

Fujitsu Manchester Dispute 2016

Questions & Answers



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If your question isn't in the list below, please email unitetheunion@uk.fujitsu.com

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A. The Issues – Pay, Pensions and Job Security

A1) Pay

There is no 2016 pay deal. Members rejected the company's inadequate offers. If you want a pay rise you will have to fight for it. The profits UK staff made for Fujitsu went up again last year and already in 2016 the company is well ahead of target. Most of us are already paid below market rates according to the company's own Market Reference Salaries (MRS). We've had years of Fujitsu pay rates falling in real terms. We can't afford annual pay cuts, but Fujitsu can afford to pay – the highest paid director got £1,448,000 last year.

Key elements of the claim include:

- 1. A bigger pay pot, not another real terms pay cut*
- 2. A bigger Cost of Living element*
- 3. Accredited Living Wage employer*
- 4. Tackle the gender pay gap and benefit anomalies*
- 5. Higher redundancy pay to improve job security*
- 6. Increase consistency of Out Of Hours payments*
- 7. Shorter working week for those on >37 hours*

A2) Pensions

The trustees of the ICL DB pension made a change which dramatically cut pensions for many over-60s. The change was applied retrospectively, so people lost pension they thought they had already earned. Individuals lost benefits that in a typical case would cost about £90,000 to replace. Over-60s have no realistic way of making up this loss.

Because Fujitsu is responsible for funding the plan now that it has stopped employees contributing, the company benefits from cuts to pensions. Yet Fujitsu refused to even discuss recompense for those affected, breaking our Recognition Agreement.

A3) Job Security

Most staff (generally those who joined from 2000 onwards) are now on very poor redundancy packages. Since Annex 1 was agreed in 2007 Manchester members have been very successful in defending jobs. However, most Manchester staff are now on poor redundancy terms, relying on the "Minimum Redundancy Provisions". This removes the incentive for retraining and redeployment and makes it harder to find volunteers – making compulsory redundancies more likely.

Fujitsu proposes to cut 3300 jobs across EMEA with 1200 new ones created. They propose 1800 of the job cuts in the UK. The company should retrain existing employees who want to continue in Fujitsu. Better redundancy terms would make this far more likely, retain skills and experience and reduce the risk of compulsory redundancies.

Improved redundancy terms were part of our pay claim submitted in May but Fujitsu have yet to offer anything at all on this vital issue.

The company's termination of Fujitsu Voice from January would enable it to rush through redundancies elsewhere in the UK with little or no consultation.

We need better redundancy terms now so that everyone has decent terms, including those who joined since 2000. This is a key element of our pay claim. Waiting for the company to target each area in turn for redundancies would be a disastrous strategy, leaving little time or power to protect jobs.

The company tried to take Unite rep Lynne Hodge's job off her without consultation, in breach of our agreements. Despite progress, she's still not being allowed to do her job. If we let this stand, who will be next?

B. The Basics

B1) Who can lawfully take part in the industrial action?

Anyone employed by Fujitsu Services Limited can legally take part in the action called by UNITE if they are in the Manchester bargaining unit.

The same legal protection for taking part applies regardless of whether or not they are a UNITE member, and whether or not they personally voted for action.

Employees of other companies (e.g. agency staff, subcontractors) or Fujitsu employees contractually based elsewhere do not enjoy the same legal protection.

B2) Can we win?

Yes. People always worry that they may not win, because nobody can guarantee it. But if you never fight you always lose. It's worth looking at what previous action won:

- 1.5 day local strike in September 2003: Holidays increased from 20 to 25. Sick pay from day one. First negotiated pay deal in April 2004.*
- 12 day local strike in 2006-7: union recognition defended and extended. Annex 1 agreement on job security. Pay increases. Facilities for reps & members nationally.*
- 10 day national strike 2009-10: First substantial national agreement. Many jobs saved. Pay rises for lowest paid. New minimum salary. 10% extra pension contribution for ex-ICL DB members. FJUK pension made contractual for all and consultation group set up.*
- 2 day strike in Crewe, 1 day in Manchester in 2011: Dismissal resolved. Out of Hours terms protected. New agreement on reps' time.*

Fujitsu staff don't strike lightly, but when we do it has a real impact and gets real results.

Whenever workers plan industrial action, employers claim that action would have no effect, or be catastrophic (or both!). The truth lies somewhere between. Many of us work to tight SLAs and deadlines or are in teams can barely cope with holidays and sickness, so industrial action is particularly powerful.

Fujitsu makes more profit in the UK than it does in either EMEA or globally, and Manchester staff make a big contribution to that.

