

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

TRADE UNION BILL

Third Sitting

Thursday 15 October 2015

(Morning)

CONTENTS

Programme order amended.
Examination of witnesses.
Adjourned till this day at Two o'clock.

PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS
LONDON – THE STATIONERY OFFICE LIMITED

£6.00

No proofs can be supplied. Corrigenda slips may be published with Bound Volume editions. Corrigenda that Members suggest should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor's Room, House of Commons,

not later than

Monday 19 October 2015

STRICT ADHERENCE TO THIS ARRANGEMENT WILL GREATLY
FACILITATE THE PROMPT PUBLICATION OF
THE BOUND VOLUMES OF PROCEEDINGS
IN GENERAL COMMITTEES

© Parliamentary Copyright House of Commons 2015

*This publication may be reproduced under the terms of the Open Parliament licence,
which is published at www.parliament.uk/site-information/copyright/.*

The Committee consisted of the following Members:

Chairs: † SIR EDWARD LEIGH, SIR ALAN MEALE

† Argar, Edward (<i>Charnwood</i>) (Con)	† Howell, John (<i>Henley</i>) (Con)
† Barclay, Stephen (<i>North East Cambridgeshire</i>) (Con)	† Kennedy, Seema (<i>South Ribble</i>) (Con)
† Blenkinsop, Tom (<i>Middlesbrough South and East Cleveland</i>) (Lab)	† Mearns, Ian (<i>Gateshead</i>) (Lab)
† Boles, Nick (<i>Minister for Skills</i>)	† Morden, Jessica (<i>Newport East</i>) (Lab)
† Cameron, Dr Lisa (<i>East Kilbride, Strathaven and Lesmahagow</i>) (SNP)	† Morris, Anne Marie (<i>Newton Abbot</i>) (Con)
† Cartlidge, James (<i>South Suffolk</i>) (Con)	† Prentis, Victoria (<i>Banbury</i>) (Con)
† Doughty, Stephen (<i>Cardiff South and Penarth</i>) (Lab/Co-op)	† Stephens, Chris (<i>Glasgow South West</i>) (SNP)
† Elliott, Julie (<i>Sunderland Central</i>) (Lab)	† Stevens, Jo (<i>Cardiff Central</i>) (Lab)
† Ghani, Nusrat (<i>Wealden</i>) (Con)	† Sunak, Rishi (<i>Richmond (Yorks)</i>) (Con)
	Glenn McKee, <i>Committee Clerk</i>
	† attended the Committee

Witnesses

Deputy Chief Constable Charlie Hall, National Police Chiefs' Council

Steve White, Chair, Police Federation of England and Wales

David Palmer-Jones, Chief Executive Officer, SITA UK

Commissioner Ron Dobson CBE, QFSM, London Fire Brigade

Byron Taylor, National Office, The Trade Union and Labour Party Liaison Organisation (TULO)

Public Bill Committee

Thursday 15 October 2015

(Morning)

[SIR EDWARD LEIGH *in the Chair*]

Trade Union Bill

11.30 am

The Chair: We start by considering the motion to make an amendment to the programme motion. I remind Members that the Standing Orders provide that the Minister may move such a motion and that if any member of the Committee signifies an objection, the proceedings on the motion will lapse.

Ordered,

That the Order of the Committee of 13 October 2015 be varied by the insertion of “; NASUWT” at the end of the third column of the 13th row (Thursday 15 October Until no later than 3.00 pm) of the Table in paragraph (2).—(*Nick Boles.*)

Examination of Witnesses

Deputy Chief Constable Charlie Hall and Steve White gave evidence.

11.31 am

The Chair: Our two witnesses are Steve White, who is chair of the Police Federation of England and Wales, and Deputy Chief Constable Charlie Hall of the National Police Chiefs Council. You are both very welcome.

Q242 Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Good morning and welcome to the witnesses. There is a serious number of provisions in this Bill, particularly in relation to picketing. One of the consultation documents contains proposals on supervising social media comments and potential criminalisation, although we are not clear on the Government’s position on those issues. Do you believe that there are problems with the way in which the Bill could be policed and the additional stresses and strains it would place on policing, which is obviously already subject to significant pressures?

Deputy Chief Constable Hall: In the majority of cases, there is no real need for the police to be involved with industrial disputes and picketing. Indeed, our stance is that we would wish to avoid it if we can. Many pickets and industrial disputes run without any contact or involvement with policing. Clearly, there are occasions when police have been, and need to be, involved to keep the peace and prevent disorder. There are provisions in the Bill for police to be notified of picket lines, and my reading of that is that, in pretty much every instance, we would be notified of industrial disputes and picketing. My position is that I do not see that as absolutely necessary, simply because we would expect those picket lines to be self-policing as far as possible. Involvement of police beyond that should be the exception, rather than the rule.

On social media, I have seen some detail in the Bill about that. I do not believe that there is a need for the police to be able to vet or censor social media posts. Clearly, there may be a role for policing at some point.

If things are posted that commit criminal offences, we would investigate in the same way that we would investigate other social media posts.

Q243 Stephen Doughty: Steve, do you share those views?

Steve White: Yes, broadly. There needs to be a recognition of what is practically possible in terms of the level of resource that we currently have, particularly on the social media aspect—goodness gracious me. I am on Twitter, and I sometimes wish that perhaps we did have the powers to deal with social media comments from time to time, but, goodness me, that would be massively complex. From a policing perspective, it would be a dangerous route to start going down if we say that the police should have a role to play in that.

Of course, the relationship between local police officers and employees of local firms is key and crucial to this. It would be a travesty if we ended up going back to the days of the 1970s and ’80s when, whether rightly or wrongly, the police service was seen as an arm of the state, which of course we absolutely are not. I certainly echo Charlie’s comments that these disputes should be largely self-policing.

The only other comment that I would like to make is about the requirement to inform police in relation to picket supervisors, for example. I question that. I mean, it is not for the Police Federation to say what laws there are in the country, of course. However, I personally question whether there would be more appropriate ways for that information to be recorded, so that the police absolutely do not have to be involved at all, apart from keeping the peace when necessary. Perhaps local authorities could play a part in that more appropriately. And of course, the sad fact of the matter is that we are now seeing increasing mission creep, whereby the police service has to step in where other services are providing gaps. So we do not want to design something that brings that about, when perhaps there are more appropriate agencies to do that work.

Q244 Stephen Doughty: Given what you have said, do you both think that there is a risk that with some of the provisions—particularly those about being able to demand letters, anyone being able to demand a letter, the wearing of armbands and all sorts of stuff—that if things got out of hand, they could draw the police into situations where multiple people demand things? As you say, preferably, the police should stay out of these situations. Do you think that there is potentially a risk of a breakdown in order around protests that otherwise would have been conducted and self-policed, as you have described?

Steve White: The point is that if there is a requirement for a notification to be made to the police, what happens when that does not happen and how do you know if it has not happened? Presumably, the police will have to investigate that. That is the issue. Otherwise, there is no point in having that requirement; it is about enforcement.

I think that it is justified for us to have a view in relation to the practicalities of enforcement, because we are the ones who are charged with enforcing the laws. So I think it is right for us to be able to comment on that. My question is: what would the sanction be? Then,

of course, immediately you will drag the police service into other aspects, which I am not convinced is the intention of the Bill. It is the mission creep element.

Deputy Chief Constable Hall: I think that my response to the question would be “possibly”, but I would not over-emphasise that it will cause problems. When police need to attend picket lines, there is some utility in being able to identify who is supervising or in charge of that picket line; certainly, that would be helpful. But I do not believe that it is necessary to have notification directly to the police in advance of every picket line being set up, and that is simply because, as I have already said, I do not see us needing to attend in the vast majority of cases anyway. However, a mechanism by which we can easily identify who to speak to when we arrive would be of assistance.

Q245 Stephen Doughty: I have one last question. Would it be your opinion that, in a general sense, industrial relations and the involvement of the police have significantly improved over the last 10, 20 or 30 years, compared with some of the situations that we might have seen in the past, and that we do not want to jeopardise that type of relationship? I think it applies more broadly to the policing of protests, as well, that we have got to a very good situation and that we do not want to put that at risk.

Deputy Chief Constable Hall: Clearly, there is some history here, going back. The police role must be impartial in these industrial disputes, without doubt, and I would like to think that is the position that we have taken in recent years. I agree that that should be maintained. Our role there is to balance the lawful rights of all parties, and I would want to ensure that role continues.

Steve White: I would agree with that. In fact, before this session, I was reflecting—I have been a police officer for 27 years—and trying to remember the last time that we really had something of major significance. We were talking about the dispute involving petrol tanker drivers, and the amount of planning and the number of issues that we had to deal with then. That is probably the last time, but of course that was largely carried off in a very low-key and successful way, although there was a lot of resources and planning behind it, which I think shows how much things have improved.

