TRADE UNION RESPONSES TO GLOBALIZATION

A review by the Global Union Research Network

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EUROPEAN UNION ENLARGEMENT, WORKERS AND MIGRATION: IMPLICATIONS FOR TRADE UNIONS IN THE UNITED KINGDOM AND POLAND

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Introduction

On 1 May 2004 the EU was enlarged to include ten new Member States, eight of them from Central and Eastern Europe (known as the A8). In some quarters xenophobic fears have been raised through exaggeration, distortion and in some cases sheer invention. Although there will be some who enter the labour market in well-paid skilled work, the majority of migrant workers from the A8 States will be employed in the worst paid and most poorly organized sectors. Many workers from the A8 States had already been working in the United Kingdom before 1 May, but were unable to claim employment rights because of their lack of legal status. Legitimizing access to jobs should remove this potential advantage to unscrupulous employers. However, our concern is that the low level of labour regulation in Britain will leave migrant workers being exploited in low-paid jobs without security or access to trade union rights. The problem of migrant workers is made worse by the low level of protection that exists for some categories of workers, agency workers for example, and the difficulty in enforcing rights where they do exist. We explore this question through a case study of migrant workers from Poland in the United Kingdom.

This paper will review preliminary information available on migration patterns from Poland to the United Kingdom and then explore the issues raised for trade unions in both countries. The paper will be based on both primary and secondary information from the case study countries. Primary information has been gathered by one of the authors in his former role as International Policy Officer at the Trades Union Congress (TUC). In particular, it will report initial data gathered via contacts made by A8 workers with the TUC’s Migrant
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Workers Project, by TUC regions, and cases dealt with by affiliated unions and migrant organizations. The other author has extensive experience of researching on the restructuring of the Polish economy and its impact on Polish workers and trade unions. Interviews have been conducted with the representatives of the three major trade unions in Poland, as well as regional representatives of the Polish Solidarity (Solidarnosc) trade union from areas of high unemployment. In addition, a small number of interviews were conducted with migrant workers who had temporarily returned to Poland; these included students and bus drivers. Interviews were also conducted in the United Kingdom with the TUC National Organiser, a Solidarity worker seconded to the United Kingdom, and with full-time union officials from the Transport and General Workers’ Union (T&G) who had been involved in disputes with Polish workers.

This case study is important on two counts. First, the treaties of accession to the EU included the option for existing members to restrict the right of new citizens to seek and take jobs in their labour market. The United Kingdom Government, unlike other EU nations, decided not to restrict the right of workers from A8 countries from seeking and taking up employment in the United Kingdom (Financial Times, 2004). Instead, workers from the A8 countries securing employment in the United Kingdom had to register their presence with the UK Home Office under the Workers Registration Scheme. Only those who completed 12 months’ uninterrupted, registered employment would then be entitled to out-of-work benefits.

Second, Poland has been selected as the focus of the paper because with a population of 38 million it is the largest country in Central and Eastern Europe, therefore it can be taken as a case study and starting point from which to explore the implications for other accession countries. Home Office statistics for the first five months’ registration, for example, showed workers from Poland as accounting for 56 per cent of registrations (Home Office and other departments, 2004).

Migration “push” and “pull” factors

This first section looks at the factors that are “pushing” workers from Poland to seek jobs in other EU countries, and the “pull” factors that are attracting them to the United Kingdom in particular.

Poland

In the early 1990s “shock therapy” introduced measures overnight, which liberalized the economy and introduced draconian cuts in spending. This was
followed by a relentless drive to the market based on neo-liberal ideas which has increased insecurity and driven down living standards for large numbers of workers. Official Polish statistics show that in 2004 11.8 per cent of the population lived below the subsistence level compared with 6.4 per cent in 1994 (GUS, 2005). In 2005 unemployment averaged 20 per cent. This figure is higher for young people and those living in particular regions and towns. This is reflected in United Kingdom registration statistics where initial figures show 83 per cent of workers from A8 states as being aged between 18 and 34. Taken together these have been the push factors that have driven people to seek jobs beyond Poland.

