

EYE TO EYE WITH LABOUR · PART TWO

# Blair faces Woodhouse

In the second of our series in which construction leaders quiz Labour Party spokesmen over their policies, Haymills chairman John Woodhouse talks to Labour employment spokesman Tony Blair on self employment, training, union rights and health and safety.



Tony Blair, shadow employment secretary and MP for Sedgefield faces questions from John Woodhouse, chairman of west London-based £94m-a-year Haymills (Contractors).

**JOHN WOODHOUSE:** The Labour Party has tended to say that it prefers self-employed people but that building employers themselves prefer to use so-called lump labour. That is not the case. We would prefer to directly employ labour, but the tax incentives for being self-employed are considerable.

What is Labour's general view on self-employment versus long-term tenure of employment?

**Tony Blair:** In general terms, in relation to self-employment or full time employment we don't have a preference. It is up to people if they want to be self employed or not.

I think people have always understood though that the building industry in particular is in a slightly different position to other industries. But I think that we would approach it not from the point of view of the self-employed versus employed, but to make sure that there are no abuses within the system.

**JW:** But you should do away with the tax advantages.

**TB:** I understand your views on that. I think people have always understood that self-employment in the building industry has a particular range of problems associated with it.

**JW:** Training is still under the Construction Industry Training Board which is a government agency and the way in which the training levy is collected is that these self-employed people should pay a 2% levy.

Now the means of collecting

that is chaotic. What is happening is that the trainers train and also pay, while the others get away scot free. That's wrong. We have a high proportion of apprentices and we have a job to keep them going because of insufficient directly-employed labour experience. We would like to see that change.

**TB:** We supported very strongly the idea that you keep the CITB.

**JW:** The whole industry supports the idea of the CITB. There is no difference on that.

But you could improve its resources by changing the legislation regarding tax on the self-employed. They are legally getting away with national insurance and everything. So I think that self-employment and the means of correcting the training levy are both extremely important. The CITB has strong support from the larger contractors but recently because the turnover threshold has been increased it's having something of a funding crisis. Would Labour put additional expenditure into industrial training boards?

**TB:** We have no specific commitment to do that. Obviously, you look at all these things on their merit but I think that we would be looking for the CITB to be largely self-funding.

I think the important thing is to make sure that everyone who is benefiting from the training is making a contribution. This is why we have said there should be a training contribution from employers nationally - those

who are outside the CITB systems, and who are not contributing anything, but taking the trained staff from others.

**JW:** The next thing is, in your manifesto you seem to be quite strong about DLOs. You are hinting that they should be allowed to compete in the private sector. I think one of the good things that this Government has done in the past 10 years is making DLOs accountable.

For instance, it has said that they must make 5% on capital employed. This is only about 0.5% on turnover. Are you going to do away with the accountability that DLOs have at present?

**TB:** I think that is an area covered by local government and whatever is in the policy reviews is what the party's position is in respect of that. I actually have no control over that employment portfolio.

**JW:** In terms of union powers, over the years the construction unions have been weakened and they have been weakened tremendously because of the move to self-employment. Are you going to maintain the present legislation or are you going to

make it easier for them to disrupt activity?

**TB:** Our purpose has been to create a fair legal framework for unions to operate within. We recognise there is no going back to the 1970s and the unions have accepted that they should operate within the law.

Things like ballots before strikes, making sure that unions operate within proper legal procedures, all that will remain and I don't think that most union members or the public would thank me if I was going to promise to repeal that.

If you look at the great issues facing British industry in the 1990s they are going to be infinitely more about the types of things we were talking about before - proper economic policies, training

and skills. There will also be issues like low pay, equal opportunities for women, and health and safety, which is very important in your industry. These are the issues people should be concerned about.

**JW:** My view on health and safety again boils down to the issue of self-employment. We employ three full-time safety

officers and we are very keen on this, but what happens is the cowboy element takes chances.

**TB:** Self employment is a problem in relation to this is it?

**JW:** What happens is they will use a ladder and scramble up roof tops when they should be using scaffold.

**TB:** What we have said really is that we should have the highest possible standards of health and safety and we have also said that we should ensure that where people are found guilty of serious breaches of health and safety legislation we would support bigger penalties than there are at the present time. I have a feeling that one of our great problems is that of enforcing legislation, what ever it is, on the ground when you've got this myriad of different situations.