The Chair: Okay. I am already getting a list of people to ask questions, and we only have half an hour. You do not both need to answer questions unless you really want to, and I ask members of the Committee to try to limit themselves to one supplementary question, unless they are really bursting to ask another. I know that the next questioner will be very brief and to the point.

Q246 John Howell (Henley) (Con): Thank you, Sir Edward. May I stay on the same subject? If a dispute gets out of hand, you are required to go and police it. Does the notice period in the Bill not give you advance warning, so you can tell whether policing is likely to be needed? I cannot see what the problem is with the notice period.

Deputy Chief Constable Hall: I think my experience is that in past situations in which we have been required to be involved, or in which we planned to be involved, notification has usually come forward fairly quickly,

particularly through the employers, who say, “We believe that we may have issues when this picket line meets.” Those situations are relatively rare, in terms of when picket lines sit. Yes, of course notice helps us to plan, but my experience is that planning does not need to be done in the vast majority of cases, simply because of peaceful picketing. Steve talked about the planned fuel dispute. A lot of planning went into the ability to police picket lines at that time, and as you know, it never quite materialised into a dispute. Those are the sorts of circumstances where advance notice would be very helpful.

Q247 John Howell: May I follow up with one question? I am still struggling to see what harm the notice period causes.

Deputy Chief Constable Hall: I do not believe it causes any harm, as such. The challenge for policing is whether it is necessary for us, how we then administer it within police forces across the country, and whether we could obtain that information in other ways, either through local authorities or directly with the employer. As I say, we do not see any direct harm in receiving it, but we feel it could be discharged in other ways.

Q248 Chris Stephens (Glasgow South West) (SNP): It may appear that I am shouting at you, but I am not; it is so the other members of the Committee can hear me. I apologise.

I have two quick questions. Do you both agree that the proposal to allow agency workers to come in and replace striking workers would result in increased tensions in the workplace and that the police would have to become more involved in those sorts of issues? What more resources would the police need to police some of the aspects in the Bill?

Deputy Chief Constable Hall: I do not think it is for the police service to determine the merits of whether agency workers should come in or not. We know from disputes we have policed in the past that the mention of agency workers tends to increase tension within picket lines. I think there is certainly the possibility that that could be the case if agency workers are brought in to cross picket lines. Clearly, within that we would need to judge each situation on its merits, and potentially we would need to increase police resourcing accordingly.

Steve White: It probably would not surprise you to hear me suggest that our current resource levels in policing would make it extremely—

The Chair: Mr White, you are talking to us.

Steve White: Sorry, let me try that again. You will not be surprised to hear that, from a federation perspective, we are saying that in terms of the resource requirement needed, we would find it very hard to cope with current resource levels should there be large-scale disputes. We are finding it extremely challenging to cope with day-to-day policing with the current resource levels, and the likelihood is that they are going to become squeezed even more. If there is an increased requirement for police involvement around the policing of industrial disputes, that would be more challenging.

Q249 Chris Stephens: And on agency workers.

Steve White: I agree with Charlie’s view. It is not for us to give a view on that.

The Chair: As you are a main Opposition spokesman, Mr Stephens, if you want to have the same amount of time as Mr Doughty, I am very relaxed about it. Are you happy?

Chris Stephens: I am happy.

Q250 James Cartlidge (South Suffolk) (Con): Thank you for coming in today. I want to focus on the point about identification. Mr Hall, you said that it may be of benefit to be able to identify who to speak to and know who is the organiser. Is that not currently the case, in your experience of dealing with disputes?

Deputy Chief Constable Hall: I think it is generally the case that you can find out that detail, but I would not say it is always the case. Certainly, when we attend, our ability to find who is supervising the picket line and discuss and negotiate with them about the way the picket is conducted enables people to continue to cross the picket line if they wish to do so and enables those on the picket to approach vehicles or individuals trying to cross the picket line. It is always helpful if we can fairly quickly identify who that supervision is. Generally we can do it, but that is not always the case.

Q251 James Cartlidge: To follow up, I am not trying to pass comment on whether the parts of the Bill that deal with social media are right or wrong, but you use social media for investigations at the moment. People can commit offences using social media. That is currently the case.

Deputy Chief Constable Hall: Yes, it is, and we certainly investigate, all across the country, offences that have allegedly been committed across social media. What we do not do is to censor or vet tweets and social media messages before they are sent out. Once things have gone out, however, we may investigate. Clearly, we could do that in an industrial dispute, as we could in any other area of business.

Q252 Ian Mearns (Gateshead) (Lab): On social media, I do not think that this appears in the Bill, but it was certainly referred to in the Department for Business, Innovation and Skills consultation document on the Bill. The consultation document referred to having to give notice of use of social media in support of a picket, and it referred to having to give notice of the content of social media used to support a picket. That concept is interesting, because if you have to give notice of content on Twitter, you potentially introduce the question of secondary and/or wildcat tweeting in support of picketing. Have you got any comments about that?

Steve White: Goodness gracious me. That fills me with dread and fear, I have to say, in terms of having to vet tweets in advance—crikey! I do not think that that is anything that we want to be getting involved with. I am sorry; I just find that quite bizarre.

Deputy Chief Constable Hall: I think I agree. I do not know how we would manage that. I do not know that it is appropriate for us to do that, because we do not do it in any other area. How we would manage that, I really do not know. I think our only role would be when things have been sent out. If people are potentially committing a criminal offence by sending those out, there is a role, potentially, for us to investigate those, as there is with any other use of social media.

Q253 Ian Mearns: And there is law covering that sort of content anyway, is there not?

Deputy Chief Constable Hall: Yes.

Q254 Nusrat Ghani (Wealden) (Con): You have both mentioned limited resources. I just want to ask you whether you think it is right that your limited resources are used to get involved in large-scale strikes in the country. Looking at the tube strikes, for example, do you think that it is right that police resources are used to manage the strikes when only a minority of people have asked for them in the first place?

Deputy Chief Constable Hall: As Steve has already said, in policing we have got many priorities at the moment, and industrial disputes, if I am honest, are probably not at the top of the list of what we need to deploy resources against. What I would say is that we have a responsibility to keep the peace and uphold the law, and that can see us deployed into all sorts of different situations. Clearly, industrial dispute is one of those.

If there are industrial disputes where that role is necessary, then I would say that we will continue to need to deploy resources, but it does take resource away from other areas that I am sure all the police and crime commissioners around the country would consider to be our priorities, such as dealing with vulnerable people and reducing crime. This is not a natural area that falls into those priorities, but if we need to deploy resources to keep the peace, of course we will continue to do so.

Q255 Nusrat Ghani: So you are being made to deploy resources from other incidents to manage strike action, when only a minority of people have asked for those strikes?

Deputy Chief Constable Hall: It is inevitably going to do that. When we have a limited and reducing resource base, large-scale deployment of police to industrial disputes is going to pull officers from other duties and responsibilities.

Steve White: The only comment I would make is that a distinction needs to be made between managing an industrial dispute—in terms of who is in charge, informing the police and managing it—and responding to an incident of disorder. We would respond to an incident of disorder whether it is in relation to an industrial dispute or a pub fight. Of course, we have a duty to respond to that, and we need to ensure that we have got the resources in place to do that. As Charlie has already said, the desire would be for these industrial disputes to be self-policing. If they are not, we are going to need resources and we do not have them.

Q256 Nusrat Ghani: So you would have to deploy resources from elsewhere. You mentioned industrial disputes being self-policing, and you also mentioned, Chief Constable, that it would be easier if you were able to identify individuals who might be in charge if you came across a scenario. Wearing an armband would be one easy way to identify people, would it not?

Deputy Chief Constable Hall: Quite possibly.

Q257 Nusrat Ghani: And you do not think that is detrimental to their human rights—having to wear an arm band?

Deputy Chief Constable Hall: I think that is probably for others to decide. I think what I have said is that when we attend being able to find out fairly quickly who is in charge and responsible for that picket is helpful to us. So there are many different ways I think that could be done.

Q258 Nusrat Ghani: It saves money and saves time, does not it?

Deputy Chief Constable Hall: Well, we can quickly get in, negotiate and try to resolve whatever reason we have been called there for.

Steve White: We must not forget the use of good policing skills in this. Most of the time it is not rocket science. You can quickly establish who is in charge, whether they are wearing an arm band or not; but of course this is about the management of it, rather than responding to an incident. I suspect if there is major disorder breaking out you do not necessarily need to go and find who is in charge. You need to deal with the disorder. That is the only comment I would make.

