

**Grow**

**Build**

**Change**



**Brexit**

**GMB Congress 2019**

**CEC Statement**

## **CEC Statement on Brexit for GMB Congress 2019**

### **Referendum, 2016**

- 1) GMB campaigned with an 'angry remain' stance in the European Union referendum. We recognised the advantages of staying in the EU while at the same understanding that many people in the UK did not want the status quo to continue.
- 2) GMB accepted the result of the referendum and promised to work with all political parties to secure the best possible Brexit for working people, urging all politicians to acknowledge and the many reasons why people voted to leave the European Union and address some of the causes of this.
- 3) As Brexit had the potential to be a fast moving and every changing situation, we set up a Workers' Brexit Group of the CEC to ensure that any GMB response was rooted in the real lives and needs of GMB members. Over the last two years, this group has meet regularly to oversee the union's ongoing work.

### **Tory government ignores workers**

- 4) It is with frustration, though not surprise, that the Government chose not to engage with union in a meaningful way. Bound by almost impossible to achieve red lines, even the loss of her parliamentary majority did not see the Prime Minister take a inclusive approach. Instead of engaging with industry, unions, devolved governments and other parties after the 2017 General Election, the Government turned to the DUP for support.
- 5) Despite this, GMB has worked extensively on consultations, with MPs, Select Committee and with employers through the Manufacturing Trade Remedies Alliance, taking every opportunity to speak to Ministers and Shadow Ministers to highlight the consequences of the Tory Government's proposals.
- 6) Finally, in January 2019, the Prime Minister summoned unions to Downing Street which GMB attended in good faith. Far from listening to the genuine

concerns of working people, the Prime Minister took the opportunity to once again explain why her bad deal was the best deal.

### **The impact on jobs**

- 7) GMB was at the forefront of calling for impact assessments of the Government's preferred Brexit outcomes. When they were eventually conducted, industry, unions and the public had to rely on leaked summaries of findings which the Secretary of State for Exiting the European Union had refused to publish. The assessments showed widespread damage to a number of industries in which GMB members are employed, not least in manufacturing and retail. Not one region or devolved nation stands to be economically better off from any Brexit scenario under these assessments. Additional analysis of the Government's own figures illustrates significant shortfalls in public finances in the years ahead which could lead to further cuts.
- 8) In the meantime, we have all witnessed job losses from a wide range of employers across a range of sectors. Brexit has not always been the main cause but it has often been a contributing factor. Multinational companies have restructured their operations away from the UK, investment levels have been reduced and confidence has fallen. Manufacturing has been particularly hit but there have also been greater higher costs. increased insecurity and lower spending in sectors such as retail. A longstanding recruitment and retention crisis in public services has worsened as fewer EU citizens have stayed working in the UK. It is increasingly clear that many logistical issues relating to the UK's ports and borders cannot be overcome without a close relationship with the EU.
- 9) GMB has undertaken our own impact assessment of different Brexit scenarios using a combination of research, workplace reports and surveys of GMB reps and officers. It is clear that Brexit is a significant added threat to many GMB

members' jobs, pay and conditions as well as to future prospects and our public services

### **Giving the public not politicians the final say**

10) The Tory Government's approach to Brexit has been reckless from start to finish. It has been abundantly clear that trade unions, industry organisations, devolved nations and regions have been shut out of the process. In September 2018, GMB's CEC decided that the public should have the final say on any Brexit deal, not the politicians who had failed to find a solution or a consensus. We argued that if the Government was so confident a deal would deliver for working people then they had nothing to fear. As trade unionists whenever we negotiate a deal we take it to members to see if they approve. Similarly, the public should have the final say on any Brexit deal and decide whether this is better than our current deal with the EU.

