

Britain: Government faces rising anger over jobs cut in National Health Service

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Heckling and slow hand-clapping by 2,000 delegates at the annual conference of the Royal College of Nursing on April 26 forced Health Secretary Patricia Hewitt to abandon her speech after 17 minutes.

The RCN is viewed as the more moderate of the nursing unions, but thousands of job losses already announced in hospitals across the country and the threat of many thousands more have outraged nurses and other hospital staff. Hewitt left the hall to boos and chants of “keep nurses working.” Nurses are also opposed to the 2.5 percent pay rise they have been granted and a threat to their pensions.

The RCN is even considering a work-to-rule by withdrawing from the equivalent of one day of unpaid overtime a week they presently do, despite a constitutional commitment never to strike.

Just days before Hewitt had also been heckled at a meeting of the public sector union Unison’s health workers’ conference in Gateshead, where her claim that the last 12 months had been the “best year ever” for the NHS provoked outrage. Unison is also considering industrial action.

Since February, the government’s own figures reveal that more than 7,000 losses have been announced at NHS health trusts throughout the UK, with figures well in excess of 5,000 at various trusts. But the RCN has challenged the official figures, saying that the real number of job cuts are more than double that reported. It cited a survey of hospital-based senior nurses which revealed that almost half had seen redundancies or a reduction in nursing posts where they work. The survey estimated that 13,000 job losses have been announced by hospitals and health trusts over the past six months and that at least one third of the lost jobs are expected to be those of nurses.

The job losses are being implemented at the same time as a raft of bed closures and other service reductions. Such are the conditions in many hospitals now that eight out of ten of those surveyed said that they are working unpaid overtime several times a week, with 30 percent saying they did this every shift. Four out of ten would leave their current job if they could. Almost 60 percent of hospitals said that they did

not have enough staff to give their patients the standards of care that they thought they required.

Trusts are being instructed to balance budgets by cutting critical NHS services and to enable the government to claim that it is hitting its NHS targets.

The RCN survey revealed that the most vulnerable people in society, including children with cancer and leukaemia, the elderly and those with mental health problems, were the hardest hit by the cuts. The RCN has also claimed that hospitals are being encouraged to delay the news of job losses until after the local elections on May 4.

Provoking and then highlighting a funding crisis in the NHS is a deliberate campaign of sabotage by the government. Its aim is to create the best conditions for implementing Prime Minister Tony Blair’s aim of dramatically reducing hospital care provision, forcing millions into low-cost “care in the community” schemes and opening the door yet wider for private sector provision.

In order to justify the need for job cuts beginning with cash-strapped trusts, legislation was passed instructing each hospital in England to carry any overspending on its own books. They were then instructed to eliminate this overspend and pay back their entire accumulated debt from the current year within a year. This has led to the current scramble by health trusts to slash budgets by cutting back on staff and vital life or death services.

It is thought the NHS posted a deficit of at least £600 million at the end of March. But this represents less than 1 percent of the NHS’s £80 billion budget. To put this in perspective, figures released this week show that the number of hospital managers has doubled in 10 years: from 20,842 in 1995 to 39,391 last year, which has raised management costs to over 3 percent of the NHS budget. However, managers are being recruited with a mandate to sack full-time staff and implement cuts and closures, which means that the government considers this a legitimate expense.

An anonymous senior official interviewed by the *Guardian* said of the government’s strategy: “It will get worse before it gets better, particularly when we enter phase

three.

“Phase one was to expose the scale of the deficits, which had previously been hidden. Phase two was to accept job cuts as a necessary evil to make hospitals more efficient. Phase three will inevitably involve hospital closures.”

The overriding aim of the government is to not only slash costs, but to open up the NHS to private investment. The numbers who can afford private medical provision are relatively small. So channelling taxpayers’ money to the private sector by the NHS purchasing services, or borrowing capital at exorbitant rates, is the best way to line the pockets of the government’s major corporate backers.

Professor Allyson Pollock, a professor of public health policy at the University of Edinburgh and the author of *NHS Plc*, has stated that money was “leaking out of the whole of the NHS into very expensive for-profit contracts in the private sector.”

Pollock wrote: “Across the country we are seeing the closure of services for the mentally ill, the chronically sick, those in need of palliative care services and rehabilitation; patients are now going without care and suffering on a scale that has not been seen since before the inception and creation of the NHS in 1948—all for the sake of the alleged gains to be had from ‘market efficiency’.”

Calling for the abolition of the market in UK health provision, she explained that “US studies show that transaction costs of operating a market in health care provision are in the order of 20-30 percent of annual income.”

The costs of operating the NHS as a market, she continued, are “estimated at not less than 15 percent, or some £12 billion a year ... on invoicing, accounting for and auditing the accounts of millions of individual patient treatments, on making and monitoring thousands of contracts, on management consultants and financial ‘rescue’ teams from the private sector at £2,000+ per consultant per day, on marketing and advertising and on lawyers and communications, and so on and so on, as hundreds of competing NHS trusts each try to survive in the new marketplace.”

It is precisely the development of a market ethos and the entry of corporations into the NHS that have resulted in the current crisis. Today big businesses such as KPMG, Capita, Netcare, Dr Foster and UnitedHealth, compete for NHS funds and contracts solely on the basis of their being an attractive investment offering a profitable rate of return.

In an article published in the *Guardian* on April 26, “Deficits are a symptom of the marketisation of the NHS,” Colin Leys, an honorary professor at Edinburgh University’s Centre for International Public Health Policy, described the process in which “the NHS is being redesigned

to fail”:

“It is convenient for the government to represent the ‘deficits’ as showing that the NHS is failing, when they are really a symptom of the costs of marketisation.

“The reality is that the deficits are a creation of the government’s determination to replace the English NHS as an integrated public service with a healthcare market in which large for-profit corporations compete—so far on highly privileged terms—for NHS funds ... trusts are being told, in effect, to become ‘lean and mean’ businesses like the private ones they are being made to compete with. Patients’ needs become secondary, however bitterly doctors and nurses object—and however much Patricia Hewitt protests that it isn’t so. Hospitals, wards and beds are closing, and staff and services are being cut, as trusts try to shed whatever is unprofitable.”

This is exactly what is being demanded by sections of the ruling elite. The *Daily Mail* recently complained, “Only in Britain is it considered an outrage to ask anyone to pay for healthcare through anything but tax,” adding that “the NHS remains our last relic of post-war socialist planning.”

Similarly, an editorial in the *Times* demanded further spending cuts and increases in productivity among NHS staff by “accelerating reforms such as payment by results and diversifying provision.”

The public must be made to “Confront the reality that promises on further staffing and hospital building may be unaffordable. Some trained nurses and newly qualified junior doctors are out of work. There is no point in training them in increasing numbers if there will be no jobs to match.”

“The Government needs to have the courage of its convictions on reform,” the *Times* demanded.

These right-wing nostrums and pro-business proscriptions and are diametrically opposed to any concept of a centrally funded, planned, organised rational healthcare system that is an essential life-and-death requirement for millions of working people.



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