**United Kingdom**

Many Polish migrants had already entered the United Kingdom lawfully under temporary entry schemes such as the Seasonal Agricultural Workers Scheme and the sector-based schemes for food processing and hospitality, as well as on self-employed visas under the EU association agreements. Others had entered and worked without authorization (Jordan and Düvell, 2002). Accession, however, has opened up the possibility of legally working in a wider spread of sectors, compared with illegal migrants often working under conditions of forced labour (Anderson and Rogaly, 2005). Polish newspapers are full of advertisements from agencies quick to profit from the new situation, offering jobs in a range of industries such as care (for the elderly and disabled), nursing, engineering and general factory work in the United Kingdom.

The lifting of restrictions in the United Kingdom has much more to do with labour shortages than with a liberal attitude to immigration. The overall unemployment rate in the United Kingdom in 2005 was 5.1 per cent, falling to as low as 3.8 per cent in the South East of the country. The economy has seen a polarization of income, with the wages and working conditions of public sector workers falling behind those in the private sector. Privatization of parts of welfare provision, notably care for the elderly, have driven down wages and made it harder to organize workers. Further, the deregulation of other areas of the economy such as transport services, particularly buses, means that there has been an intensification of competition through the use low-cost labour.

**Emerging patterns of migrant Polish workers in the United Kingdom**

The following section is based on the TUC’s report *Propping up rural and small town Britain* (2004) and on Home Office statistics (Home Office and other departments, 2004).
According to the Home Office, between May 2004 and May 2005, of the 231,545 migrant workers registered as working in the United Kingdom, 57 per cent were Polish. Thirty-two per cent of workers registered in the first five months had already been in the country before 1 May (and a further 13 per cent failed to state their arrival date). It is not clear that all workers who could register do so, for example those working for gangmasters.\(^1\) Home Office figures show that 84 per cent of arrivals were between 18 and 34. In the first five months 47 per cent of applicants were female, and after 12 months this figure had fallen to 40 per cent.

One success of the TUC was an agreement with the Home Office that all workers registering received a TUC leaflet giving advice on employment rights (in English). By the end of October 2004, 1,600 workers (or their friends and family) had contacted the TUC for translated versions (see Table 10.1; now available in eight languages).

### Table 10.1 Requests by language

<table>
<thead>
<tr>
<th>Language</th>
<th>Number of requests</th>
<th>Percentage of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polish</td>
<td>900</td>
<td>61</td>
</tr>
<tr>
<td>Slovak</td>
<td>189</td>
<td>13</td>
</tr>
<tr>
<td>Czech</td>
<td>135</td>
<td>9</td>
</tr>
<tr>
<td>Latvian</td>
<td>122</td>
<td>8</td>
</tr>
<tr>
<td>Hungarian</td>
<td>91</td>
<td>6</td>
</tr>
<tr>
<td>Lithuanian</td>
<td>25</td>
<td>2</td>
</tr>
<tr>
<td>Estonian</td>
<td>9</td>
<td>0.6</td>
</tr>
</tbody>
</table>


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### Regional patterns

Migrants can be found in every region of the United Kingdom, but there are significant regional variations. There are particular concentrations in the rural agricultural areas in the East of England (Lincolnshire, Cambridge, Peterborough, Norfolk, Luton, Kent and Sussex) as a result of the Seasonal Workers Scheme, as well as the outer boroughs to the east, north and west of London. Polish workers, too, were found in every region, but there were almost exclusively Polish concentrations in some towns, notably Luton and Southampton, and in Northern Ireland.