11) The Tory Government's Brexit deal was published in November 2018. Having analysed it carefully, CEC believed it would have been damaging for GMB members' jobs, meant workers' rights would not keep pace with our EU neighbours and it would result in less money for public services. Parliament also agreed, and in January 2019 the Withdrawal Bill was resoundingly defeated. It went on to be defeated a number of times and at the time of this statement no withdrawal agreement has been passed. At every stage the Government has repeatedly failed to build consensus in Parliament and this has contributed directly to the economic uncertainty.

### **The perils of No Deal**

12) Leaving with 'No Deal' would be catastrophic for the industries our members work in. It would cause chaos throughout the UK, shattering supply chains and putting jobs at risk in everything from chemicals to food to ceramics.

13) Even planning for a 'No Deal' scenario has impacted on businesses with investment decisions delayed or cancelled, contacts lost to other EU countries and millions spent planning and stockpiling for a scenario that may never happen – we will continue to see the impact of that waste in months to come whether we leave with a deal or not.

- 14) The UK benefits from over 60 trade deals around the world as a result of membership of the EU Customs Union and these would disappear overnight under a No Deal scenario. Running a major economy only on W.T.O. rules is unprecedented. All the evidence suggest the UK would lose most from this scenario, living standards would rapidly fall and prices increase. By 2033/4 UK public finances would be £1.25 billion a week worse on W.T.O. rules.
- 15) No Deal would instantly jeopardise the Good Friday Agreement. GMB cannot overstate the importance of no hard border, frictionless trade and close co-operation between Northern Ireland and the Republic of Ireland. Our union will remain steadfast in our defence of this vital peace agreement.

### **Fair movement of labour**

- 16) There are those on the far-right who continue to use Brexit as an excuse to peddle hatred and division. GMB will never accept or back down on the face of racism and xenophobia, we stand shoulder to shoulder with our migrant worker members who have seen an appalling increase in abuse and uncertainty about their own status.
- 17) GMB believes the working class could be united behind an agenda for the 'fair movement of labour' with measures which can be implemented now while we are inside the European Union. Fair movement would end the ability of employers to pit worker against worker, wherever that worker is from:
- a) Ending the overseas-only advertising of jobs in the UK
  - b) Preventing migrant workers from working on inferior pay, terms and conditions including by strengthening sectoral bargaining and compliance with the relevant national agreements
  - c) Create a Migrant Contribution Fund. Migrant workers make a significant contribution to the UK, putting more into the economy than they take out. This fund, administered by Council's would benefit their whole community, showing practically the benefit of migrant workers to all workers. Such a fund would currently be worth £4.7 billion per year.

- d) Introduce workers' rights from day one, increase workplace inspections and give new legal rights for unions to access and organise in all workplaces
- e) Create a legal 'rate for the job' to end undercutting by employers in key industries

### **Looking forward**

- 18) Throughout this Brexit process, GMB has highlighted the importance of ensuring that jobs, rights and public services are not eroded as a consequence of the UK leaving the European Union. We know that millions of working people are crying out for change but whether they voted leave or remain in 2016, working people wanted to see their prospects get better not worse. People were promised £350 million a week more for the NHS after it had been starved of resources from Tory and Lib Dem austerity. They did not want to see public services weakened or their NHS to be 'put on the table' in a future trade deal with the U.S.A.
  
- 19) The Tories continue to show they have no real solutions to the problems they have created. Nigel Farage and the so-called 'Brexit Party' would only make matters worse with its ultra-Thatcherite agenda and rampant attacks on equality. GMB welcomes any prospect of a general election to change the failed negotiating approach of the Tories and elect a Labour Government to end austerity and address many of the root causes of Brexit.
  
- 20) GMB will continue to oppose any deal that will harm members' jobs, rights and public services just as we would fight any damaging proposal from employers in the workplace. We will actively and vocally campaign against leaving the EU with No Deal, and will challenge those who seek to crudely stereotype or dismiss the interests of working class people.
  
- 21) Whatever the outcome of Brexit, GMB will continue to work with sister unions across Europe and the globe to fight for the shared interests of working people.