Capita is one of Fujitsu's competitors, albeit Fujitsu's financial performance is better. IT staff at Capita recently won an improved offer on pay and benefits after four days of strike action.

B3) I didn't vote for action – can I take part?

Yes. If you are in scope (see B1) your right to participate in lawful industrial action is unaffected by whether you voted in the ballot, which way you voted, whether you were a member at the time or whether you are a member now.

A union's strength comes from democratic participation and solidarity. Whether or not you voted for action, a democratic decision has been taken and we will get a better outcome the more we stick together. If you are thinking of not taking part, please seek out your rep and discuss this – they may be able to allay your concerns.

Of course only members will benefit from the support of the union during the action in terms of Dispute Benefit, Hardship Payments etc., so anyone contemplating taking part would be well advised to join.

B4) Do I have to tell my manager whether I'm taking industrial action?

Not beforehand. UNITE has served notice of action on the company, which is the only notice legally required. Managers may scurry around trying to find out who intends to strike so that they can minimise the impact of the action, so even if someone didn't plan to strike, it would be better not to say so in advance.

Some managers are even asking people whether or not they are union members. Union membership or non-membership is classed as "sensitive personal information" under the Data Protection Act 1998 and managers gathering and processing such information may be breaking it.

Managers are contacting employees in the bargaining unit asking whether they are on strike, or were on strike. After the event you should answer such questions.

B5) Involvement

We have the best chance of a successful outcome if we don't just rely on employees taking part in industrial action, but combine that with other forms of pressure. Our strategy is based on industrial action, external "leverage" pressure (via customers, media and other stakeholders) and helping staff at other sites organise. We also need activities to raise funds and support.

"Leverage" can't substitute for taking action ourselves, but can magnify its impact. Fujitsu's "Responsible Business" agenda is a particular focus for campaigning, as we can highlight the gap between the company's rhetoric and its treatment of staff.

All this relies on involving as many people as possible (both inside and outside Fujitsu) in playing an active part in the campaign, whether that is picketing, fundraising, writing letters, wearing a sticker or whatever.

It's not always practical for everyone to picket, and it may not always be the most effective use of time anyway. Strikers often organise a range of other activities to help the campaign, such as phoning people, letter writing, leaflet writing, leafleting other workplaces, collecting money, holding meetings, administering financial support, touring other workplaces and union branches to raise support or lobbying MPs.

There are ways for everyone to contribute to the success of the campaign.

Only Unite members who are actively involved on strike days have access to financial support above the union's basic £35 per day Dispute Benefit. See section E on money for more details. If you take part in activity on a strike day, make sure that is recorded on a register.

Don't forget there are things you can do which aren't even industrial action at all – such as wearing a Unite t-shirt on Fridays, displaying posters and screensavers, wearing "fair pay" lanyards etc.

The more people who get actively involved the less industrial action it will take to achieve a successful resolution of the dispute.

B6) Decision making

To run a dispute successfully, the members have to be in charge. Frequent members' meetings are crucial to ensure that everyone has a say and knows what's going on and why.

Because the industrial action is local, more decisions can be taken at members' meetings - no action will be called which has not been approved by a members' meeting.

There will typically be informal meetings in a café after picketing on each strike day.

The members are the union, and the members should remain in democratic control of the campaign at all times.

B7) Can I join now?

Yes. Please do! www.ourunion.org.uk/join. Only members can receive financial support from the union during a strike.

B8) Will I be breaking my contract?

In many cases, industrial action does technically mean breaking your contract, but this is purely because UK law provides “immunities” so that workers and their unions cannot be sued for this during industrial action which complies with the legal restrictions, whereas most countries provide an explicit “right to strike”.

Those whole point of going through the tortuous legal balloting process is to give employees protection while technically breaking their contracts. If you are dismissed for taking part in lawful industrial action, the dismissal will be unfair if it takes place fewer than twelve weeks after you started taking part in the action. Depending on the circumstances may be unfair if it takes place later.

B9) My contract says X – can I take action?

The whole point of going through the long and complex process of a ballot is so that employees can benefit from legal protection if they refuse to work as normal, which can technically mean breaking your contract. UNITE will only call action which is lawful.

Of course there are many instances elsewhere of employees taking industrial action which does not benefit from legal protection. Even under those circumstances, as long as people stick together, there are rarely any negative consequences for those involved.

B10) Can I lose my job or be discriminated against?

