

The fight for equal pay for women: Britain's Guardian defends union's dirty deals

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The *Guardian* newspaper began the New Year by publishing two January 2 articles and an editorial on women workers employed by local authorities fighting for equal pay.

Its sympathies, however, were not with the poorly paid women in question but, as the headlines suggest—"Councils face £2.8bn bill for equal pay," "Fight for equality that could put jobs at risk" and "A deal under siege"—with the local authorities themselves and the trade union bureaucracy.

The *Guardian* chose to focus on Rosaline Wilson, 60, from Guisborough, near Middlesbrough. She is someone who reportedly "never questioned the £6.50 hourly rate she earned managing a team of 13 care workers for Redcar and Cleveland council, providing home help for more than 250 elderly and disabled people.

"... 'Then I read an article about the lawyer Stefan Cross in the local newspaper. I thought, wait a minute, I'm a manager, and I get 50p an hour more than the people I manage.' "

Cross represented Wilson and 26 other women in her department in an equal pay case. Wilson was awarded £32,000. After her lawyer's fees and tax, she kept £18,000—£13,000 more than the council had offered her to settle out of court.

Wilson states that her case was opposed by her own union, which said "we were rocking the boat. They told us they would sort it, that we'd lose our jobs [if we went ahead], but they never did sort it."

The *Guardian* cites sympathetically the complaints of local authority, trade unions and management against the no-win, no-fee lawyers because they are seeking to make money, and against the women workers who have turned to them for having threatened "collective agreements." In addition, too-high settlements—i.e., what the women are in fact owed—we are told threaten jobs because local authorities are cash-strapped by central government.

"Unions and local authorities" the report states, "now say that the no-win no-fee lawyers fighting individual cases are threatening to dismantle organised negotiations to set up equal pay deals for all workers. If the organised deals unravel, they warn, the £2.8bn bill for equal pay identified in research seen exclusively by the *Guardian* today could rocket, crippling services and triggering redundancies."

To back up the case being made against no-win, no-fee lawyers, the *Guardian* writes that they "typically take 25% (plus VAT) of any settlement, which can run into tens of thousands of pounds. While local papers report success stories of women who have been grossly underpaid receiving the money they are owed, the unions say that maximising compensation is not necessarily in the best interests of the individual, their colleagues or the local community".

This is because "Councils and NHS trusts have been given no government funding for back pay, so the costs have to be met from

their own resources. This can mean job losses, cuts in services or privatisation.

"By agreeing local deals that limit back pay, the unions say they are, as one of their legal advisers puts it, 'living in the real world where it is not always possible to get everything you want when you want it.' "

This is all so much sophistry.

Lawyers are obviously out to make money, but at least they get paid for services rendered. And no-win, no-fee lawyers are stepping into the issue of equal pay cases precisely because the unions are not doing the job their members expect them to do.

The unions are also paid week-in-week-out by their members in dues. But instead of representing their interests, they argue that an accommodation must be reached that does not threaten the local authorities they are supposed to be challenging.

Common law at least has the advantage of being based on the adversarial system, in which the client's interests are prioritised and fought for against those of his or her opponent. In contrast, the unions, which are supposedly based on the more all-embracing and fundamental recognition of the *class struggle* between employers and workers, claim that workers and management are in the same boat.

The real issue revealed in the struggle for equal pay for women is that the unions do not want a conflict with the often Labour-controlled local authorities they are doing deals with, or against a Labour government that they fund and helped put in power. This is the "real world" of the union bureaucracy. It is one dictated by their efforts to conspire with the employers and the government against the working class and by their insistence that all that can be asked for is what the capitalist class declares to be affordable.

Underlining just how signally the unions have failed their own members, and the growing recognition of this fact by workers, the *Guardian* reports that "The unions themselves say they could face financial ruin as the same solicitors are bringing sex discrimination cases against them, accusing them of failing to represent their women workers properly."

"...The GMB is now at risk of financial ruin because Cross is preparing a high court challenge involving 5,000 women who accuse it of failing to fight for their right to equal pay. In the case, due in the court of appeal in the spring, the union is accused of sex discrimination against its female members by encouraging them to agree a settlement in the north-east that seriously undervalued their claims and prioritised pay protection for their male colleagues."

The *Guardian* states that "No-win no-fee lawyers see this as a cosy conspiracy between unions and employers, to the detriment of low-paid women." Well, they would do, wouldn't they, because that is

what it is.