Q259 Nusrat Ghani: You also mentioned that it is very rare to get into a difficult situation. Most of the time these situations are self-policed and well managed; but have you come across scenarios where people wanting to cross the picket line have felt intimidated? Have you had to police that situation at all?

Deputy Chief Constable Hall: I think policing across the country will certainly have come across that. In my experience, and what I have had fed to me, sometimes at the mere presence of a picket line individuals can feel intimidated; but that is not necessarily, given that picket lines have protection within the law, something that the police are going to intervene about. I think there is a whole spectrum of intimidation, and some people who may wish to go into work will simply feel intimidated because of a presence there, and in my view that is not something that policing would then intervene with. We start to intervene where disorder is looking likely, or there are actual criminal offences that we have on the statute book that we need to deal with.

Steve White: Can I just come back on that? In terms of adding balance you can have the perception that a picket line could be threatening, and I am thinking about the footage from large industrial disputes of the past—the miners' strike, for example. The last picket that I saw was local to me, in the south-west of England. It was in relation to a rail dispute, I think it was. I have to say that the atmosphere on the picket line was one of very light-hearted jolliness—people tooting their horns and shouting and waving, and so on and so forth. I only add that from a question of balance. Clearly we would not be involved in policing that picket line; but of course, as Charlie has said, if things overstep the mark and start to impress on the peace of it, then of course—

Nusrat Ghani: Then you have to move resources across.

Steve White: Yes, of course; but there is a balance to be had. As I say, everyone seemed to be enjoying themselves at that picket line.

The Chair: When I was practising as a criminal barrister we were not allowed to ask leading questions. There is nothing out of order about leading questions, but our

witnesses are so skilled that one probably does not need to lead them, and I sure Mr Doughty, who has the next question, will not.

Q260 Stephen Doughty: There has been some quite unhelpful rhetoric from Ministers about the Bill and industrial action in general. Although industrial action has been at significantly low levels for a generation, the Minister for the Cabinet Office has talked about setting up hit squads, and standing ready to use the Cobra system to deal with industrial action. What are your thoughts about those comments? Do you think it is appropriate that we are talking about using the Cobra system, which is a key national resilience mechanism, to deal with what are extremely low levels of industrial action?

Steve White: My reaction to that—I am not experienced at Cobra; I know that Charlie is—is that we have got to remember that policing in this country is wholly independent of the state. I think that is the important element to recall around that. There is not political control of the police service in this country, and I think it is important that that should continue. Policies and procedures that the Government want to put in place are a matter for the Government, but I will just make that point.

Deputy Chief Constable Hall: I would agree with that—that chief constables are independent in terms of how they deploy their resources, and we must remain impartial to the merits of whatever the dispute is around. I think I can perhaps understand why Cobra may, for some disputes, feel the need to meet to sustain services, but the police role within that will always remain impartial. If there is disorder to be dealt with, or there are criminal offences to be dealt with, we will do it, but our role will be as much to facilitate the lawful picketing as it will to facilitate the lawful carrying on of business activities. Our role is right in the middle of that.

Q261 Stephen Doughty: Specifically on Cobra, in your view would it be a very small number of instances where it would ever be appropriate for that system to be brought into play?

Deputy Chief Constable Hall: That is ultimately for Government to determine, but I see that there are often local disputes where Cobra would never need to get involved and manage that. The Government will make decisions as to when they need to activate that machinery.

Q262 Rishi Sunak (Richmond (Yorks)) (Con): Thank you both for being here. I have a question for the deputy chief constable. I think you mentioned that your primary responsibilities are to keep the peace and uphold the law. Obviously there have been situations where that has not been the case on picket lines, and we heard evidence on Tuesday about that and talk of intimidation. I was looking around at how you deal with other organised protests, such as marches, and it says clearly on the Met police website:

“Organisers should try to give as much notice as possible”, and provide the names and addresses of organisers. Given that, would it be a help or a hindrance for you to have the notice period in the Bill of two weeks and the identity of someone organising a protest? It seems

pretty clear that it would be a help, rather than a hindrance, but I wanted to confirm which of those you think it would be.

Deputy Chief Constable Hall: Well, I think there are degrees of protest. If you look at protest across the country as a whole, there are some big, national-level protests, but almost on a day-to-day basis many smaller protests take place, too. We are certainly not notified of all of them, nor do I think it practical for police to be notified of them. Many protests are self-policed and are not ones that we would particularly need to get involved with.

Certainly for the bigger scale protests—the ones that are likely to involve some element of policing—some advance notice to plan around that is necessary. Very often, our intelligence structures provide that information to us anyway to enable plans to be put in place. Some of that comes through organisers notifying us, and some of it comes from information and intelligence that we receive into policing.

Q263 Rishi Sunak: Am I right in thinking that it is helpful, then? The Metropolitan police ask for as much information as possible.

Deputy Chief Constable Hall: It is certainly helpful when plans need to be put in place, but I would say that not all protests are of that scale and not all protests on a day-to-day basis receive attention.

Q264 Rishi Sunak: I have a quick follow-up for Steve. When you were describing the picket lines that you have been involved in, you were saying that people were thoroughly enjoying themselves and having a jolly. Part of why we are all here, and the Bill is here, is to tackle the issue of strikes being held on low turnouts and out-of-date ballots that then inconvenience millions of people across the country. We have been hearing from union representatives that, for the most part, they understand that strikes are a last resort and are taken very seriously. Do you also agree with that? The description that you gave just a minute ago about people having a bit of a jolly and thoroughly enjoying themselves, while inconveniencing millions of people, seemed a bit out of kilter with what we have been hearing from others.

Steve White: The context in which I answered that question was in relation to whether picket lines were threatening. I was just giving the balance that in my experience that picket line was probably not one of the threatening ones. In terms of whether a strike should be called and what the level of turnout should be, that is quite simply not a matter for the police service. That is a matter for others; our primary concern is that the peace is kept and that things happen within the law.

I just want to pick up on your previous point to Charlie in relation to notification. It would be great if the police service had more than two weeks' notice for every single resource requirement that we ever have, but we do not. We have to have resources in place to deal with the unexpected. That includes whether or not we have been notified of something. As Charlie said, that does not necessarily mean that we will have to be used or deployed.

The Chair: Okay. We have two minutes and two more questions. Jo Stevens and Seema Kennedy, just a brisk question from each of you, please.

Q265 Jo Stevens (Cardiff Central) (Lab): I have a question for both witnesses, if I may. You have both talked about the pressures on operational resources at the moment. Given the additional workload for the police that will come in if the Bill becomes law, would you rather have that, or not?

Deputy Chief Constable Hall: Well, I think what we would rather be able to do is concentrate on the priorities set down to us by chief constables and police and crime commissioners. There is potentially some additional work for recording the notifications that come through, but I do not think I would want to over-emphasise how significant that is likely to be. That will vary, depending on where you are in the country and those mechanisms. Where we would be concerned is if there is an expectation that at every picket line there is a higher level of police presence. If that is the case, that will impact on other priorities.

The Chair: Okay. Very quickly, Mr White.

Steve White: I would probably answer it as no.

Q266 Seema Kennedy (South Ribble) (Con): On Tuesday, we heard from one of the opposition witnesses, Dave Smith, who made very serious claims about police collusion in blacklisting. He said, among other things, that the police are going to keep a list of picket supervisors and pass it on to big businesses. How would you respond to those very serious allegations?

Deputy Chief Constable Hall: I would say that I cannot see us doing that.

Q267 Seema Kennedy: So you would say that what he said was untrue.

Deputy Chief Constable Hall: I cannot see the police service doing that. That is not something I would expect to happen.

Steve White: I do not think we would, and certainly we should not.

The Chair: Good. Thank you very much, gentlemen, for your evidence, which is much appreciated. Thank you for taking the time to talk to us. We are very grateful.

Examination of Witnesses

David Palmer-Jones and Commissioner Ron Dobson gave evidence.

12 pm

The Chair: Good afternoon. We are now joined by David Palmer-Jones, who is chief executive officer of SITA UK, and Commissioner Ron Dobson of the London fire brigade. You are both very welcome.

Q268 Stephen Doughty: I have a question for each of you. First, Commissioner, could you outline your relationships with the Fire Brigades Union, how you feel they are at the moment and whether you think the Bill will help or hinder them?

Commissioner Dobson: Relationships with the FBU are, in my opinion, positive. We have some issues we need to deal with, both locally and nationally, in relation

to Government challenges to the firefighters' pension scheme, which is still unresolved. Generally, at a local level, our relationships are reasonable. The London fire brigade has had experience of industrial action—back in 2010 in relation to a local dispute, and in the past couple of years in relation to the national pensions dispute. I have to say that the conduct during those two disputes was very different. There is a stark comparison between the two. We are always trying to improve our relationship with the Fire Brigades Union. There are some difficulties at the moment, but we are working hard to resolve them.