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\(^1\) Gangmaster is a historical term used for someone who provided temporary “gangs” of labour in agriculture and the food processing industry.
Sectoral patterns

Table 10.2 Number of requests by employer

<table>
<thead>
<tr>
<th>Type of employer</th>
<th>Number of requests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels</td>
<td>64</td>
</tr>
<tr>
<td>Pubs</td>
<td>7</td>
</tr>
<tr>
<td>Restaurants</td>
<td>3</td>
</tr>
<tr>
<td>Other leisure</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total hospitality</strong></td>
<td><strong>81 (53 per cent)</strong></td>
</tr>
<tr>
<td>Farms</td>
<td>23</td>
</tr>
<tr>
<td>Other horticulture</td>
<td>5</td>
</tr>
<tr>
<td>Animal care, breeding and rearing</td>
<td>4</td>
</tr>
<tr>
<td>Agricultural wholesale</td>
<td>3</td>
</tr>
<tr>
<td>Food processing/manufacturing</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total agriculture and food</strong></td>
<td><strong>43 (28 per cent)</strong></td>
</tr>
<tr>
<td>Care homes</td>
<td>4</td>
</tr>
<tr>
<td>Other services</td>
<td>5</td>
</tr>
<tr>
<td>Agencies</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total services</strong></td>
<td><strong>15 (10 per cent)</strong></td>
</tr>
<tr>
<td>Other manufacturing</td>
<td>7</td>
</tr>
<tr>
<td>Other distribution</td>
<td>3</td>
</tr>
<tr>
<td>Transport</td>
<td>4</td>
</tr>
<tr>
<td>Others</td>
<td>14 (9 per cent)</td>
</tr>
</tbody>
</table>


These figures are generally confirmed by statistics from the Home Office who reported that the largest categories of registration were in hospitality and agriculture. However, business and administration featured significantly in the statistics which was not the case with the TUC figures (table 10.2). This is likely to reflect the high proportion of agency workers, whose direct employer may be classified into the service sector, but who are likely to identify their employer as being their actual workplace. According to the Home Office, 44 per cent were in temporary employment, but this rose to 82 per cent in “administration, business and management”.

Hospitality, agriculture and food processing have all been covered by temporary labour schemes aimed at helping employers fill vacancies. However, anecdotal evidence suggests that once enlargement took place, workers who had previously been employed on temporary schemes registered and began
looking for work where the pay and conditions were better. Provisional figures from the Home Office suggest that the temporary schemes, post enlargement, are drawing most workers from Bangladesh, Viet Nam, Ukraine and Bulgaria.

**The recruitment of skilled and semi-skilled workers**

One group of workers who are not prominent in the TUC survey are skilled and semi-skilled workers recruited directly by employers or their agents. For example, two groups of between 30 and 50 welders have been recruited directly to factories in the North East and the Midlands from the Gdansk region of Poland. As well as welders and electricians, specialized engineering skills are much sought after. One group of workers who have been the focus of recruitment have been drivers.

**Problems of Polish migrant workers in the United Kingdom**

This section summarizes the main problems faced by Polish migrant workers in the United Kingdom, and the issues these raise for trade unions.

**Employer abuse**

Gaining legal status in the labour market does not remove the threat of abuse by employers. However, it is clear that legislation does give some workers the confidence to find out about their rights, complain and seek to remedy problems.

Problems with recruitment and temporary labour agencies are substantial. Some agencies charge workers in their home countries for finding them jobs. There have been examples of hourly rates of pay being lower than promised, or lower than those paid to British workers, and of non-payment for some hours worked. In some cases wages have been reported as withheld for months.

Excessive working hours have been reported, in some cases with no rest day being provided or inadequate breaks between shifts. A frequent complaint is that no enhanced rates are paid for overtime. The differences in pay which have emerged are obviously of concern to unions, who want to avoid divide and rule strategies being used to depress wages.

