

(.)

Search

Menu

Work, Voice, Pay (/work-voice-

My Account

JOIN NOW

Home (/)

News & Events (/news-events/)

News (/news-events/news/)

Union heralds 'historic legal judgment' at Supreme Court on collective bargaining in Kostal case (https://myunite.unitetheunion.org/HTTPS://JOIN.UNITETHEUNION.OI



Union heralds 'historic legal judgment' at Supreme Court on collective bargaining in Kostal case

Wednesday 27 October 2021
Share

Unite General Secretary, Sharon Graham, says the legal victory means no employer can ever offer their employees inducements to undermine union collective bargaining.

The Unite leader says union members have been resolute in their six-year battle to defend union rights: Their victory will affect union members everywhere across the UK.

On 27 October 2021, the Supreme Court found in favour of a group of Unite members whose employer, Kostal Ltd – a car components manufacturer from Rotherham – had sought to undermine their union negotiations by offering unlawful inducements to undermine a union ballot rejecting a pay offer. The original dispute involved around 60 union members at Kostal.

[Browse Aloud](#)

Unite general secretary Sharon Graham said: *"With the support of their union the workers stood firm. Now they have won an historic case that creates a legal precedent for every union member across the UK. It means that employers cannot subvert or by-pass union collective bargaining processes by offering their workforces inducements of one type or another to abandon union mandates. That is momentous."*

In February 2015, Kostal and Unite signed a union recognition agreement. In October 2015 the next round of wage negotiations commenced and resulted in a formal union ballot of members, in which 80 per cent voted against the offer (see Table 1 below).

The company then wrote directly to union members and urged them to accept their offer individually or lose a Christmas bonus worth £270. The workers also had to accept changes to their employment conditions. In January 2016, the offer was repeated but then coupled with the threat of dismissal if workers did not accept it.

Over the next two years, the union won two employment tribunals which ruled that both Kostal offers amounted to 'unlawful inducements', contrary to section 145(b) of the Trade Union and Labour Relations (Consolidation) Act 1992. Unite members were awarded over £420,000 in compensation.

In June 2019, however, these findings were overturned at the Court of Appeal. Today's judgement finally overturns the Court of Appeal judgement and finds in favour of the union's case that Kostal had breached the 1992 Trade Union Act by offering unlawful inducements.

Sharon Graham said: *"This judgment is a game changer. It means that employers cannot ignore legally established collective bargaining rights just because they suddenly choose to ignore them or subvert them. Every worker should realise now that it's in their interest to be a union member."*

The judgment handed down today means that the workers involved will each receive a compensation payment of around £8,000.

Unite national officer Simon Coop, who was involved in the original dispute and the years of legal action, said: *"Justice has been done at last. It is actually a vindication of Unite's reps system, which ensured all the union members stuck together through thick and thin."*

ENDS

Browse Aloud

Notes to editors

Interviews with the Kostal workers who won the legal case are available on request.

For media enquires ONLY contact Unite communications officer Ryan Fletcher on 07849 090215.

Email: ryan.fletcher@unitetheunion.org (<mailto:ryan.fletcher@unitetheunion.org>).

Table 1 Timeline of Unite / Kostal dispute

Unite Kostal Ltd Dispute Timeline		
Time	Details	Notes
February 2015	Unite and Kostal sign union recognition agreement	
October 2015	First wages collective bargaining begins	
October / November 2015	Union members reject Kostal pay deal. Rejected by 80% of members	
December / January 2016	Kostal offer inducements to individual union members to accept a deal	If the deal is not accepted £270 Christmas bonus will be withdrawn and other terms and conditions revoked; In January 2016 this includes threats of sackings;

2016 - 2019	<p>Unite wins two employment tribunals on company offering 'unlawful inducements' to staff to break the ballot result</p> <p>Court of Appeal in June 2019 overturns these findings;</p> <p>The Supreme Court hands down judgement in favour of Unite's case.which overturns the previous Court of Appeal finding.</p>	
27 October 2021		

Twitter: @unitetheunion Facebook: unitetheunion1 Instagram: unitetheunion Web: unitetheunion.org

Unite is the leading union in the UK and Ireland, dedicated to defending and improving members' jobs, pay and conditions. The general secretary is Sharon Graham.

Get involved