

British Airways disrupted by unofficial strike

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More than 1,000 ground and check-in staff employed by British Airways (BA) at Heathrow airport in London took unofficial strike last Thursday and Friday. They walked out in support of more than 600 catering workers who were fired en masse the previous day.

Over the next 24 hours the industrial action quickly brought the airline to a standstill as BA grounded all flights, leaving up to 73,000 passengers stranded at one of the busiest airports in the world. A further 40,000 BA passengers were stuck at other international airports. The strike coincided with the peak August holiday period, which is the busiest time of the year for airlines.

BA staff began to return to work on Friday evening, after being instructed to do so by their union, the Transport and General Workers Union (TGWU). As late as Sunday there were still only about 80 percent of flights operating, with thousands of passengers waiting in the airport lounges. Despite industrial disputes having affected BA in the last three summer holiday periods, no contingency plans were made. Heathrow passengers had to rebook their flights, and those stranded were not given priority but had to wait until seats became available. Altogether some 300,000 passengers were affected.

Other airlines have also been severely disrupted by the industrial action. Qantas, Sri Lankan Airlines, Finnair, GB Airways and British Mediterranean are also serviced by BA ground staff and were also forced to halt flights or divert them to other airports, as far away as Frankfurt, Germany in the case of Qantas.

Media coverage has focused on the appalling conditions faced by holidaymakers forced to camp out for several days in some cases. Right-wing newspapers have had a field day blaming industrial "militants" in British Airways for the travelers' plight. Eric Born, managing director of Gate Gourmet, the catering company that sacked its workers, raised the spectre of "1970s work practices"—referring back to the period before the present record low levels of industrial disputes in the UK.

The *Daily Telegraph* editorialised: "Rather than inconvenience the high-spending businessmen in first

class, the activists who speak for British Airways' highly unionised staff would prefer to wait until the school holidays begin, so that the lives of children and parents, who have scrimped together enough for a holiday in the sun, can be made miserable."

Rupert Murdoch's *Sun* tabloid included an editorial calling for airport workers to be deemed essential service workers so that striking is illegal. Government ministers are on holiday but Barry Sheerman, a senior Labour MP, told the BBC that a "malign influence" was at work in Heathrow (referring to the workforce not the management). "There is no doubt about it. We have a leadership out of control at Heathrow, the T&G particularly has no backbone. It is spineless union leadership," he said.

In fact, all the evidence points to Gate Gourmet provoking a dispute, even though it was at the height of the holiday season. More serious commentators have recognised this. An *Independent* article even alleged that if Gate Gourmet "were as good at running a catering company as it is at union-busting, degrading workers and getting away with poverty wages, then everybody's holidays would be proceeding calmly."

Based in Switzerland, Gate Gourmet is the largest in-flight catering firm in the UK and the second largest in the world. It is owned by US venture capital firm Texas Pacific Group and serves some 20 airlines including British Airways, United Airlines and American Airlines.

On August 10, 120 new temporary staff hired by Gate Gourmet turned up for work at the Heathrow site for the morning shift along with the regular workforce. After witnessing this, permanent members of staff, knowing that there were company plans for redundancies, assembled in the canteen to discuss the situation.

According to press reports, at around midday employees gathered in the canteen were given a barely audible ultimatum that unless they returned to work in three minutes they would be sacked. The workers refused and were dismissed.

At approximately 2 p.m., 150 afternoon shift workers

became aware of the sackings and refused to work. According to eyewitnesses, a manager addressed them with a megaphone in the car park and fired them. The dismissals were later confirmed in a written note. Because the workers were sacked for allegedly refusing to work, the company is not required to pay statutory redundancy claims.

The decision by the company to fire hundreds of its staff is part of a long-planned strategy. Gate Gourmet has been in the throes of a financial crisis over the past five years and has not posted a profit since 2000. In March this year the company lost a key contract with Virgin Atlantic.

The TGWU has claimed that the dismissals were prepared well in advance of the event. Their statement points out: "Private security guards were put on the gates. Extra workers were bussed in to replace those sacked. Dismissal letters were sent to all staff whether they are on leave or sick. The company had drivers in place six months ago to cover for this event. They also informed companies they trade with the day before that there would be a dispute."

Extra staff used on the morning shift to replace the sacked workers were employed by Versa Logistics. Gate Gourmet managing director Eric Born established Versa Logistics eight months ago in order to replace Gate Gourmet workers.

An article in the *Daily Mirror* on August 13 quoted Born's spokesman: "Versa was set up early this year due to the imminent threat of strike action. It was important we had a contingency plan if something went wrong, and sensible to have a company in place that can bring in staff when necessary. Eastern European people are happy to work for less money. They are fully trained and fully capable. All temporary workers are paid less than permanent staff."

While the TGWU is now keen to publicly blame the company for the dispute, the union's role has been to suppress opposition and to negotiate with Gate Gourmet's management throughout. After telling the BA workers to return to work, the union issued a statement declaring, "[W]e do not condone the unofficial action". Yet, without the BA workers' sympathy action, Gate Gourmet would have found it much easier to continue with their sackings and bring in the temporary replacements.

Over the past few months, the TGWU has been negotiating a "rescue package" with the company. Managing director Born said that the company and the union had met on more than 30 occasions during the course of the negotiations and that he viewed the TGWU

"as an important business partner."

Negotiations came to a head in June because although the TGWU was apparently ready to accept redundancies it opposed the company paying managers higher salaries.

A TGWU statement declared that, "any restructuring proposals needed to be across the board and include management grades if the plans were to have credibility" and added, "The company then re-graded 147 shop-floor workers as managers only to make them redundant. The original management team put themselves on higher starting salaries than before and made it clear they would not be part of the restructuring."

When the "rescue package" was presented to the workforce by the union, it was rejected by a majority of nine to one.

On August 1, the company agreed to enter into talks on the dispute with the TGWU and ACAS, the UK's industrial dispute arbitrator. These talks are now continuing. Gate Gourmet refused August 12 to accept a proposal from the TGWU in which staff would be reinstated in return for "changing working practices". The company stated that it would not reinstate the workers and that it had "other alternatives".

Gate Gourmet managing director Born said that the UK arm of the Global Gate business had made non-labour related cost reductions and renegotiated contracts. But the company needed to implement a £14 million cut in direct labour costs, in order for it break-even in the next 18 months, "to resolve the financial crisis and secure the future of the company".

The company cited overtime payments as one of the "outdated and inefficient practices" it wished to remove. "Outdated overtime rules allow staff to work their normal 8-hour shift but be paid for 12.5, paid for hours they do not do. Such working practices have no standing in today's highly competitive industry."

In reality, most employees at Gate Gourmet are on very low pay. More than 95 per cent of the sacked staff at Heathrow earn between £12,000 and £16,000 (\$US21,776 to \$US29,035) a year. Most of them are of Asian origin and just over half are women. Drivers employed at the company are also paid less than £16,000 a year.



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