Workers clearly do not understand the tax and social security contribution system, and sometimes suspect (perhaps with reason) that employers are defrauding both the worker and the State. It is a challenge to unions to explain to new arrivals the prevailing rates of pay, good employment practices and legal rights, and to organize these workers to defend themselves. Others problems include practical issues such as opening a bank account.
Housing

Many complaints centred on housing, which is frequently provided by the employers. The bad experience of accommodation for undocumented Polish workers was reported in a book published in 2002 (Jordan and Düvell, 2002). Many landlords are associated with the employer. In some cases early arrivals or already present family contacts will hire out rooms to new arrivals, often providing work as well.

Reports from TUC regions, unions and some employers suggest that the lack of affordable housing close to employers seeking workers for relatively low-paid jobs is a significant contributory factor to localized labour shortages. The experience of many migrant workers suggests that the solution to housing shortages cannot be left to the private sector.

There is widespread provision of overcrowded, overpriced and poor quality accommodation for single workers and this may resolve shortages in the short term. It may also help explain the preference of employers and agencies for young single people. However, it is not a long-run solution for practical and ethical reasons – it is hard to see how workers in such circumstances can exercise the right to family life promised to them by the European Convention of Human Rights (Council of Europe, 2007). The issue of housing needs to be addressed as a priority by regional development agencies and central government.

Women migrant workers

Traditionally Polish migrants have been men who worked, usually illegally, in the building industry. The main opportunity for the employment of women was as au pairs. However, through the sector-based schemes, significant numbers of women and young women in particular have entered to work in hotels and restaurants. This trend appears to be continuing since EU enlargement, with 44 per cent of those registering in United Kingdom being women. Although women migrants from Poland will face similar problems to migrant workers in general regarding pay and working conditions, interviews by the author found evidence of problems facing maternity leave and protection at work for pregnant women.

Xenophobia and racism

Despite the hostile tone in some English newspapers, there have been few examples of open xenophobia.

Trade union organization

A study of Labour Force Survey statistics for 2002 showed that workers not born in Britain were significantly less likely to be trade union members than the
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British-born. Workers from Eastern Europe had the lowest level of membership at 11.7 per cent (TUC, 2003b). The TUC Congress in 2004 passed a resolution that, among other points, highlighted the importance of organizing and recruiting migrant workers. In order to address this issue with Polish workers, a programme is being developed.

A further survey of those contacting the TUC is planned, in conjunction with the Centre for Migration Policy and Society. This will build on questions already asked of Eastern European workers before enlargement regarding pay, hours and problems with employers (Anderson, 2004), and will also include questions which would give data comparable with those gathered by the German building workers union IG-Bau in researching the need for a migrant workers union (EIRO, 2004a).

Cooperation with the long-established Federation of Poles, the main organization representing Poles in the United Kingdom, is also being developed to include advice surgeries and help with the provision of translated information and advice. It is hoped that this initiative can be used to develop a cadre of Polish-speaking trade union activists.

A number of trade-union-based training initiatives which have been started with government funding are now being developed to include English-language training (ESOL) for migrant workers. This has already proved a valuable benefit for other migrant communities, such as the Portuguese.

Issues facing Polish unions

Impact of “drain” of members and potential members

For Solidarity and Ogolnopolskie Porozumnie Związków Zawodowych (OPZZ – the All-Poland Alliance of Trade Unions) migration poses the problem of a loss of members or the potential loss of members as young people seek employment outside Poland. The cyclical movement shown by many young Polish workers also means that workers will spend some time in Britain and some in Poland (or elsewhere). It is therefore likely that only organizations which can offer membership and protection in more than one country can hope to recruit and retain such mobile workers.

Improving the rights of Polish workers in the European Union

The key question here is the role that organized Polish workers can play in securing basic rights on pay and working conditions for Polish workers working in the EU. An additional challenge is that the nature of migrant workers is different, with young people dominating the movement of labour, and a significant proportion of young women.
On a more general political note, the major role being played by recruitment and temporary labour agencies is of particular significance. On 1 January 2004, new regulations governing temporary work agencies came into force in Poland. These are considerably more stringent than those operating in Britain (EIRO, 2003), but are still expected to lead to a rapid increase in the numbers of registered agencies and agency workers. Since enlargement Poland has been among the group of EU Member States (led by the United Kingdom) resisting the introduction of a Temporary Agency Work Directive which would grant agency staff parity with permanent workers with whom they work.