Q269 Stephen Doughty: David, I understand that there has been a series of disputes involving your company. Can you tell us a bit about one of the disputes that is going on in relation to Teesside and Merseyside at the moment? I understand that trade unions have recently met with the company and requested a full forensic audit of your workers' terms and conditions, but apparently you have refused it on cost grounds. The trade unions involved have offered to pay for the audit, but it has been refused. Could you tell us a bit about the dispute and why that is the situation at the moment?

David Palmer-Jones: Okay, I can do that. I will be as quick as possible. We are in the process of building an energy-from-waste plant up in Teesside. We have been investing in Teesside for the past 15 years; we have probably spent £700 million and employed 500 people in that area, and we are continuing to do that. I am in the process of doing a piece of work—a PFI-type contract—for Merseyside Waste Disposal Authority, which is progressing very well. We are almost three years into the build now, so the build is almost complete. About a year ago, we were targeted by some local activists who are running a campaign around “pay the rate”, which is some form of national protest that is looking at pay on very specific types of national agreements. At the moment, we are a minority shareholder—a 40% shareholder—in that particular element, and I will take over the operation of that facility early next year.

Q270 Stephen Doughty: I asked a very specific question, though. I understand that there has been a request for a forensic audit of your workers' terms and conditions. Why have you refused the willingness to pay for it?

David Palmer-Jones: We have not refused. We have already done a forensic audit. As you can imagine, it is quite a complex audit to do. We have more than 60 different contractors involved in the project. We have a head contractor and 60 others, all of which bring specialist services to build the £220 million project. On behalf of Merseyside, we did that analysis. I met with the national union representatives recently, and I had the opportunity to show the officers and the elected members of Merseyside—our customer—that information, which satisfied them. I made a genuine offer. It was controlled by ACAS, and we asked for ACAS to come in. I was very happy to share and pay for a forensic audit of the wages on that site through ACAS. That was refused by the unions. Therefore, I am left in a rather difficult position with an ongoing dispute. Our company has now experienced 29 protests, at both the Wilton site and—

The Chair: May I interrupt? This is not a Select Committee, Mr Doughty; it is a Bill Committee, so your questions have to go laser-like to the Bill.

Q271 Stephen Doughty: The reason I wanted to ask the question was to find out why you think you have been asked here to give evidence on the Bill. Is it so that your poor industrial relations with a whole series of unions can then be used as an example to be reflected in full-scale national policy making? Is that why you think you have been invited here today?

David Palmer-Jones: I hope I have been asked here today to look at some of the grey areas—not the black and white areas about intimidation or numbers of pickets and so on—and perhaps a changing tactic on protests and the disruption they cause my company in continuing to invest in Teesside. I think that is why I have been invited; I hope so.

Q272 Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): The project at Wilton, of course, uses CNIM Clugston as the engineering, procurement and construction contractor. Are you aware of allegations that CNIM Clugston is paying certain members of staff—contractors who they employ and who are non-British workers—€6 an hour?

David Palmer-Jones: That is a complete fallacy. It is untrue. I have done the audit. I have seen the information myself and presented it to Merseyside council and the elected members. They are satisfied, as my customer. I have no obligation to show the unions. I offered, very genuinely, to involve ACAS, so that they could see it. They refused. They want to do their own audit.

Tom Blenkinsop: You are under no obligation, of course, to show a forensic audit to local MPs, but local MPs, of which I am one, have not been shown that information.

The Minister for Skills (Nick Boles): Sir Edward, may I inquire about the relevance of this to the legislation that the Committee is charged with scrutinising?

The Chair: I have made the point that I have to trust Members, in a sense. They are in charge of their own questioning, and I am not going to draw people up, but they have to remember that there must be a focus on the Bill all the time. Our witnesses must be aware that we are talking about the Bill.

Nick Boles: I have not yet heard any question to this witness about any measure in the Bill.

The Chair: Mr Blenkinsop has heard you, Minister, and I am sure both he and the witnesses will focus on the Bill.

Q273 Tom Blenkinsop: For other contracts in Wilton—there are other power stations being built that I am aware of—are blue book terms being adhered to on that site, and will you show local MPs that evidence?

David Palmer-Jones: We have said that we will share that evidence with ACAS. We continue to pay national rates or above national rates, and we are happy to do a forensic audit for ACAS.

Q274 Tom Blenkinsop: And will you show local MPs that forensic audit?

David Palmer-Jones: In that instance, I do not feel obliged to do so. I will show ACAS.

Q275 Seema Kennedy: Mr Palmer-Jones, in relation to the code of practice on picketing, could you elaborate on how social media is used to intimidate workers at Wilton?

David Palmer-Jones: There is a large social media presence in Wilton, orchestrated by the head of this activity—this protest. They use extensively Facebook in order to call to arms their local protesters, and they use it also to spread particularly damaging comments about not only my staff but other members associated with this particular construction.

Q276 Seema Kennedy: Could you describe some of the effects that has had on the workers?

David Palmer-Jones: Clearly, people feel very intimidated. They have now moved from Wilton to our other sites within the north-east, where we have a number of energy-from-waste plants. They attended yesterday another protest—the 29th protest—so they seem to be changing tactics. They disrupt local people. They stop the traffic. They cause an undue amount of disruption, and it is not nice for people to have to go through picket lines, with people only yesterday saying, “We know where you live. We’re going to visit you.” It is not at all something I can condone. We have to protect my staff. I have come here to protect my staff. It is really important that you understand the normal situation. I am not an employment lawyer at all, as you can hear; I just see the effects on our business and on my feelings about whether I continue to invest in Teesside in the future.

Q277 Chris Stephens: I have some questions for Commissioner Dobson. Could you confirm whether you believe that the evidence collected in the Department for Business, Innovation and Skills consultation on intimidation in the fire and rescue services is pretty thin? Could you also confirm that according to the Carr review, the decline in allegations of intimidation between the two disputes you referred to was down to better contingency planning? Given that you have intimidated that industrial relations are more positive, would that not demonstrate that the Bill is unnecessary?

Commissioner Dobson: In relation to the evidence submitted to the Carr review, the majority of that is in relation to the London fire brigade during the 2010 local dispute. The evidence there is not thin; it is quite substantial in terms of the intimidation and bullying that some non-striking workers and people who were providing our contingency plan experienced. I would not say the evidence was thin. I do not have any particular basis on which to compare it with other industries, so the evidence is as it is.

My view is that the relationships with the Fire Brigades Union are difficult at times, but they are being managed well and are improving. We are working very hard to improve relationships, and I do not see anything in the Bill that would particularly make relationships between management in the London fire brigade and the Fire Brigades Union worse. There are potentially some safeguards within the Bill that would help both the London fire brigade and the Fire Brigades Union in respect of our relationships.

Q278 Chris Stephens: Okay. The Carr review said that allegations of intimidation decreased between those two disputes because of contingency planning. Do you agree with that?

Commissioner Dobson: There are a number of reasons why bullying and intimidation decreased in the national dispute. There are differences between a local dispute and a national dispute, and the feelings they generate among the people going on strike and the unions. We learnt some lessons in terms of the management of the strikes during the 2010 dispute. It is true to say that, managerially, we have put some things in place to try to prevent intimidation of non-striking workers and the blockade of workplaces. We learnt some things and we think we did well.

During the 2010 dispute, because of some of the behaviours in relation to picket lines and striking workers elsewhere in London following around our contingency crews and trying to intimidate them at the incident ground, we sought to go to court to have the code of conduct on picketing enforced. We did not actually need to get the court order in the end, because we managed to reach agreement with the Fire Brigades Union prior to getting to court. Since that agreement was made and the code of conduct was adhered to, we have seen much lower levels of intimidation and bullying. The conduct of the picket lines and the strike generally in the past two years has been in line with how we would expect people to behave.

Q279 Chris Stephens: I have one last question. My understanding is that you gave evidence to the Carr review.

Commissioner Dobson: No, I did not.

Q280 Chris Stephens: Okay. Did you have any private meetings with Mr Carr?

Commissioner Dobson: I did. I had a private meeting with Mr Carr.

Q281 Chris Stephens: Was that in a professional or personal capacity?

Commissioner Dobson: It was professional, because I was commissioner for London, but it was in my personal opinion, rather than that of my fire authority.

Q282 Victoria Prentis (Banbury) (Con): Mr Palmer-Jones, you were just touching on intimidation and the picket line you saw yesterday. Could you tell us a bit more?