To lend yet greater irony to proceedings, the newspaper notes that lawyers often employ “former union officials” to sign up women for legal action. Its supposed villain of the piece, Stefan Cross, is also a former senior employment specialist at Thompsons, the leading union lawyers. This inside knowledge of what the unions are doing is precisely why he could recognise a gap in the market and exploit it so successfully. Cross has so far represented more than 30,000 women in equal pay cases.

Stuart Hill, a campaigner for one of Cross’s companies, gave his picture of the situation and the role played by Cross. Although clearly biased, it has a certain ring of truth. He says, “Local authorities were completely inactive on this until Stefan Cross began to take up cases. It is appalling that trade unions are lying to their members and pressuring them to accept appallingly low settlements when they deserve so much more.”

The *Guardian*’s attached list of frequently asked questions lends itself to Hill’s interpretation. It notes that legislation on equal pay for men and women dates back to 1970, but “there is still a 17% gap between the hourly pay rates of men and women working full-time. Since 1996 [well over a decade!—CM], trade unions and local government have been trying to set up deals for all employees to make pay fair. The government promised £920m central funding for implementation, but nothing for back pay, leaving local authorities struggling to come up with billions women could claim.”

As Hill adds, “It is justice we are seeking for women through the courts and it’s been delayed for 30 years.”

In another article, the *Guardian* reports its exclusive findings that just “47% of councils have completed pay reviews to establish the extent of discrimination, compared with about 34% a year ago. More than half failed to meet a deadline of March 2007.”

Instead of denouncing the local authorities for stalling for so many years, or government for failing to provide the funding required and organising a genuinely “collective” struggle against these attacks on their members, the union bureaucracy berates lawyers for uncovering the consequences of their failure to do so. And they have the gall to do so by defending their shabby deals as a means of protecting jobs!

The *Guardian*’s education editor, Polly Curtis, makes clear what is at stake here for local authorities and the government. She cites a total bill of £2.8 billion needed for the back pay owed to women workers whom they have discriminated against, which could “escalate” because of lawyers seeking “to get the full six years in back pay they may claim” instead of the “smaller settlements” negotiated by the unions and local authorities, purportedly “to ensure all women, systematically, receive some money without making deep cuts in services.”

Its editorial on January 2 makes the most explicit defence of the trade union leaders, describing the actions of school caterers—women members of the GMB—suing their union as “friendly fire.” It praises the deals brokered by the unions with local authorities, citing the argument that “they are responsibly balancing redress for past wrongs with future job security, security that would be threatened if employers were squeezed too hard.”

Women workers seeking what they are owed is “understandable,” but “in the council workers’ case—involving hundreds of thousands of people—it would be far better if settlement could be reached by collective agreement...balancing objectives is what sound decision-making is all about when significant public expenditure is involved.”

“So much is necessary to fund the entitlements of underpaid women,

but any move to make the compensation more generous should not be made without taking into account the effects on pupils and patients. They have legitimate entitlements, too,” the *Guardian* pontificates.

The editorial concludes, “The imperfect compensation on offer can help atone the wrongs of the past. Campaigners should bag it, and turn their attention to improving terms and conditions for underpaid women in future.... It will not be secured, though, if litigation is allowed to bankrupt the councils.”

The editorial attempts to portray the efforts of some of the poorest-paid workers in Britain to get back-pay being denied them and which they are legally entitled to as short-sighted and selfish—and the well-paid trade union leaders busily negotiating away this money as public-spirited guardians of the common good. One could not imagine a more cynical exercise.

The real threat to jobs and services is posed by the collaboration between the unions, public and private sector employers, and the government. It is the role of the trade unions in policing their members and doing all in their power to suppress the class struggle that has enabled the ruling elite to wage a decades-long offensive against workers’ livelihoods. This is what has truly moved the *Guardian* to rally to the defence of the deals secured by the unions with the local authorities, which are designed to prevent the emergence of an industrial and political offensive against the swingeing cuts in jobs, wages and services being imposed by both the Brown government and local councils throughout the public sector to pay for tax cuts for big business and the super-rich.

The *Guardian* makes an unintentionally revealing comment in its editorial when it states incredulously that the £2.8 billion combined bill for back pay and annual salary adjustments “is equivalent to 3p on the top rate of tax,” which is “an extraordinary amount for cash-strapped councils to find.”

Well—and this is just a suggestion—perhaps the money could be found by raising the top rate of tax by 3p? This would, after all, be only the smallest step towards reversing the massive transfer of public wealth into the pockets of the rich and the major corporations that has taken place in the decades since employment equality legislation was passed—and which in most cases has transformed the struggle for equality at work between men and women into a campaign for equally low pay. One can almost sense the collective shudder passing down the spines of the *Guardian* Media Group at such an awful prospect.



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