Prepare for a winter of discontent

Unfortunately it looks like there could be some frosty conditions this winter. Relationships between employers and the unions are expected to chill as the Coalition government's cuts begin to bite.

AND it's not just the public sector that is likely to experience this tension. As we have already seen with the recent BA strikes (among others), the private sector is not immune to the increased threat of industrial action. As the squeeze on public spending filters through to the wider economy the private sector will inevitably be affected.

In such an economic environment, manufacturers can be forgiven for looking at efficiency savings of their own. Below inflation pay deals (or pay freezes), laying off workers, reducing hours, redundancies… you can almost hear union leaders dusting off their placards and readying their members for action.

Manufacturers need to be ready

Short of capitulating to every union demand, there is no sure-fire way to eliminate the risk of industrial action. However, strike action is usually a union's last resort and employees will often support a strike because they feel it's the only way to get their voice heard.

To prevent this, procedures should be put in place to ensure employees are kept informed and genuinely consulted about the measures that the business is taking. Especially so they understand the full reasons behind any proposals. For example, if employees understand that temporary laying-off of workers is required in order to prevent redundancies, they are far more likely to agree to it.

Sometimes, however, unions and employers are simply not going to agree about the measures that are required. If talks break down, a strike ballot may be the next step for a union wanting to assert its negotiating position.

To prepare for this, manufacturers should have a strategy in place that will come into effect when a strike ballot is notified. Unions must give employers at least one week's notice of their intention to hold a ballot and employers should use this time to persuade employees to oppose the strike. Again this will be easier where employees have been informed and consulted throughout the process and employers can re-emphasise the purpose of the measures they are taking.

Employees should be encouraged to vote as a low turn out could increase the chances of a strike. In addition, employees should be reminded that they will not be paid if they take part in strike action.

Due to the complexity of the rules governing industrial action, even if the workforce does vote for a strike, manufacturers should closely examine the procedure that was followed to ensure that it complies with legal requirements. If, for example, the union has failed to notify the employer or has not correctly implemented the balloting procedure then the strike action can be challenged in the courts and an injunction may be obtained.

If the worst happens, and industrial action proceeds, manufacturers should aim to minimise the inevitable disruption to their business. Although every effort would usually be made to keep operations running, employers should note that specific rules apply for the employment of agency workers during a strike and so legal advice should be taken before doing this. To prevent dubious cases of sickness absence, employers may also require employees to provide a medical certificate for any period that they take as sick leave during a strike.

Keep talking

Whilst industrial action is difficult to predict, there is no doubting the fact that a turbulent winter lies ahead. A manufacturer's first line of defence should be to ensure that employees understand why particular measures are being introduced. If industrial action is threatened then efforts should be made to challenge such action and the business should make contingency plans to deal with any strikes that do take place.

If manufacturers are able to weather these winter storms with minimal disruption, they should be able to look forward to a thawing of relations into the spring. END

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