The abusive treatment handed out to Polish workers in the United Kingdom by some agencies (see for example The Guardian, 2005) highlights the consequence of the absence of such regulation. Potential clearly exists for joint union cooperation to address government inertia on this issue.

Improving the rights of migrant workers in Poland

At the same time as migrant workers from Poland seek better job opportunities and higher wages in the EU, workers from Ukraine and Belarus have migrated to Poland. This trend is likely to continue as the population of working age declines after 2020 (Iglicka, 2003). One anecdote tells of welders from Gdansk recruited to Telford (a town to the north of Birmingham), while Ukrainian welders filled their places in Gdansk.

The response of Polish unions

There are two main unions in Poland – Solidarity and OPZZ (the “official union” under the Communist regime). According to European Industrial Relations Observatory (EIRO, 2002) online, 6 per cent of the adult population are trade union members compared with 18 per cent in 1991 (EIRO, 2002). Solidarity and OPZZ have approximately 1.2 million members each and the remaining 1 million are members of a series of smaller trade unions.

A third new confederation, the Polish Trade Union Forum (Forum Związków Zawodowych or FZZ) was formed in the late 1990s. This includes unions representing workers significantly affected by migration such as nurses (OZZPiP – All Polish Union of Nurses and Midwives) and SFTU (Seamen’s and Fishermen’s Trade Union).

All three organizations are reported to have been hostile to the labour market restrictions being placed on Polish nationals in most EU Member States (EIRO, 2004b) and have advocated a free market in labour. However, there are contrasting views about how they should intervene in the issue of migrant workers.
Two different strategies of Polish unions

In the pre-accession period before May 2004 Solidarity ran a campaign to discourage their members from going abroad and taking “low wage” jobs. They are quite explicit that they do not aim to play the role of a “recruitment agency”. However, as legal migration has become a reality in the post-accession period, their policy has changed to one where they try to reduce the exploitation of Polish migrant workers by making them as well informed as possible. Aside from concerns regarding the welfare of their individual members, they put forward the wider argument that migration should not be allowed to divide and rule workers and accelerate a “race to the bottom” in terms of low labour costs.

Solidarity’s International Department is at the forefront of these new initiatives. Information points are planned in their largest 16 regional offices. Essentially these will provide information on countries that workers are considering migrating to, as well as specific information about particular sectors and jobs and any collective agreements that might exist. Importantly, there would be information about unions with which they are cooperating in order for workers to access further help and information on arrival. One aim is to discourage the migration of people who are “unfocused”. Immediately after accession many hopeful workers arrived in London, in a sort of “gold rush” mentality, only to find that jobs were not readily available and accommodation was impossible.

The policy of opening information points is a double-edged sword. It uses scarce resources to assist members and potential members to leave the country, thereby reducing their membership. On the positive side, by providing this information service to a wider audience, they are able to raise the profile of the union and thus gain from the possibility of additional recruitment.

Although their approach may be considered the exception rather than the rule, the strategy of the SFTU has been very different. In the face of large-scale redundancies in their industry they have become active agents in the migration process. Between 1998 and 2002 there were 5,000 redundancies in the fishing industry due to the bankruptcies of the major state-owned enterprises. Approximately half of these workers were members of the union. The union took a policy decision that a major part of their activities would be focused on finding new employment opportunities for their members. This included putting resources into retraining workers or helping them update their skills. In particular, they have been active in seeking workplaces for their members abroad. To date they have found 400 jobs abroad for their members.

The new orientation of the SFTU was controversial and met with the disapproval of OPZZ, with which it was affiliated. This prompted the withdrawal of the union from OPZZ and their affiliation to the newly formed federation FZZ.
The argument of the SFTU is that they are actively and positively helping their members who would otherwise use “cowboy recruitment” agencies. According to the interviewee they can negotiate in advance the nature of the work, the payment, conditions of service and accommodation. Therefore, they are at least mitigating the exploitative conditions under which their members may otherwise be employed.

