

Blair tells workers that Labour is unable to stop UK job losses

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The government cannot 'do much about the twists and turns of world markets in an increasingly globalised economy,' British Prime Minister Tony Blair told 600 workers shortly to be made redundant from the Fujitsu semiconductor plant in Northeast England. Blair had promised to visit the plant, which is in his parliamentary constituency, when the Japanese-owned corporation announced the closure two weeks ago.

Cautioning that further job losses could be expected, he said that the government 'can't change the state of the world's semiconductor market.' The price of semiconductors has fallen drastically in the last months as a consequence of the collapse of the Southeast Asian economies. Instead he said Labour would do 'something to help people who I know will be determined to help themselves.'

All this help consists of, however, is a pledge to set up job centres in factories facing large-scale redundancies and offer workers 'personal advisers' to help them claim benefits and set up their own businesses.

The Labour government is insisting that the wave of job losses announced in Britain over the last weeks is simply a 'correction' in the economy. But Blair increasingly resembles the fabled little boy attempting to plug the dam with his finger. Just hours after his Fujitsu visit the British defence contractor Vickers announced it was to restructure its operations, leading to the loss of 650 jobs at its Newcastle and Leeds factories and a further 40 jobs in Wolverhampton.

In August the German-owned Siemens corporation announced the closure of its semiconductor plant in Tyneside, with the loss of 1,100 jobs. Trade and Industry Minister Peter Mandelson is involved in desperate discussions with the Dutch electronics group Phillips to try and prevent them closing two television

tube factories, also in the Northeast, which employ 1,500 people. Labour has reportedly offered Phillips multimillion pound grants as an incentive to stay.

On his way to the Nissan plant in Sunderland, Blair was confronted by angry workers from the US crane maker, Grove Cranes, which has just announced the closure of its Northeast operation with the loss of 670 jobs. The workers shouted. 'What about us, Tony? Why don't you come and see us?' as Blair opened another US firm's offices in the area.

The job losses are not confined to the Northeast. The steel giant Avesta has announced 1,000 job losses in Sheffield, 1,500 are to go at the furniture retailers MFI in Swansea, and Viasystems in Scotland, which prints circuit boards, has announced 1,000 layoffs as part of its restructuring programme.

After the meeting at Fujitsu, workers complained that government 'concern' would not help their families. One complained that the visit 'is six months late. It's not going to help us now.' Steve Fozzard, a representative of Fujitsu's employee committee forum, said of the plants closure, 'This is devastation. This plant and companies like it in the Northeast were brought here as the salvation for the area. People who came here seven years ago never dreamt this would happen. This was the sunrise industry. This were jobs for life.'

Blair also pledged that an extra £100 million would be made available for the forthcoming Northeast Development Agency--money already earmarked for the region. Such development agencies are aimed at attracting transnational corporations to regions by promoting skills and relatively low wages as well as government inducements, such as rate free periods and grants. Such grants were made available to Fujitsu and Siemens and have now been lost with their closure.

Workers are increasingly sceptical that a new

development agency can provide any real solution to the problems raised by the round of job losses. The Labour government and its Tory predecessor had claimed worker-management collaboration, job and wage flexibility and increased production would make the UK an attractive location for business and ensure a bright future for British workers. In just a few months this has come to grief. One Fujitsu employee complained that such factories 'seem to come and go so quickly.'

Thousands of workers now face a future of uncertainty, attempting to raise families on unemployment benefit paid at subsistence levels. Under Labour's 'welfare to work' policies, even this is dependent upon workers agreeing to take whatever low-paid work comes along.

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