

Britain: National strike by municipal workers against low pay

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The 24-hour national strike by over 750,000 local authority employees on July 17 is indicative of the growing impoverishment of working people, as a direct consequence of the policies of the Blair Labour government.

The national pay strike—the first such action in the sector for 23 years—covered all grades of local authority employees, from school dinner ladies, classroom assistants and refuse collectors to office workers and architects. Across England, Wales and Northern Ireland many libraries, schools and council buildings were forced to close, whilst refuse was left uncollected, as workers took to the streets to denounce a three percent pay award and demand double the amount.

Public sector workers, 75 percent of which are women, are amongst the lowest paid in the country. According to the GMB trade union, local government workers now earn less in relative terms than in 1979. “Full-time earnings for men in local government are 83.2 percent of the national average as compared with 86.9 percent in 1979. For women the figures are 90.2 percent now as compared with 98.1 percent in 1979.”

One-quarter of full-time employees earn below £250 a week and two-thirds of council staff below £13,500 annually. Women’s pay is even worse, with some 30.8 percent of full-time women workers earning less than £250 a week, and 36.5 percent of part-time women earning less than £5.00 an hour. Some 10 percent of all local government employees are on temporary contracts, the highest level in the economy. Many council employees are forced to rely on state benefits to the low paid in order to survive, such as the Working Families Tax Credit.

The result of this assault on public sector pay has been predictable. A massive 81 percent of all authorities have reported problems in filling social workers posts, and similar problems are reported in other occupations. The

difficulties are particularly severe in London and the southeast, where the high cost of living is pricing many workers out of the area. The government’s response? To increase the number of unskilled or poorly trained workers employed in these areas and to double workloads.

Ironically, the national strike took place just one day after Chancellor Gordon Brown announced an extra £62 billion in public spending over three years. For the most part, however, the additional money is simply to compensate for years of underfunding. Britain’s public sector investment has fallen behind Europe since the beginning of the 1970s, leading not only to declining wage levels, but old and inadequate infrastructure. In areas such as education and transport, spending as a share of national income was lower in 2001 than in 1997. Yet whilst the government claimed that the finance would enable the delivery of “world class public services” it has insisted that none of it should go to make up wage shortfalls. Moreover, the proposal to devolve funding in the same package, by paying money directly to schools for example, is aimed at breaking up national pay rates in the public sector.

Low pay is now rife in Britain, and not only in the public sector. The main unions involved in the local authority dispute—the GMB, TGWU and UNISON—have sought to obscure this reality by portraying the problem as that of an unfair wage gap between a well-paid private sector and low paid local authority workers, which the government must act to remedy. Jack Dromey, TGWU national organiser, said, “Poorly paid and badly treated public servants have had enough. Our members want fair pay, decent treatment and, quite simply, respect.” John Edmonds, GMB general secretary, claimed union leaders, “cannot understand why the government is so set on fighting some of the lowest paid workers in Europe and quibbling over a few pence.”

The reasoning behind government policy is patently

obvious. Low pay is not some short-sighted aberration, confined to a minority of workers in what is otherwise a sea of plenty. It is the outcome of a deliberate policy pursued by both Conservative and now Labour governments over the past two decades—to make Britain a cheap labour platform for the transnationals and to slash taxes for the rich by driving down workers wages and conditions.

Britain is now the lowest paid country in Western Europe, with employees working the longest hours, for the least return. Local council employees have been particularly severely effected, subjected to pay freezes or miniscule pay increases, as part of the government's efforts to hold down public spending. And it is also true that wage differentials between the public and private sector pay have increased. But wage differentiation between public and private sector employees pales in comparison between the difference in pay between ordinary workers and top managerial grades in both the private and the public sector.

In local government for example, a new system for setting councillor's allowances has led to a massive increase in councillors' pay, by more than 60 percent in the last five months alone. Birmingham council leader Sir Albert Bore saw his wage rise by 148 percent to £62,594, whilst at Sheffield city council executive directors' pay rose from £84,000 to £95,000—placing them in the top 10 percent of earners nationally. These same local authority spokesmen were quick to denounce the striking council workers as greedy, selfish and an “unrepresentative minority”.

Amongst large swathes of the private sector, particularly the burgeoning service industry, wage rates are even lower than in the public sector. Indeed local authorities have used this in order to drive down council wages—threatening to farm out services to subcontractors, where wage rates are even lower unless workers agree to a pay cut or freeze.

To highlight the general problem of low pay would mean politically taking on the government and its pro-business policies, and this the union leaders are not prepared to do. The driving down of workers wages could never have been achieved without the support of the trade union bureaucrats who have abetted government policy every step of the way. One union leader after another has preached that workers' responsibility must be to ensure the competitiveness of the British economy, as they signed away working conditions and pay rates and ensured a situation in which strike levels have fallen to a

record low.

What has forced the unions to call industrial action is the swelling anger of the workforce due to the hardships they suffer because of low pay. The council workers' action was only one of series of disputes, as workers on the London Underground subway network and teachers in the capital staged separate 24-hour strike action.

It is the scope of industrial action taking place, rather than the immediate threat posed by the council workers' one day strike that prompted the media to draw comparisons with the 1979 Winter of Discontent, when the Labour government was brought down by a militant movement of the working class.

Such claims indicate the degree of nervousness infecting sections of the ruling class. Writing in the *Times* on the prime minister's appearance before a parliamentary committee, Simon Jenkins noted, “Mr Blair is phenomenally lucky that he has never been truly tested. He has had no Falklands War, no miners' strike, no Black Wednesday.”

There is a feeling that this is coming to an end, and no one is certain just how Blair will manage. After all, as Jenkins continued, when the prime minister has faced “mild trouble, as over fuel supplies, foot-and-mouth or street crime, he has panicked and dived into the Cobra bunker with a gas mask.”

The union leaders have gone out of their way to make clear they have no intention of mounting a political challenge to the government and that their objective is to avoid any such test for the government, by pointing out where its weaknesses lie and helping to remedy them. If only the government were prepared to make some token gesture on wages, this would make their lot much easier.

The problem for the unions however, is that Blair seems incapable of responding to their overtures. Having staked his New Labour project on the claim that the class struggle was over, the government has no intention of upsetting its big business backers by making any concessions to the working class. After all, if it were to acknowledge the problem of low pay, the government's entire economic strategy would be in jeopardy.



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