David Palmer-Jones: I was not actually there yesterday, but we had reports back from my staff. Again, there is a movement from the Wilton construction site to our own sites and threats of other, secondary protesting. That was why I was very keen to come today, to explain the grey area that could expand.

Q283 Victoria Prentis: It would be very helpful to hear more about that.

David Palmer-Jones: This is something that is very much condoned by the unions. When I meet with Merseyside and those unions, I am meeting the senior national levels of the union, which in some way tacitly approve of the tactics being deployed up in Teesside at the moment. We have a situation where council employees

who are delivering household waste vehicles to the site feel quite intimidated to go across a picket line and a protest that is very much dressed in the union colours and waving union flags. They do not want to cross what is not an industrial action. This is very important to understand: there is no industrial action on any of our sites, yet I am still facing the difficulty of a sponsored, wider protest that is of a more national scale.

Q284 Stephen Doughty: I just have a specific question, given what the commissioner has been saying. Can you confirm whether during the 2010 dispute any FBU members were actually arrested or prosecuted for their behaviour in picketing; and, secondly, can you confirm whether any agency staff brought in were arrested or prosecuted for their behaviour?

Commissioner Dobson: No, nobody was actually prosecuted.

Q285 Stephen Doughty: Was anybody arrested?

Commissioner Dobson: I am trying to think; I cannot recall anybody being arrested, but they may have been—but certainly nobody was prosecuted, and the police did investigate a number of things that occurred on some of the picket lines and elsewhere.

Q286 Stephen Doughty: But no FBU members, to your knowledge, were arrested or prosecuted.

Commissioner Dobson: No.

Q287 Stephen Doughty: Given that you are not aware of the wider circumstances, could you perhaps write to us and tell us what happened during that dispute, given that it has been referred to a number of times, with agency workers who were brought in? I think that is directly relevant to the Bill, because there are obviously proposals that the Government are putting forward on the use of agency workers. I think it is important to understand the sort of tensions that are created. Do you think there is potential for tensions being created more widely in industrial disputes by agency workers being brought in, particularly in professions such as yours where there are specific sets of health and safety concerns and specialities?

Commissioner Dobson: I think there are tensions when agency workers are used. Our emergency fire crew contract, which provides our contingency arrangements, is provided by an external company. We contract it out in order to meet the requirements of the current employment legislation. That obviously does increase tensions, because striking workers see somebody else doing their job; I think it does increase tension.

The difficulty is, in an industry such as mine where we are providing a critical emergency service, we do need arrangements in place to cover public safety if the fire brigade is on strike. Therefore, we did not really have much choice. Other fire brigades outside London use other arrangements; but they have the opportunity to use people who maybe were retained fire fighters. We do not have that opportunity in London and we needed to make sure we had a robust contingency plan in place. That does create tensions, inevitably, but I do not think we have any option on that at the moment.

Q288 Edward Argar (Charnwood) (Con): You have both referenced how keen you are to ensure good industrial relations in the work you do and the duty you have to

your staff, to protect and look after them. We have heard a number of references from both sides, and from both of you, about intimidation. Can you give us a flavour of specific examples that have stuck in your mind of the form that intimidation has taken—what was said, what was done and how that played out?

Commissioner Dobson: In terms of physical intimidation, during the 2010 dispute—and I have to be clear that this did not take place in the recent disputes—we saw the emergency fire crew operatives being refused access to fire stations and being intimidated: followed to incidents when they were actually attending emergency calls. They were followed there by striking workers and intimidated at the incident ground.

We have seen photographs being taken and posted on social media of people who were working during the strike, with comments such as, “We know who you are; we know where you live.” We have seen intimidation of some of the emergency fire crew by taking photographs of them and trying to find out what their names were, and by comments such as, “Don’t come back to London because we know who you are.” So there is a range of intimidation using social media.

All those instances where these things have happened have been reported to the police, but I refer back to the previous people giving evidence about how difficult it is to investigate and bring to a conclusion any offences over social media. So while it was investigated, unfortunately, there was not any result to the investigations; but they certainly took place and the evidence exists and actually has been shown to the Committee before.

David Palmer-Jones: I think from my side it is really the fact that it can occur away from the site itself. That is the bit that concerns us the most. We have had instances where cars have been damaged, threats of violence to our supervisor, and threats to other members of staff, who are not members of the union, who continue to work. That causes a lot of disruption and disharmony in the workforce; and we do not have many strikes, I can assure you—perhaps one in the last 10 years. When it does happen, there needs to be some form of control, very much specifically around secondary action outside the local area where the picket would happen. That is the most worrying for me.

Q289 Edward Argar: I have a quick follow-up for the commissioner, and answer this as you wish. Did you have any reason to believe, or any evidence, notwithstanding that there were no arrests, that those who were either officials in or members of the FBU were those taking the photographs and carrying out that action?

Commissioner Dobson: I have no evidence to suggest that, I am afraid.

Q290 Julie Elliott (Sunderland Central) (Lab): I have a couple of very quick follow-ups to what you were saying, Mr Palmer-Jones. On the incidents you have been talking about in relation to Teesside, can you confirm that that is not industrial action?

David Palmer-Jones: It is not industrial action.

Q291 Julie Elliott: Therefore, can you confirm that the Bill does not apply to those instances, because they are not pickets?

David Palmer-Jones: The worry, looking at paragraph 37—again, I am not a lawyer—is that it is the unions that are really supporting the action. Therefore, they are—

Q292 Julie Elliott: They are not pickets if it is not industrial action.

David Palmer-Jones: They are not pickets; they are protesters.

Q293 Julie Elliott: Thank you. Can I clarify one other thing you said? You said that officials of trade unions were tacitly approving the tactics deployed. Can you tell me which trade unions were doing that? We have the general secretaries of the big trade unions involved in your company here later today giving evidence, and we would like to put that to them.

David Palmer-Jones: The ones that I met, together with Merseyside—the customer—were Unite, GMB and UCATT.

Q294 James Cartlidge: Commissioner Dobson, in your earlier remarks you said that nothing in the Bill will worsen relationships in your view, but there are safeguards in it that will be of benefit. Do you welcome the threshold for action, which is one of the most important parts of the Bill?

Commissioner Dobson: I do welcome it, but it is important for the Committee to recognise that I cannot think of an industrial dispute with the Fire Brigades Union in recent years where that threshold would not have been met, so I do not think it would have had any practical impact on previous disputes.

Q295 James Cartlidge: It is just adding extra safeguards.

Commissioner Dobson: Yes.

Q296 James Cartlidge: Just on what you said to my colleague Mr Argar about examples of intimidation, you said that in 2010 access was stopped to a fire station in an emergency.

Commissioner Dobson: Access was stopped for our emergency fire crews—our contingency service. They were stopped from getting on to our fire station. In 2010, our plan was to deploy emergency fire crews from fire stations, but we had such difficulty in getting the emergency fire crews on to the fire stations because of the picket lines and striking workers who were barricading themselves on to fire stations. In one instance, they took a dog on to the fire station to stop emergency crews getting in.

Q297 James Cartlidge: This was while there was a fire?

Commissioner Dobson: No, this was during the strike. During the fires, we had some instances where the striking workers followed emergency crews to incidents, damaged fire engines en route and tried to intimidate the emergency workers, while they were trying to deal with an incident. In some cases, they were trying to deal with actual fires and they were being obstructed by striking workers.

Q298 Jo Stevens: I have a question for Mr Dobson. You have talked a lot about examples of intimidation during the 2010 dispute, and you also said that you had a private meeting with Mr Carr. You will be aware that the impact assessment for this Bill drew on the Carr

review to justify what is in the Bill. I am sure you are also aware that Mr Carr was unable to make any evidence-based proposals or recommendations for change because of the lack of a significant body of evidence to support any recommendations for change. In your meeting with him, did you give him the examples of intimidation that you have described?

Commissioner Dobson: I did, yes.

Q299 Jo Stevens: And you did that in a personal capacity, not a professional one.

Commissioner Dobson: Yes.

Q300 Jo Stevens: Was it because a majority in the Greater London Authority had decided that you should not give evidence to Mr Carr?

Commissioner Dobson: There was no decision about whether or not I should give evidence, because it was never presented to elected members in that way.

Q301 Jo Stevens: At its meeting on 29 January this year, the GLA indicated that your evidence appeared in the Carr report in contravention of the wishes of a majority of assembly members. Do you deny that?

Commissioner Dobson: My giving evidence to the Carr review was never presented to the London Assembly for their view on it. The fact that I had spoken to Mr Carr was discussed when the Carr review was published, but it was not discussed beforehand.

Q302 Jo Stevens: Are you aware that the Regulatory Policy Committee has described the impact assessment for the Bill as “not fit for purpose”?

Commissioner Dobson: Yes.