**JW:** How would Labour enforce the laws?

**TB:** I think what you have to ensure is that you have a health and safety inspectorate that is able to do the job properly. That is one of the difficulties we have had recently. I think the inspectorate suffers from problems of under-resourcing.

**JW:** How would Labour enforce the laws?

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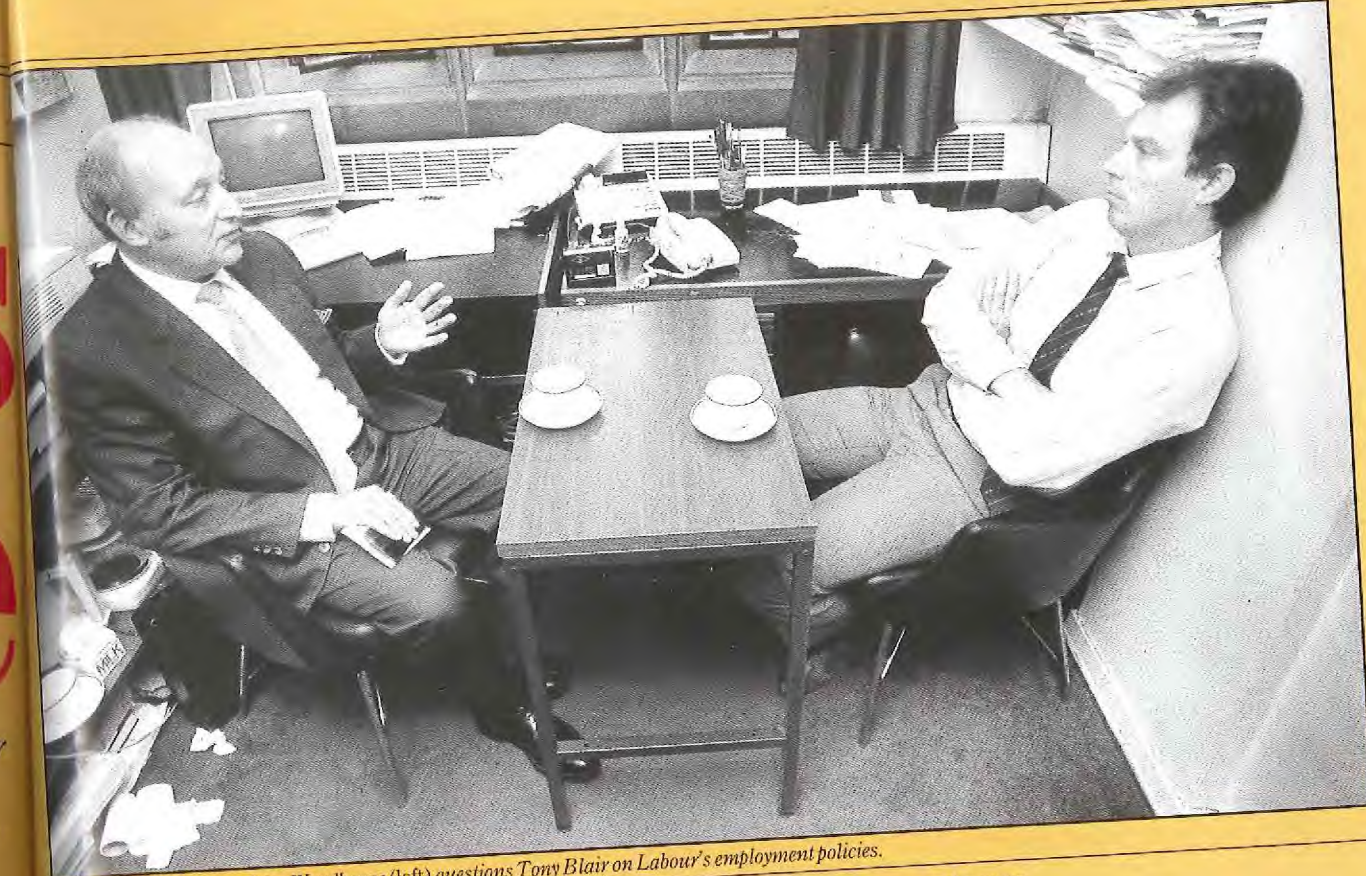
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Working out the future: John Woodhouse (left) questions Tony Blair on Labour's employment policies.

ZAC MACAULAY

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*Next week: Labour trade and industry spokesman Doug Henderson faces John Watts, chief executive of Willshier.*