**Issues for British trade unions**

*Problems with private sector trade unions*

Polish workers tend to be employed in the private sector. In the United Kingdom, with only one in five workers in a trade union, organization is weak compared with the public sector. With the casualization of work this causes a double problem for trade union recruitment.

*Temporary labour agencies*

In the majority of cases workers are employed not directly but by agencies. It is at this level that trade unions need to recruit. There are hundreds of agencies with varying degrees of good practice. There have been successes with some unions negotiating and signing agreements with agencies. However, the challenge is first to get much more detailed knowledge on how Polish workers find work, through networks in Poland and the United Kingdom. The second area where research is needed is a mapping of and investigation into temporary labour agencies and their practices as well as the number of Polish workers they employ.

*Integrating Polish activists into union structures*

Rather than simply recruiting and acting on behalf of Polish workers it is important to try and build a base of activists who are trained and can act as a link between United Kingdom trade unions and the Polish workers.

**The response of British trade unions**

*Grassroots projects and community cooperation*

There are lots of examples of good practice and projects involving trade unions, communities, churches and sometimes employers in establishing rights for Polish workers in the workplace and the community.
Polish workers in unionized workplaces

Where Polish workers are employed in unionized workplaces workers have collectively taken up issues either with or on behalf of Polish workers. One notable success was in November 2005, when under the threat of balloting for a strike, a baggage handling firm at Luton airport was forced to give Polish workers the same wages and conditions as other airport workers. Ground staff at the airport were going to be polled on whether they would support a strike after the T&G exposed the exploitation of Polish workers. These workers, who had been supplied by an agency, were being paid substantially less than United Kingdom workers doing the same job. The union organizer said that it was vital that collective bargaining was maintained and not undermined. As a result of this success not only did the 15 workers join the union but it led to many enquiries from other Polish and migrant workers who were put in touch with union full-timers in other parts of the country.

Industrial action by bus drivers in the Midlands is another good example of how unity can be forged between British-born and Polish workers. In Autumn 2005 there was a series of one-day strikes over low pay and pensions with over 100 workers, British and Polish, joining the union.

Trades Union Congress special focus

Each year the TUC sets aside 10 per cent of its budget for innovative projects. One aspect of this work in 2005 was organizing migrant workers. After a visit to Solidarity’s headquarters in Gdansk, one initiative was the decision to second a worker from Solidarity’s Organization and Recruitment Department to the North West TUC. His role was firstly to raise the profile of trade unions with the Polish community. Second, he liaised with Polish workers and put them in touch with relevant unions. In the ten weeks of his secondment he recruited 150 new Polish workers to British trade unions from a variety of sectors such as construction, retail and food processing.

Cross-border collaboration

There are now some structures in place to try and provide information to prospective migrant workers, both in Poland and the United Kingdom. However, much more detailed information is needed about how migrant workers get jobs. In this respect more research on the role on employment agencies in the process is important.

The possibility of mutual recognition of union cards may enhance the attraction of union membership to a mobile workforce.
The TUC has already hosted some union organizers from Eastern Europe on training courses held in London (TUC, 2003a); examining the possibility of repeating this exercise should form part of the work in progress.

The identification of common campaigning aims – on the Temporary Agency Worker or Posting of Workers Directives, for example – will also be strengthened by joint work over migrant issues. There are also common labour market themes (over the minimum wage, labour market reforms and retention of skilled health workers, for example), where detailed consideration of the relationship between the two countries will prove valuable.

Although all interviewees emphasized that there was a huge task ahead, a good start has been made in trying to defend the rights of Polish migrant workers in the United Kingdom. Communities and trade unions in the United Kingdom and Solidarity in Poland have started to rise to this challenge.

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