The law says that dismissal during the first 12 weeks of any lawful, balloted, official industrial action is automatically unfair, provided no unlawful act apart from breaking your contract has occurred. This legal protection is relatively new, previously workers relied totally on supporting each other to stop dismissals and this is still often more effective than the courts. Lots of staff at all levels in Fujitsu have taken part in strikes without any problems. There is also protection in law against discrimination for taking part in legitimate trade union activity.

B11) What about holidays, sickness, days not on shift?

Where the union calls on employees to take strike action, the action is made more effective the more people who strike.

If there are strikes towards the end of a year, some employees will be under pressure to use up their annual leave entitlement before the end of the year, or risk losing it.

Don't rearrange your time to minimise the strike – that defeats the purpose. If you would not be in work anyway then you won't be striking – and won't get any dispute benefit for that strike day. If you want, you can donate to the strike fund to help support your colleagues who are striking.

B12) Exemptions

There can be exceptional circumstances where a person or group taking industrial action could have undesirable consequences. This could range from causing safety problems to putting disproportionate pressure on particular members.

Your reps have put in place a process where staff or managers can apply for exemptions from particular parts of any industrial action. An [exemption application form](#) is available on CafeVIK.

Staff who are granted exemptions from strike action are normally expected to donate pay to the dispute fund to help support colleagues who are striking.

B13) Staff not Taking Action

There will undoubtedly be some staff who don't heed any call for industrial action. It is important to remember that these people are not our enemies. They want employees to be treated fairly. They may be too scared to join in, or they may be misinformed.

Rather than getting into confrontation with colleagues who don't take industrial action, we should patiently explain the issues and their rights to them, try to give them confidence to overcome their fears, and even if they still won't take part in the industrial action, try to find something they do feel able to do in support of the campaign. This might be wearing a sticker or making a donation to the campaign, for example.

The company is likely to try to create divisions between strikers and non-strikers. The real division is between the vast majority of loyal, hardworking employees and a tiny number of fat-cats at the top who aren't treating staff fairly.

B14) What if I want to take some action but not others?

We're best off taking our decisions democratically and all sticking together, but some staff may decide to take part in some action, but not others – for example stopping working extra hours and doing time recording or forecasting, but not taking part in the strikes.

Legally you can do this, but you do lose some of the strength of acting collectively with your colleagues who are respecting the democratic decisions.

B15) I am being asked to do something different to normal to reduce the impact of the action. What do I do?

The action short of strike includes “work to rule, withdrawal of goodwill”, which should generally cover you for refusing to do things you don't normally do, especially if they are intended to undermine the effectiveness of the industrial action.

C. Striking

C1) What does striking involve? What is picketing?

A strike is a group of people temporarily refusing to work to apply pressure in support of a demand or grievance. There's no point striking one day and working extra hard the next to catch up – that would only hurt ourselves – the whole point is to “create a crisis” for decision makers so that they have to act to resolve the situation. Similarly, if you are working towards some crucial project or deadline, taking part in the strike creates real pressure on the company to resolve the dispute. If they initially choose not to do so, that is their responsibility, not yours.

But if workers just stay at home a strike is much less effective than if they play an active part. One of the most common forms of activity is “picketing”, which means standing outside the workplace talking to other workers and trying to persuade them not to cross the picket line. It is common to hold demonstrations, rallies, marches and meetings too. Other common activities include contacting or visiting other workplaces or union branches to raise support, leafleting at customer or other Fujitsu sites etc. The more active the strikers, the more quickly they can win. You can get an idea from [photos from previous strikes](#).

C2) If I strike won't it just mean I have more work to do afterwards?

No. A major purpose of action short of strike is to change overwork from being our problem into the company's problem. The company has withdrawn goodwill from employees, so the action short of strike means working to rule and working to contract as well as a ban on overtime – whether paid or unpaid. We should do what we have to, not what is needed to meet the company's unrealistic targets. There is no point striking one day and working hours of unpaid overtime the next to catch up. Let the job slip until the dispute is settled.

D. Action Short of Strike

D1) What is the action short of strike?

There can be many forms of action short of strike. Some people who aren't prepared to strike might take part in action short of strike. The action called is:

- *From 00:01 on Monday 31st October 2016, a continuous work to rule, withdrawal of goodwill and ban on overtime.*
- *From 00:01 on Tuesday 1st November 2016, a continuous refusal to undertake time recording (e.g. SST) or forecasting (e.g. MyTime)*

D2) What does “work to rule and withdrawal of goodwill” mean?

