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COVER

KCA DEUTAG's T-47 rig operates from an artificial island in the Caspian Sea. A series of reports on European drilling activity, including the North Sea, as well as a review of IADC's European training and HSE initiatives, begins on page 12. Articles reviewing the industry's latest innovative drilling methods and completion technologies, including meeting deep gas challenges, are also included in several features beginning on page 24.

UK upbeat on Working Time Directive, despite EU Parliament's no vote on 'opt out' provision

Brian T Petty, Senior Vice President-Government Affairs

Brussels – In its first reading of legislation revising the EU Working Time Directive (WTD), the newly organized European Parliament as expected voted to accept the recommendation of Socialist MEPs to eliminate the “opt out” provision utilized widely in the UK to increase working times beyond 48 hours weekly. Parliament also supported greatly expanding the definition of “on call” time as “working time” to comply with inconsistent decisions in the European Court of Justice.

However, the European Commission takes a very different view of the “on call” issue, and is pressing for a much more limited calculation, essentially considering an employee on call when arrived at the staging area of his employment, not just sitting at home waiting for his employer's call. EU employer groups led by UNICE are taking a very aggressive stance against the Parliamentary action. Parliament must come to terms with the Commission before any legislation can be enacted.

As for the opt out, the UK is confident it can form a blocking minority to preserve it. Now comes the hard work among EU Member State senior trade and commerce officials to thrash out legislation leading to a second reading in Parliament late this Fall. UK DTI are expected to take a lead position in those talks, generally supporting the employers' arguments that eliminating the opt out and expanding the definition of “on call” time would be job killers.

The UK holds the EU Presidency for the second half of 2005. IADC has been working in London with DTI and in Brussels with OGP to make the case that such changes would severely constrict offshore operations, as would any changes in the annual reference period or settled understandings of what constitutes compensatory rest, also areas of remaining disagreement between the Parliament and Commission.

Insofar as the Parliament's legislation, if left unamended, would apply to offshore E&P activities, the UK WTD Joint Offshore Working Group comprised of the trade associations involved in UKCS exploitation (COTA, IADC, IMCA, OCA, UKOOA and WSCA) made its objections known to UK DTI as follows:

“It is worth stating first that we are more and more concerned that the WTD is becoming a detailed and prescriptive piece of legislation. It is supposed to lay down minimum health and safety requirements for the organisation of working time (Article 1), not determine the working arrangements between employers and employed.

“There are many words being used in various EU pronouncements to support the Lisbon agenda, the competitiveness of the EU and so on and yet this piece of legislation seems to be heading in the opposite direction. Unemployment in France, Germany and Italy, the big three economies of the original EEC, is a serious and seemingly intractable issue; flexibility—or the lack of it—is a major contributor to this persistent state of affairs, according to almost every economic analysis of the EU which has been undertaken in recent years.

“It is against this backdrop of economic competitiveness and with a strong desire to ensure that the UK does not start to slide towards 10% unemployment and that this industry is not burdened with unnecessary costs and regulation that we offer these thoughts and comments.”