Q303 Jo Stevens: Following on—a very brief question, if I may—in relation to the same dispute, can you tell the Committee what you believe led to the dispute happening in the first instance and what action you took to try to prevent it from occurring? I am aware that you attempted to de-escalate the dispute by docking the pay of 368 staff; that was later found unlawful by an employment tribunal. Can you tell us a little about that?

Commissioner Dobson: There was a dispute over the start and finish times of shifts. We sought to change the start and finish times of shifts in order to increase productivity. We negotiated fully with the Fire Brigades Union on that but were unable to reach an agreement, which led to a strike ballot and that led to strikes. During the industrial action that took place, via either action short of a strike or a strike, some members of staff took actions that were against their contracts and were not covered by the ballot, so some workers’ pay was deducted. The employment tribunal has found only in the cases of three staff at the moment; the remainder of cases are still subject to discussion with the Fire Brigades Union. Let us be absolutely clear—the Committee needs to be aware of this—that the employment tribunal has listened to the cases of only three workers, not the others.

Q304 Jo Stevens: But it found against you: what you did was unlawful.

Commissioner Dobson: In those three instances, yes.

Q305 Nick Boles: The hon. Member for Cardiff Central seemed to suggest that it was appropriate for the Greater London Assembly to have gagged you and prevented you from giving evidence on any matter that falls within your professional responsibility. You said very clearly that the assembly did not and that there was never any consideration of that. Nevertheless, had they tried to do so, do you think that that would have been appropriate?

Commissioner Dobson: No, I do not. My contract is with the London Fire and Emergency Planning Authority, so it would be appropriate for it to take a view on whether or not I, as one of its employees, should give evidence, but not necessarily the London assembly.

Q306 Nick Boles: And even if that authority had taken that view, would you, nevertheless, have felt it was right to prevent you from talking to an independent inquiry?

Commissioner Dobson: My personal view would be that it would be wrong to prevent me from talking to an independent inquiry, but, as a matter of fact, no decision of that nature was ever taken.

The Chair: John Howell is champing at the bit, but he is such a gentleman that I know he will want Nusrat Ghani to go first.

Q307 Nusrat Ghani: Thank you, Chair.

Commissioner Dobson, I want to ask about something you mentioned to Mr Cartlidge earlier. Is it correct that in the 2010 dispute the non-striking workers found it difficult to get into the fire station?

Commissioner Dobson: Yes.

Q308 Nusrat Ghani: You also mentioned that fire engines were approached, deterred or attacked when leaving the station.

Commissioner Dobson: Yes.

Q309 Nusrat Ghani: Were any firefighters' lives at risk at that time, when they were trying to carry out their duty?

Commissioner Dobson: No, I do not think that their lives were at risk. It was the emergency fire crew workers—the contingency force—who were followed and intimidated. I do not think that their lives were put at risk, but they certainly felt intimidated.

Q310 Nusrat Ghani: They could have been hurt though.

Commissioner Dobson: Yes.

Q311 Nusrat Ghani: And the victims of fire—could their lives have been put at risk if fire engines were unable to get out to them in a decent time?

Commissioner Dobson: That is a possibility, yes.

Q312 Nusrat Ghani: So it was dangerous for both the firefighters and the victims of fire who were asking for help.

Commissioner Dobson: Yes, I believe it was.

Q313 John Howell: Mr Palmer-Jones, earlier you threw away a line about the intimidation you had been facing being likely to affect your ability to invest. Would you like to explain that?

David Palmer-Jones: As I said, together with others, I have invested probably around £700 million and I employ more than 500 people in that area. I have the ability to invest more, but when faced with the sort of intimidation and protest that we have been suffering, I have to think twice about where I spend my money. I am currently in the process of employing people from SSI: I have taken on 20 people and am looking for others to help me to run that plant, and we are taking on apprentices. But you can see why, when faced with an uncontrolled set of continual protests—the 29th—we would think twice about whether we bother to invest in that area. It is an area that we have supported for the past 15 or 20 years.

Q314 John Howell: So you would welcome putting the existing code of conduct into a statutory form?

David Palmer-Jones: We would have to. Again, it is important that you widen and capture this particular grey area. You really need to look at the fact that the unions should be held responsible if they are actively supporting these types of protest.

The Chair: I will stop you there and Chris Stephens can ask the last question.

Q315 Chris Stephens: Just a quick question to Commissioner Dobson. In an answer to Mr Cartlidge, you indicated that you agree with the thresholds in the Bill. Is that your private opinion or were you speaking for your organisation?

Commissioner Dobson: That is my opinion.

The Chair: Thank you very much for your evidence, gentlemen.

Examination of Witness

Byron Taylor gave evidence.

12.30 pm

The Chair: Our last witness this morning is Byron Taylor of the national office of the Trade Union and Labour Party Liaison Organisation.

Q316 Stephen Doughty: For the avoidance of doubt, I have already declared an interest, but obviously, I am a member of the Labour party and of the GMB, which is a member of TULO. Byron, could you tell us why you believe the provisions in the Bill break the established conventions on arrangements for political party funding?

Byron Taylor: The Bill is a fairly partisan attack on Her Majesty's Opposition. It does significant damage to the funding of the Labour party, and I think that is in breach of existing parliamentary convention.

There is a long history here. Back in 1948, Winston Churchill said:

"It has become a well-established custom that matters affecting the interests of rival parties should not be settled by the imposition of the will of one side over the other, but by an agreement reached

either between the leaders of the main parties or by conferences under the impartial guidance of Mr. Speaker.”—[*Official Report*, 16 February 1948; Vol. 447, c. 859.]

That was reinforced by Margaret Thatcher in a Cabinet meeting on 9 February 1984, when she said:

“legislation on this subject, which would affect the funding of the Labour party, would create great unease and should not be entered into lightly.”

There is a fairly well-established history of parliamentary convention that says parties should not interfere in matters affecting the Opposition. Even as recently as 1998, the Conservative party’s submission to the Committee on Standards in Public Life stated:

“The Conservative Party does not believe that it is illegitimate for the trade union movement to provide support for political parties.”

The Bill, in its current format, is designed to do exactly that and to stop the trade union movement being involved in political parties. That is a really important concern, because there is not only an established parliamentary convention.

There are very solid grounds about the freedom of association: article 11 of the Human Rights Act 1998, the European charter of fundamental rights and, dating right back to 1948, the universal declaration of human rights, to which this country is a signatory, which says:

“Everyone has the right to freedom of peaceful assembly and to freedom of association with others, including the right to form and to join trade unions for the protection of his interests. No restrictions shall be placed on the exercise of these rights other than such as are prescribed by law and are necessary in a democratic society”.

Q317 Stephen Doughty: May I ask a specific question?

There is an important point here about the distinction being made between the rules governing company donations and corporate donations to political parties and trade union donations to political parties. Could you say a little bit about the difference between the conditions that will be brought about by this Bill and what applies to, for example, companies making political donations—for example, the ability of shareholders to opt out of those decisions?

Byron Taylor: Indeed. There is no right for shareholders to opt out of political donations. A company is required to make a political resolution once every four years. A private company can do it by simple resolution. A public company does it at the annual general meeting, but the reality is that a single political resolution is made every four years.

If you contrast that with the requirements upon a trade union, there are significant differences. The trade union membership here in the UK already enjoys fairly substantial protection. We call it the triple lock. In the first instance, a trade union member can opt in or opt out of the political fund at any time, and that has been the case here in the UK since the 1940s. In addition, they can participate in the representative democracy of their trade union if they are unhappy with how a trade union is operating their political activity. They can participate in the structures of the union and seek to change how that activity is conducted. Finally, there are political fund review ballots, which operate once every 10 years. That is a simple one member, one vote ballot on the membership. The membership, should it so wish, can choose to disestablish any existing political funds,

so there are several safeguards for trade union members in the operation of political funds that are not comparable with those upon companies.

This is a critical point. If you look at some of the donations that come in from companies—the one I draw reference to is Bearwood Corporate Services, which made 177 donations to the Conservative party, totalling £5.3 million. If you look at the ownership structure, it goes back to two faceless companies in the British Virgin Islands. We have no idea who is behind those donations.

Q318 Stephen Doughty: Can you give us some practical examples of how trade unions are transparent about their funding—the amounts that are given and so on—at the moment, and why the provisions in the Bill simply are not required?

Byron Taylor: Trade unions are already required to publish any donations to a political party under the auspices of the Political Parties, Elections and Referendums Act 2000. In addition, they are already required to provide significant information to the certification officer about the number of members in the fund and the amounts paid into the fund and so on. There are already significant reporting requirements on the trade union movement about how political funds are expended. That is an important and clear point. What is proposed in the Bill represents a serious change to the way in which trade unions operate without any basis in evidence to do so.