The “work to rule” and “withdrawal of goodwill” mean slowing things down by doing your job by the book. Use your imagination and talk to colleagues about how you might make this effective in your area. Examples might include:

- *reading company announcements and CafeVIK information fully*
- *following procedures and checks meticulously*
- *logging calls thoroughly, making appropriate use of unavailable states*
- *taking all your breaks*
- *not using your own car on company business (unless you have a company car or allowance in lieu)*
- *Not taking work phone calls outside contracted hours unless paid on standby*
- *Is there anything unproductive in your objectives that you could be getting on with?*
- *Have you updated your Personal Development Plan, CV and Skills Database entry recently?*
- *Show the minimum possible flexibility – stop doing all the extras you normally do but which are so rarely appreciated*
- *Have you remembered to back up your PC regularly? Tidied your desk?*
- *Have you got any IT problems which you've not taken the time to report and resolve?*
- *Have you got any expenses you haven't got round to submitting?*

The work to rule and withdrawal of goodwill is also intended to give staff protection if refusing to do different things to undermine the industrial action.

The action does not affect the Children In Need call centre on Friday 18th November.

D3) Ban on overtime?

It covers both paid and unpaid overtime, but does not cover work when you are called out from paid standby.

The ban on overtime is primarily intended to prevent the company “catching up” with work delayed or disrupted by industrial action. In areas where long hours are common, it will have an impact in its own right.

D4) What about time recording and forecasting?

Most staff hate filling in SST and MyTime, and refusing to do so will have a real impact on the company. This could be a very effective form of action short of strike.

It is important you keep your own record of time, so you could complete time recording after the dispute if that is part of the settlement.

At the last members' meeting members instructed reps to ensure that the settlement of the dispute includes a clause prohibiting victimisation or detriment, as in previous disputes, and to ensure this includes any impact of our industrial action on achievement of objectives or targets.

E. Money

E1) Getting Paid, Financial Support

Employers don't usually pay workers for strike days, but sometimes payment is agreed as part of a settlement.

*UNITE provides a basic Dispute Benefit of £35 a day to members who are on official strike. **Unite has agreed to pay this even to new members, and to increase it to £60 for those who play an active part on strike days.***

Your reps have also organised a fund to provide extra financial support if we take industrial action. During a dispute, it is possible to raise large amounts of money from other trade unionists, the local community, friends and family.

*During previous strikes in Fujitsu, strikers raised tens of thousands of pounds, allowing the union to provide additional financial support, so that **no member who wanted to take part was unable to do so for financial reasons.** We have already started raising funds for the campaign. Can you take our collection sheet round your friends and family, like you would for a sponsored swim? There's also a (frequently updated) "appeal for support" leaflet which explains what it's all about. Both are available here: www.ourunion.org.uk*

Three levels of support will be available:

- 1) **Dispute Benefit (DB)** is £35 per day for full time workers and £17.50 for part-time workers. Unite members who strike should claim this. **Unite has agreed to increase the £35 to £60 for members who play an active part on strike days.***
- 2) **Additional Strike Assistance (ASA)** this is an additional flat rate amount which will be paid to Unite members who strike, actively participate on the day, and claim it. Please claim it if you need it, but bear in mind the fewer claims there are, the higher the amount can be for those who need it.*
- 3) **Hardship Payments (HP)** are intended for members whose financial situation would otherwise prevent them from taking strike action and who actively participate on the strike day. If you are not in this position, please do not apply, so that the money can go to those who really need it, we can maximise participation in the action and secure a successful outcome for all of us. The fewer people who apply, the higher the level of support that can be offered.*

As the money for this is being raised by members, ASA and HP will only be available to members who play an active part in the campaign. This means it will be important to ensure your name is recorded on a register when you take part in picketing or other campaign activities. Reps will ensure that there are activities which everyone can take part in.

A form for you to apply for financial support will be circulated to members – make sure you complete and return it promptly.

E2) What if I work part time?

There is a reduced membership fee for employees who work part-time. If you pay the reduced subscriptions your basic Dispute Benefit will be £17.50 per strike day. You can still request Additional Strike Assistance and/or Hardship Payments.

E3) How does striking affect our pensions?

The details would vary from scheme to scheme.

Typically, members of Defined Contribution schemes such as FJUK would see their pension contributions reduced in line with their pay if taking strike action. This would have a very small impact on the pension.

For the few members contributing to Defined Benefit schemes, the picture is more complicated. In previous industrial action, we believe contributions were paid as normal and there was no impact on pensions, but there potentially could be. If you are in this group, please discuss the situation with your rep.

F. Concerns

F1) Will Fujitsu move work elsewhere or offshore?

