Britain: public service unions save Blair the embarrassment of a pre-election strike

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8 April 2005

The decision to call off a 24-hour strike by more than 1 million local government employees represents an effort by the trade unions to save the Labour government the political embarrassment of a pre-election strike, at the direct expense of tens of thousands of workers' pension rights.

Last month, some 1.5 million civil service workers in government departments across the UK voted overwhelmingly for industrial action on March 23 against changes to their pension provision. The strike was set to trigger a series of ballots leading to possible industrial action by workers in other sectors just weeks before a May 5 general election.

The trade unions involved—Unison, the Transport and General Workers Union (T&G), Amicus and Ucatt—reported majorities of between 73 and 87 percent in favour of strike action. Senior civil servants were also expected to join the dispute, with the usually conservative First Division Association (FDA) voting by 68 percent to strike.

As well as protesting against government plans to raise the retirement age from 60 to 65, from 2006 for new civil servants and from April 2013 for existing workers, the action was also directed against plans to replace the existing final-salary pension scheme with one based on average career earnings—an effective cut in monies paid out.

Whilst the government proposals met enormous hostility from within the public service, however, the trade union bureaucracies immediately moved to forestall any action that might challenge Prime Minister Tony Blair's bid for a third term in office.

Dave Prentis, Unison's general secretary, had previously written to Labour MPs in January warning them of the potential implications of the government's plans.

"The government needs the goodwill of public service workers," he cautioned. "The proposed changes to the public sector scheme retirement ages are already causing widespread anger and resentment amongst the public service workforce. This would be especially harmful for Labour in the run-up to the probable general election."

In the event, the strike was called off at the eleventh hour after Deputy Prime Minister John Prescott issued a statement promising to meet with the unions to discuss the pension proposals, "with nothing ruled in or out." Whilst conceding nothing to workers' opposition to the threatened attacks, his mealy-mouthed declaration was enough to satisfy the trade union leadership's central concern—namely, that in future they will be properly consulted before any cuts are imposed.

The government's pension proposals have sparked a wave of anger across many industries. The current strike looked set to domino, particularly within the public service.

The relatively decent pension packages won by public sector workers have traditionally been viewed as compensation for their otherwise lower pay rates compared with their private sector counterparts.

College lecturers were to decide on April 5 whether to hold a stoppage. The lecturers' union Natfhe planned to ballot its members for industrial action against plans that could see their pensions 12 to 23 percent lower than current benefits if they retire at 60.

Members of Britain's largest teaching union, the National Union of Teachers (NUT), were also set to be balloted on a one-day strike in April over the government's plans to raise the retirement age for local government workers, teachers and health workers from 60 to 65.

Other public sector workers, such as firefighters and National Health Service (NHS) staff, face similar proposals. Only those in the armed forces have been assured that their pensions will not be cut.

Although union leaders are touting the averted strike as proof of the success of their strategy of placing pressure on the government, many workers have correctly interpreted the latest events as a cynical ploy to postpone any attacks on pensions until after the general election.

The present attack on workers' pensions chimes with Blair's wider agenda of privatising public services. And here the prime minister has many willing accomplices. Not only is Blair the wealthiest head of state for a generation, but he is surrounded by a party and parliament in a similar state of financial aloofness. Most ministers have awarded themselves generous salary increases and pension arrangements over the past few years. While a nurse has to work 40 years to achieve a pension worth half his or her wage, high-earning politicians will have secured half of their generous salary in just 20 years.

Pension provision has become a major political issue in virtually every country with vestiges of a social welfare state. A recent survey conducted across 14 countries in Europe, North America and Asia found that significant reforms have already taken place, or are expected, in almost every nation surveyed.

Politicians and the media in every country now repeat the mantra that "the present level of pension provision is unsustainable," due to people living longer, which must be compensated for by extending the age at which people retire and/or cutting back on existing pension arrangements. At the same time, they attempt to pit one generation against another by dishonestly implying that any attempt to continue existing arrangements, much less improve them, constitutes an unfair burden on younger workers.

In reality, pensions, like all welfare provisions, are drawn from a deduction of company profits, and any increase in the retirement age or reduction in pensions represents an attempt by the corporate bosses to increase or protect their profits or rate of return.

Following the Second World War, when profit rates were generally rising, there was a parliamentary consensus to increase welfare provision—including a reduction in the retirement age and improved pensions. But as the proportion of capital employed in modern industries has increased, there has been a tendency for the rate of profit measured against investment to fall.

Companies have tried to counter this over the past two decades by attacking wages and conditions, firing workers, driving up productivity and eliminating their rivals. Successive governments have shifted the tax burden from these companies to the poorest parts of the population—which have traditionally included a large proportion of pensioners.

In addition, the corporate elite have sought to place the full burden of social provision onto individual workers themselves. Pensions and other forms of social insurance are sold to workers for profit—thus undermining the concept that old-age provision is a social right rather than an individual responsibility.

The behaviour of the unions in the present pensions dispute underlines their worthlessness as organs of workers' struggle. Despite all the rhetoric employed around the call for industrial action, the union bureaucracy never had any intention of embarrassing the government with a strike before the election.

Workers cannot entrust the fate of their livelihoods or pensions to these moribund organisations. The system of capitalist exploitation will not permit the sustained right to a secure and sufficient pension. The abolition of the present economic system based on the exploitation of the vast majority by a tiny parasitic elite and the socialist reorganisation of society based on human need, not private profit, is the only way to guarantee every worker the right to a decent standard of living in retirement age.