Q319 Stephen Doughty: The Bill’s provisions would have to be adhered to within three months of Royal Assent and its commencement. Do you think that is a fair amount of time for any organisation to comply with such significant changes to law?

Byron Taylor: No, I really do not. Three months is an extremely short timescale. Let us bear in mind that trade unions are, primarily, industrial organisations; politics is very much a secondary function for them. If the Bill is passed unamended, we will be asking 4.9 million people to opt back into the political fund in a three-month period. To set that against a couple of other examples, the recent changes relating to plastic bags supplied by retailers were enacted in Ireland in 2002, in Wales in 2011 and in Scotland in 2012. The coalition Government initiated the change in the UK in 2013 when they conducted the regulatory impact assessment and the Deputy Prime Minister announced the policy in October 2013. Companies have had a significant time to be aware that the changes are likely to happen, and as of 2013 they had two years to prepare for that.

Another example is self-assessment; everyone who completes a self-assessment is required to submit their returns by the end of January each year. They have a clear 12-month notice period that they must effect that change, and a significant Government-sponsored media campaign is run to inform people that they need to get their returns in by 31 January. If they fail to do so, a fine of £100 is imposed. Despite all those safeguards, this year alone, 890,000 people failed to fill in their self-assessments. We are asking 4.9 million trade unionists to opt into the political fund in a three-month period dated from Royal Assent, and I think that is unacceptable. There is also the issue of retrospection. Those people

joined a collective organisation and opted, as part of their decision to join a trade union, to become part of the political fund. I see no clear public interest test that requires trade unionists to opt in to the political fund of their trade union when they have already joined that trade union in the past, and I fail to see what reference the Government are making to human rights on this matter. In 2002, the Solicitor General referred to the public interest and human rights when he spoke of retrospective legislation, and I believe that the Bill is such legislation.

Nick Boles: We do not intend to intrude upon the conversation among members of the Labour party, who seem to be having a very good time.

Q320 Chris Stephens: Just a couple of questions, Mr Taylor. Can you confirm that, in many cases, the workplace will be multi-union and that some unions will be affiliated to the Labour party, and some will not? Therefore, many people already have the choice, because they can choose which trade union to join depending on whether they want to fund the Labour party or not. I should have congratulated you on the fact that you separated Scotland from the UK when you referred to plastic bags, and I welcome that.

I must emphasise to you, as someone who is a trade union activist, that if trade union members are uncomfortable with the trade unions' relationship with the Labour party, it is up to them to raise that, and there are plenty of democratic opportunities for them to do so. It is also up to the Labour party to justify to the trade unions why it should be funded. The political funds are not just about the Labour party; there are many organisations that receive money from political funds, such as HOPE not hate, so what impact would there be on them?

Byron Taylor: Multi-union representation in the workplace is a reality. I used to organise British Bakeries down in Avonmouth docks, where we had seven trade unions on site. There are a clear number of trade unions, and members can join the appropriate one as they see fit. As for the political fund and its use, it is important to recognise that trade unions do not simply use the political fund for the purposes of the Labour party. There are 52 trade unions here in the UK, 13 of which are affiliated to the Labour party. In the other trade unions, there are a good couple of million people out there paying the political levy to allow their union to conduct political activity. That is what the political fund is for; it is for the conducting of political activity.

There is a proud history for the trade union movement of political activity: the campaign for the eight-hour day, the minimum wage, universal suffrage, campaigns for the NHS, campaigns for housing, peace movements after the second world war—all those things have been supported out of the political fund, and they are appropriate uses for it. What is being proposed is to strip trade unions of that political voice to a great extent. My real fear about this Bill is that it is designed to reduce participation in political activity. Such activity is well established. The European Court ruled just eight years ago that it is perfectly legitimate for trade unions to conduct political activity. The Court said:

“They are not bodies solely devoted to politically-neutral aspects of the wellbeing of their members, but are often ideological, with strongly held views on social and political issues.”
That is a legitimate role for trade unions.

Q321 Jo Stevens: Can I ask you a question about clause 10? Some people are arguing—wrongly, in my view—that clause 10 equalises the arrangements, mirroring the situation in Northern Ireland. Do you agree that the provisions in the Bill go well beyond the current practices in Northern Ireland, which require trade union members on one occasion to contract into paying into the political fund—I repeat, on one occasion—and they are not required to renew their opt-in?

Byron Taylor: Sorry, can you just repeat the last bit?

Jo Stevens: There is a suggestion that clause 10 mirrors the arrangements currently in place in Northern Ireland about opting in. The question I am asking is: do you agree that the provisions in this Bill go well beyond what is currently in operation in Northern Ireland? Trade union members there only have to opt in on one occasion.

Byron Taylor: Indeed. The Northern Ireland situation is a leftover from the 1920 provision that moved towards an opt-in. Given the unique historical and political circumstances of the Province of Ulster and Northern Ireland, I think there are particular reasons why that exists in the current format.

The Bill, as it is currently proposing to change the law here in the UK, is significant. When people join a trade union, they will have to opt in. If they are already members of a trade union and already paying the political levy, they will have to re-opt back in. We will find ourselves in a situation where people have to renew that every five years. I fail to see why that is required in a fund where you can opt in or opt out at any time, where you have the representative democracy of the union and where you have a 10-yearly political fund review ballot. It seems to be another over-extension. We are going to be in a situation where you can opt in or opt out when you first join the union, you can opt in or opt out at any time, you have to renew every five years, and you have to renew through a political fund ballot every 10 years.

What level of regulation is required on trade union political funds, because they clearly are the most highly regulated political funds in the western world? If you compare them to some of the transparency arrangements that apply to companies, I think they are overbearing. For example, there are unincorporated associations that donate to the Conservative party—one that springs to mind is the Carlton Club, which has donated £1 million to the Conservative party in the last five years—and there is no clarity over who those people are who are paying those moneys and raising those kinds of sums. That is just one example.

Q322 Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): From your comments earlier, it sounded to me—I do not want to put words in your mouth—as though you were basically saying that the opt-in system that has been proposed within the time period is effectively unworkable. I would be interested in your comments on that.

Byron Taylor: I think it would be very difficult for the trade union movement to conduct those kinds of operations in a three-month time scale.

Q323 Dr Cameron: What would be the impact of that if it were implemented?

Byron Taylor: There are questions about what is actually being proposed and the format. For example, on the face of it, the Bill requires written communication, but I am not sure if that is what the Bill actually means. One of the things I would particularly like clarity on in the coming weeks is what is the requirement. If it is implemented in the format that is suggested in the Bill, I think you are going to see a significant drop in political fund payers in the trade union movement. The net effect of that will be to remove a whole series of people from the political process in the UK. At a time when we are talking about declining engagement and how we can encourage people to be more engaged in the political process, what we are doing is reducing the number of people who actively engage in politics in some format. That is very bad for democracy in terms of participation and in terms of the funding gap it will create in British politics.

Returning to the Churchill convention, which requires parties not to interfere in matters of other parties without consent, we are going to find ourselves in a situation where the Labour party struggles to compete in electoral terms with the Conservative party.

Q324 Stephen Doughty: I am intrigued that the Government Minister and the Whip have been going round gagging their Members from asking questions about what is a significant part of the Bill. Mr Taylor, why do you think Government Members are unwilling to ask questions about a significant part of their own Bill?

Stephen Barclay (North East Cambridgeshire) (Con): On a point of order, Sir Edward. It would be completely unparliamentary for any Member to seek to gag another Member. I assure the Chair that no such attempt to gag Members has taken place. I request the hon. Gentleman to withdraw that suggestion.

The Chair: The point has been made. Let us just live in peace and harmony.

James Cartlidge *rose*—

The Chair: I see a Conservative Member wants to be ungagged.

Q325 Stephen Doughty: May I finish my question? Mr Taylor, are you surprised that there appears to be very little Government interest in what is a significant part of their own legislation? What do you think the reasons for that might possibly be?

Byron Taylor: That is a very interesting question. As I said at the start of my evidence, as far as I am concerned, this is a partisan attack on Her Majesty's Opposition and forms part of a broader attack on civil society. If you look at the concerns being raised about charities' political campaigning or what is being said about the BBC—it is a deeply partisan attack. It is deeply damaging to our society, and I have real concerns.

I return to the Committee on Standards in Public Life hearings in 2011. Those of you who have read the transcripts will know I gave evidence to that Committee. The argument put forward by the Conservative party and the Liberal Democrat party at that point was that there should be individualisation of political fund payments. The Committee took the majority view that “such a condition would be a disproportionate intrusion into the constitution of the relevant trade unions”.

