

Offshore trade unions condemn industry actions



The offshore trade unions involved with the Offshore Contractors Partnership Agreement (OCPA) can confirm that a timeline has been determined which will see the employers serving notice to terminate the agreement on June 30th 2020.

This action will have the effect of de-recognising the trade unions.

The decision was made by the employers citing a number of reasons not least of which is the actions of oil majors to engage competing companies operating outside of the OCPA or any collective bargaining structures.



In the past few months BP has handed major contracts to Sparrows and Bilfinger, while Total has announced they will engage PBS.

Additionally, there is growing evidence of other operating companies engaging contractors that sit out with the long established collective bargaining structures.

GMB, Unite and RMT have condemned the decision and consider the actions of industry to be at odds with the principles the industry promotes.

The trade unions say this move illustrates a complete disconnect from the principles being promoted by the Oil and Gas Authority around appropriate commercial behaviours and the Vision 2035 concept.

The trade unions are also questioning the actions of several operators in respect of their adherence to the 'standards' set out in the Oil & Gas UK (OGUK) "Economic Report 2019" and specifically the "Supply Chain Principles" where reference is made to:

"Tender processes and evaluations should be based on value-added rather than unit rates and be flexible to evaluate alternative offers as part of the bidding process'.

"To support respective labour agreements in place across the workforce, operators should agree clear rate escalation mechanisms and move away from the practice of fixing labour costs for multiple years."

The trade unions contest whether operators can illustrate any 'value-added' aspect with the changes and argue OGUK member companies are clearly failing to 'support' labour agreements.

Dominic Pritchard, GMB National Organiser, said:

"The actions of major industry players are contrary to the principles being promoted by the industry and the regulators.

"This undermines the work we have been doing with OCPA and others to develop a strategy for the future which is sustainable and provides security of employment for workers.

"We will be discussing the legality of these contractual changes in terms of TUPE, as we would suggest the collective agreement should remain in place with a transfer."

John Boland, Unite Regional Officer, said:

"The break-up of long established bargaining arrangements and the awarding of contracts to organisations out with collective agreements is a backward step. We fail to see how this approach can improve efficiency and productivity, as it will inevitably add costs in terms of contractual arrangements and interfaces.



“The impact on our members will be concerns around insecurity and uncertainty and this will inevitably affect the morale of the workforce.”

Jake Molloy, RMT Regional Organiser, said:

“We hear so much about collaboration, and building for the future and then we get this.

“It strikes me that many of the industry forums we participate in are either pointless or completely disengaged with the reality of what is happening on the ground.

The trade unions have spent the last four plus years changing the industrial relations landscape with a view to delivering outcomes which should support the industry, the workforce and the nation.

“It is described as “Vision 2035”, but it appears some are keen to drag us back to a vision of 1980!”

The collective statement from the trade unions reads:

“The trade unions are prepared to work with any and all industry stakeholders to build a new model which will provide protection to workers across the sector.

“The trade unions want to avoid the potential for a race to the bottom on terms and conditions and the inevitable impact that would have on health and safety.

“The trade unions have emphasised the importance of working with the wider industry to avoid the mistakes made in the past with fragmented contractual structures.

“We equally see the importance of closer working relationships with industry as the climate crisis debate continues. We await the response of industry.”

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