

Britain: Network Rail threatens mass sackings

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According to rail unions, Network Rail has threatened to sack all its maintenance workers before re-employing a reduced number on more onerous terms and conditions.

The Rail Maritime and Transport union (RMT) claimed that the threat was made during talks over a multi-billion-pound cuts package. According to the RMT, Network Rail wants to get rid of 2,500 jobs, including 1,800 permanent workers and 700 contractors—almost 20 percent of the workforce.

RMT General Secretary Bob Crow said, “It defies belief that the entire workforce of 13,000 staff out there on the tracks, who keep our rail network safe, are being threatened with the sack in one hit, but that is exactly what Network Rail have said.

“The combination of maintenance cuts, and the deferral of 28 percent of the track renewals work which Network Rail has already bundled through, is a dangerous cocktail that creates the conditions for potential disaster on the railways.”

Crow told Network Rail CEO Iain Coucher to withdraw the proposals and reaffirm the “clear assurance” he gave to Transport Secretary Lord Adonis that the company would not make compulsory redundancies. Failing that, the RMT would hold a ballot for industrial action, Crow added.

A company spokesperson dismissed the union’s claims as “rhetoric,” saying, “We have made a commitment with the regulator that we need to reduce costs by 21 percent over the next five years. We have done very well so far and have reduced costs by nearly that much. But we need to do more and be more efficient to deliver this, so our structure needs to change.

“We are talking about voluntary redundancy for 1,800 maintenance staff, not 13, 000,” the

spokesperson added.

Network Rail was formed in 2002 following the collapse of Railtrack, the infrastructure company created out of the break-up and privatisation of British Rail in 1996—one of the last and most unpopular acts of the Conservative government.

There was not a single strike against privatisation by the unions, which told workers to wait for the election of Labour, which had promised to re-nationalise the industry. No sooner was Tony Blair elected in 1997 than his new government dropped its pledge.

For four years the Blair Labour government bent over backwards to help Railtrack, which became a byword for corporate greed and private sector incompetence. Never financially viable, the new rail companies were given subsidies up to three times the level provided under the nationalised regime. Public anger erupted in October 2000 after the fourth fatal crash in as many years was directly attributed to Railtrack and its subcontractors’ wilful neglect and incompetence.

By summer 2001, the Labour government began to cast around for a solution that would save it from further criticism and not jeopardise its commitment to further privatisations.

Re-nationalising the company was never an option for a government so totally dependent upon the support of big business. In the end, Railtrack saved the government from a political conundrum by accepting the High Court’s decision that it be wound up.

Network Rail was created as a not-for-profit company without shareholders. Directors are answerable to more than 100 “members,” including rail company executives and rail union leaders like Crow. The company took on around 18,500 workers employed by seven private firms, effectively doubling the organisation’s workforce.

Crow trumpeted the creation of Network Rail, saying, “This is a major step towards the complete re-nationalisation of the railways, which the RMT has been campaigning for over the last decade.... We were told the railways would never come back to the public sector, but it is clear now that privatisation is finally in its coffin and is waiting for the hole to be dug.”

This, of course, was never to be. Instead, Network Rail has been as ruthless if not more so than any private employer. Workers have been involved in a series of strikes or threatened strikes as the company seeks to offload its financial crisis onto their backs. Network Rail is over £20 billion in debt and now it has to slash its annual budget from £31 billion to £28 billion by 2014 and make the 21 percent efficiency savings.

Despite this calamitous state of affairs, CEO Coucher receives over a million pounds a year. This year the top six directors received £1.2 million in bonuses on top of salaries worth £2.5 million. The regulator Bill Emery said that he was “surprised and disappointed” that the bonuses have not been “significantly reduced.”

The rail unions have collaborated at every stage in the restructuring of the industry, forcing through tens of thousands of job losses and changes to working conditions. Despite their occasional rhetorical outbursts, officials have limited strikes to demands to drop threats of compulsory redundancies and adhere to procedures that have been used for the “orderly” destruction of jobs before and after privatisation.

Talks have been ongoing since 2006 to reach an agreement on the “harmonization” of pay and conditions. Last year, they broke down, with the RMT complaining that “it was quite clear that a timetable to achieve a meaningful harmonisation package was agreed.”

In June this year, workers voted by over 95 percent to reject new proposals. Crow claimed that the negotiation process, “which we entered into in good faith was hijacked by senior Network Rail managers looking to stonewall progress, and who saw harmonisation as an opportunity to attack pay and conditions as part of their £3 billion cuts plans.”

Workers are not responsible for the capitalist crisis and must oppose any attempts to make them pay for it. They can oppose the attacks by Network Rail, the train operating companies and the government only by forming independent rank-and-file committees to take

matters out of the hands of union officials. These committees must set out to organise the unification of all the struggles breaking out across the network, and take up the demand for the nationalisation of the railways under workers’ control, with the confiscation of all the profits looted since privatisation and no compensation to franchise owners.



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