That is a really important principle to me—freedom of association and the right of trade union members to come together, form a trade union and determine their own rules and constitution. The Bill is interfering directly in that human right, which I think Amnesty and Liberty made reference to yesterday.

Q326 James Cartlidge: I want to raise a specific technical point. Mr Taylor, you said this is an attack on funding and that funding will go down. Surely, if people have to opt in, funding will only go down if they had not wanted to opt in in the first place.

Byron Taylor: Funding will go down because people have busy lives and the trade union movement is then required to contact every single member to require an opt-in, when many people already believe they are opted in.

Q327 James Cartlidge: But if they have been happy with that donation, your donation levels will not be affected.

Byron Taylor: Many people are happy to contribute to the political work of their trade union. It is a fairly well-established principle among trade union members that they pay to the union, and in return they expect good advice and representation.

Q328 James Cartlidge: But you seem to be saying, “If we actually ask people whether they want to contribute, we're worried we're going to find out some of them didn't want to.” You are admitting that.

Byron Taylor: No, I am absolutely not, because we have not put it to the test yet.

Q329 James Cartlidge: Then funding will not go down, on that basis. If they are all happy punters and happy to contribute to the Labour party, your funding will not go down.

Byron Taylor: You are saying this is not about the Labour party, and that is your immediate problem, because what we are talking about is the opt-in to the political fund of the trade union movement. What is going to happen is that trade unions are going to have to spend an excessive amount of time and resources re-contacting all of their members to ask them to sign back into the political fund in written form. This is a really important point: it is being proposed that everybody will have to do this in writing. In an electronic age when people should be allowed to communicate via telephone, internet or other forms of communication, this Bill is proposing that everybody has to sign a piece of paper. That will drive down participation; we know that for a fact.

Q330 James Cartlidge: Forgive me. You talk about people's rights. You are suggesting that your funds are going to go down. That must mean that some people who are currently contributing would not want to be contributing. In other words, by defending that, you are defending the fact that someone should involuntarily be contributing to a political party against their rights. You are talking about rights; you should surely accept that point.

Byron Taylor: When people join a trade union, there are things that go with being a member of a trade union, including its political work. Let us go back to the history of the opt-out, and 1913, and the legislation and

why it was primarily introduced. The opt-out was introduced in 1913 to ensure that those workers who were working in closed-shop arrangements, who did not want to participate in the political activity of the union, had a chance not to do so. In a closed-shop arrangement, union membership was part of the contract of employment, and therefore, they had to join the union, so it was always seen as a way of protecting a very small minority of people who did not want to participate in the political activity of their trade union. We are now in a situation where the Government are trying to change that and say that everyone has to opt in. When people join a trade union, they join the collective and they participate by the rules of the collective. I am unaware of any other membership organisation that an individual can join where they can opt out of a portion of the rules of the organisation they are joining. This is really strange.

Q331 James Cartlidge: For my last point, I will simply repeat the point that I made, because it is fundamental. If they are all happy donating, you will not be losing any funds when they are asked whether they wish to opt in to making a donation.

Byron Taylor: Do you mean a donation or a contribution to political funds?

Q332 James Cartlidge: We all know what we are talking about.

Byron Taylor: I am not sure I do, but I would like to come back to what happened in 2008 with the Office of Fair Trading. The Conservative party lodged a complaint on this very matter with the OFT through Jonathan Djanogly MP. The OFT ruled:

“In the present case, we do not consider that trade union members are obviously vulnerable to deceit resulting from the way in which unions collect contributions to the levy. The levy has featured prominently in political discourse and news reporting for a very long time. We would expect to take action if we had evidence that large numbers of consumers are unknowingly entering into an unwanted financial commitment from which they are subsequently unable to extricate themselves. We do not at present possess evidence to this effect in relation to the political levy on trade union members.”

This has been a feature of political debate since the late 1940s. There was the Donovan commission in the 1960s. Look at the reviews of party funding that occurred in the 1990s and in 2004, or the Hayden Phillips review in 2006, or the Committee on Standards in Public Life in 2011. The question that comes back is always, “Where is the evidence that some kind of deceit is being practised?”, because it simply is not there.

If we are going to question the purpose of the legislation, may I draw reference to the Conservative Minister of Labour from 1924?

James Cartlidge: I was minus 50 then.

Byron Taylor: You may have been minus 50, but this legislation was produced in 1913, so it is totally relevant. He said, in a private memorandum, that the

“major part of the outcry against the political levy is not motivated by a burning indignation for the trade unionist, who is forced to subscribe to the furtherance of political principles which he abhors. It is based on a desire to hit the Socialist party through their pocket...we should not delude ourselves as to our intent.”

My question is: what has changed for the Conservative party?

Q333 Julie Elliott: I have referred to my entry in the Register of Members’ Financial Interests as a member of the GMB and the Labour party, but, in the interests of complete clarity, I was also an officer of the TULO organisation in the northern region for many years before becoming a Member of Parliament.

Byron, can I take us back to the practical impact of this proposed legislation on trade unions and, indeed, the Labour party? Logistically, can you outline how you think this proposed legislation will impact on trade unions, in terms of getting repeated sign-up and collections of moneys, and particularly on the smaller trade unions, which often have very few members of staff? Can you outline what you think the implications of the Bill will be for those people?

Byron Taylor: The implications of the Bill are significant. It is going to impose a great burden of bureaucracy and red tape on the trade union movement. As I have alluded to, trade unions are primarily industrial organisations and focus the majority of their work on industrial activity and dealing with industrial complaints. As for the idea that trade unions will have to divert massive resources—and it will be massive resources—to try to conduct the operations in the way that the Bill envisages, in writing, that is going to be a substantial drain on trade union resources and activities. That will impact heavily and introduce inefficiencies into wider industry, because trade unions are the bodies that are there to negotiate and to ensure that the industry works properly. To introduce this will divert union resources substantially.

If you look at the smaller affiliates of the Labour party or of any small trade union that is now forced to operate in this fashion, they will find themselves caught up in an endless cycle of bureaucracy, seeking people to opt into the political fund, renewing the opt-in and then conducting the political fund ballot. Looking back at the Better Regulation Task Force in 2002, it ruled that trade unions were already over-regulated in the field of political fund activity.

Q334 Julie Elliott: May I just follow that up with one quick, straightforward question? In the legislation that trade unions operate under, in particular employment law legislation, “reasonableness” is applied everywhere. Would you regard this proposed legislation as reasonable?

Byron Taylor: Would I regard it as reasonable? I come back to the point made by Mr Stephens, and my question would be, is it proportionate, is it reasonable? No, it is not. If there is really some concern about how political funds are being operated in the UK—although there is no evidence to show that there is any concern—is it a proportionate response to ask 4.9 million people to re-opt back into the political fund of their trade union? The answer is no, this is not a proportionate or reasonable response. On that basis, it is clearly a partisan attack on Her Majesty’s Opposition, designed to reduce funding and participation. I fail to see how the Bill increases participation at any level, both in the industrial elements, which I do not intend to speak about, and in the political elements—this Bill seems determined to drive down participation. Where are the means of communication that allow trade unions to talk to their members electronically or via telephone? What we are doing is enforcing a 19th-century form of communication on a 21st-century industry, which is bad for business and bad for the trade union movement.

Q335 Ian Mearns: Mr Taylor, have you ever made a contribution to the Conservative party by means of buying a good or service from a company whose profits from that transaction were then used to make a donation to the Conservative party?

Byron Taylor: I have, and I had no opt-out from that.

Q336 Chris Stephens: Just one quick question, Mr Taylor. When it comes to legislation affecting elections, party political administration and funding, or trade union political funding, do you agree with me that it should have the agreement of either all the political parties represented in the House of Commons or a majority of the political parties represented in the House of Commons?

Byron Taylor: Yes. This comes back to my initial point about the Churchill convention, which has existed in UK law for the best part of 80 years, and I will say it again:

“It is a well-established custom that matters affecting the interests of rival parties should not be settled by the imposition of the will of one side over another, but an agreement reached either

between the leaders of the main parties or by conferences under the impartial guidance of Mr Speaker.”—[*Official Report*, 16 February 1948; Vol. 447, c. 859.]

Even Margaret Thatcher realised the danger of interfering in the affairs of other parties. What is being created here is a circumstance in which the party of government is seeking to undermine the party of opposition. That is a very dangerous place to go in our democracy. It is deeply concerning that we find ourselves here, discussing a matter of this kind, when there is no clear agreement between the main parties.

The Chair: I think that is it. Thank you very much, Mr Taylor, for your evidence.

Ordered, That further consideration be now adjourned.
—(*Stephen Barclay.*)

12.58 pm

Adjourned till this day at Two o'clock.