Yes. Fujitsu plans to move hundreds of jobs offshore from the UK. A successful resolution to the dispute is our best protection. We are fighting to improve job security – this is best done up front, rather than waiting for the company to pick off sections of the workforce piecemeal over the next two years. Acting now is the best way to protect your job.

Ask yourself – are staff more likely to secure fair treatment throughout Agenda2020 if the strike is successful or unsuccessful?

Past industrial action won agreements that continue to improve our job security. The pay claim includes a demand for better redundancy pay, which encourages the company to retrain and redeploy rather than making redundancies; as well as encouraging volunteers rather than compulsory redundancies. We are also defending Unite rep Lynne Hodge after the company tried to take her job off her without consultation, in breach of our agreements. If we don't back each other up then anyone could be next. We best improve our job security by defending fair treatment now.

Quite a few of the issues we are campaigning over would benefit staff at other sites too. We are already linking up with UNITE's national campaigning. Staff elsewhere in Fujitsu want to win union recognition and collective bargaining, particularly given the termination of Fujitsu Voice. Everyone is worried about the 1800 job cuts. Part of the plan is to send strikers to visit other sites to help them organise. This will help prevent Fujitsu using different sites to undercut each other, which is essential in the medium term.

F2) I can't afford to lose pay

When we strike, the company doesn't pay us (though because of tax, the net loss is often less than you'd think). No member has ever been unable to strike because of financial pressure. See section E above for more details of the financial support available to Unite members.

Defending job security now is an investment for the future. Outside Manchester the company rushes through redundancies in 30 or 45 days and the proposed termination of Fujitsu Voice would make this even worse. We can't afford to wait until redundancies are announced to tackle this issue.

Unless we are prepared to take action when necessary, the company will continue to erode our pay and benefits. Unite estimates that real terms pay rates for the most common roles have declined between 2% and 18% in just the last six years, and that take no account of cuts to other benefits. Can you afford to continue taking such pay cuts? If we strike we may lose a little over some days. If we don't we will lose out every day.

F3) Can Fujitsu afford it? Will it make us uncompetitive?

UK staff made Fujitsu a profit of £120m, or about £12,000 per person, last year. A 5% pay rise for the whole bargaining unit would cost less than £1.5m, and the company has already budgeted for part of this. This year [UK profits to August were already well ahead of target](#). Fujitsu can't credibly plead poverty while giving one director over £1.4m. Fujitsu's own pay comparators show most staff are on roles paid below external market rates. Sometimes Fujitsu is uncompetitive, but that isn't because staff are overpaid. Part of the problem is that Fujitsu treats most staff as a cost rather than an asset. Every year we hear different excuses for why our pay should be pushed down. Wouldn't the company be more successful if staff were treated better?

F4) I'm a professional so shouldn't strike

In recent years everyone from professors, doctors and barristers have taken strike action. Striking isn't unprofessional. Allowing our roles to be downgraded and undervalued is. We can't expect the company to value and respect us if we don't value and respect ourselves and each other.

F5) Will a strike damage relationships?

People often have fears about a dispute damaging relationships with workmates or management. This can happen, particularly if a dispute is long and bitter. But it doesn't have to be like that.

When Fujitsu, UNITE and ACAS got together in early 2008 to review how things were going after the Manchester dispute the previous year, the meeting concluded "Overall relationship is significantly better for all parties than in the past" and "Both parties recognised the successes and achievements of the last year". The deal at the end of the dispute helped establish a much healthier relationship than before.

While it can cause resentment if people who didn't take part in a campaign share the benefits, most people accept that people make mistakes and often learn from them. For example, there are plenty of people involved in UNITE in Manchester now who weren't involved during previous strikes.

F6) Is 5% unachievable?

Fujitsu is in the business of making profit and managers take decisions to best achieve that. We will achieve a pay award if its cost/benefit is more attractive to senior management than the alternative. We've got so used to bad pay reviews that 5% sounds like a lot, but the cost for the entire bargaining unit would be similar to what our employer paid a single director last year. We aren't really asking for more, we are asking the company to begin to make up a little of what we have lost in recent years. Prices have gone up 18% in the last six years and we are all sick of taking real terms pay cuts every year while we're expected to do more and more.

It's not just about 5%. Not only does the campaign include pensions and breaches of agreements, but the pay claim includes many points, some of which (e.g. being an accredited Living Wage employer, improving redundancy pay) have no immediate cost to the company. Staff want a reasonable negotiated agreement. But if the company will only give decent pay rises when we fight, it makes more sense to fight for 5% one year than for an extra 0.1% every year.