEMS sector very much relies on an open EU market, so the challenges faced by Brexit are considerable and could put much strain on British enterprises and the overall economy. There is a significant risk to supply chains dealing with exports and imports if we fail to ensure that engineering / manufacturing companies move quickly and reliably after the UK exits the EU.



Defending Your Workplace: Make Your Voice Heard

Our strength as a trade union comes from our organisation in the workplace. It is vital that we use this strength to protect our members from the possible impact of Brexit.



You have the right to disclosure. Demand that your employer shares information about their planned response to Brexit, including plans for future investment.



If you have pay talks or other negotiations planned demand that your employer publicly pledges to retain all working rights, terms and conditions, including access to European Works Councils.



Can you organise a branch or workplace meeting to discuss the impact of Brexit at work and how to organise our response?

Brexit and Your Sector



Brexit and the General Engineering, Manufacturing & S

Main Protections for GEMS Workers

EU rules underpin much of the regulatory regime for the sector, covering things such as qualifications, hours and standards, with significant co-operation between agencies across Europe. All existing laws that protect workers that are derived from EU legislation should not just be maintained but improved. Brexit negotiations need to not only protect existing legislation but look to close loopholes which undermine the purpose of regulations.

The Working Time Directive was designed to protect workers from exploitation and this key element must be defended. The existing requirements are recognised as clear and proportionate, striking the appropriate balance between safety, operational effectiveness and the ability to earn. Ensuring that the UK government does not seek to reach cosy trade deals at the cost of workers terms and conditions must be a priority.

Barrier Free Access Through Ports and Borders

In the last year 4.4 million driver accompanied freight vehicles moved between the UK and continental Europe. The overwhelming majority of these movements took place on ferries through Dover or by shuttle through the Channel Tunnel; almost none of these required a customs clearance process at the port. Road movement in Ireland is also free of all customs controls. Many supply chains treat the island as a single territory for distribution purposes.

A new certificate of origin rules, permits or quota systems would lead to delays at ports and add to the cost of goods. Our ports have physically developed without the space or systems to allow significant amounts of paperwork to be processed. To transport a lorry load of goods from London to Milan in 1988 required 88 separate documents, it now requires one. I think that that says it all. UK ports handle 95% of imports and exports by weight. About half our maritime trade is with the EU. The British Ports Association estimates that, based on current trade levels, HMRC will have to process about 300 million additional customs declarations each year. There is a major fear of bottlenecks and disruption at ports.

There is no space at the ports to handle the volume of traffic that will require customs clearance exiting or entering the UK. Handling clearances at the Irish border will be a major challenge. A solution needs to be found that will allow rapid, even instant, clearance at ports, airports, inland terminals and at the Irish land border. Failure to solve the problem will result in massively disrupted supply chains – this will impact manufacturing. There will also be major disruption on the road network as trucks wait to access or leave ports or border crossings.

Maintain access to skills to keep the sector sustainable

Whilst UK engineering companies employ more than 5.5 million workers, the GEMS sector faces a labour shortage which is likely to worsen in the coming years, as the average age of employees rises. Industries with quantifiable labour shortages in the British market – such as in engineering – will need to be able to continue recruiting staff from outside



Servicing (GEMS) Sector

the UK and to keep the EU staff they already employ, as the annual shortfall of engineers and technicians has increased over recent times to 69,000.

In order to find a solution to its labour shortage problem the sector is focused on improving skills. New apprenticeships are being developed and businesses, unions like Unite, and the likes of Engineering UK are taking time to engage with young people to promote the industry. Engineering companies will need to recruit around 56,000 engineering technicians per year to 2022.

Apprentices help meet this demand but there is currently an annual shortfall of 28,000. We need to thus double the number of apprentices entering the engineering industry.

Considering the extent of the current skills shortage, it is important to provide funded training. European social funding provided extra training funds for small to medium sized businesses and these businesses will require this financial support to continue.

Engineering needs to be able to retain and access the best talent, regardless of where they come from. Being able to retain EU workers currently employed by the UK GEMS sector will be essential in light of the current labour shortages. Financial support to training will need to continue post-Brexit.

In order for the industry to remain sustainable we must have a clear ability to not just trade freely but to identify skills shortages and have an agreed route for recruitment that protects workers' rights and jobs.



Brexit will not work unless it's linked to a proper industrial strategy that supports all GEMS workers – from lift to electric generator and whitegoods engineers. The government claims that the UK can become a free trading nation, yet without tariff-free access to the single market, UK jobs are at risk.

Paul Welsh, Unite GEMSEC Member

Frequently Asked Questions

Q) How can Workers' Rights be protected?

From equal pay to the Working Time Directive, EU laws underpin many of the rights and protections trade unions have fought for. These must be protected by UK law and retained in full from the moment Brexit takes effect. We must also use our strength in the workplace to demand that employers publicly pledge to retain all rights, terms and conditions, including access to European Works Councils.

Q) Why is Access to the Single Market Important?

In the last year 4.4 million driver accompanied freight vehicles moved between the UK and continental Europe. The overwhelming majority of these movements took place on ferries or via the Channel Tunnel, and almost none required a customs clearance. New rules, permits or quota systems would lead to costly delays, severing UK supply chains.

Q) What about 'Hard Brexit'?

If the UK fails to negotiate a new trade deal with the EU in the two-year window that follows the triggering of Article 50 the result is 'Hard Brexit'. This would result in the UK falling back on World Trade Organisation rules, which means costly tariffs. This could be as much as 10% on all exports and 4% on imports, which would hit manufacturing hard as it would sever UK-European supply chains. It would also result in a new cost of living crisis with a dramatic rise in cost of imports such as food and consumer goods.

This is why tariff-free access to the Single Market is vital to defend jobs.

Q) What alternatives are there to EU membership?

Unite has analysed the most commonly mentioned alternatives to full EU membership including the so-called 'Norwegian' and 'Swiss' options, as well as trade deals based on CETA and TTIP. It is clear that none of these models are suitable for the UK. Instead tariff-free access to the Single Market must be secured, allowing a government with the political will to keep all that is positive about the EU, while also retaining the right to intervene directly in support of our industries.

As the government's cowardice to confront the steel crisis shows, intervention is a question of political will. It is Unite's job to pile on the political pressure to make sure that will is exercised. Any new free trade deals must not be based on the failed models of TTIP or CETA. Workers' rights must be guaranteed, there must be no 'ISDS' secret courts and there must be strong trade defence mechanisms to prevent the illegal dumping of Chinese steel, tyres or ceramics.

Q) What happens next?

Unite will be lobbying the governments of Westminster and the devolved countries to make sure our collective voice is heard. The true power of our union is our strength in the workplace. We must organise to use this strength to protect our members from the impact of Brexit. Discuss the impact of Brexit at your next union branch meeting and campaign for your employer to publicly pledge to retain all workers' rights, standards and protections.

Brexit must not be something our union simply watches from the side-lines. We have a unique role to play in protecting and advancing the interests of our members.

Not yet a member of Unite? Join today:
www.unitetheunion.org/join
[@unitetheunion](http://www.unitetheunion.org)