

UK: South West Pay Cartel proposes 10 percent pay cut for health workers

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The South West Pay Terms and Conditions Consortium (SWC), or pay cartel, is stepping up its plans to cut the pay, terms and conditions of health workers in southern England. The cartel, which was set up by the chief executives of the National Health Service (NHS) Trusts in the south west, guided by the Conservative/Liberal Democrat coalition, is determined to implement these measures by April 2013.

Around 40 chief executives, finance and human resources directors and other senior staff met recently to discuss two documents, one entitled, “Addressing Pay Terms and Conditions”, and the other, “The Economic, Financial and Service Challenges”. A full business plan will be prepared before the end of this year.

In the name of safeguarding employment and health services for the years ahead, massive cuts are proposed in these documents. The proposed cuts would inevitably lead to a severe erosion of services in the region and affect 68,000 medical and non-medical staff who work for the 19 trusts in the pay cartel. Of course, if these cuts are imposed, there will be pressure to cut further, with wages and conditions declining in a never ending spiral.

The cartel makes an ultimatum to health workers—accept a reduction in the pay bill by 10 percent in the region or lose 6,000 jobs. “The alternative to addressing pay, terms and conditions is a wholesale reduction in headcount which, in potentially compromising minimum staffing levels and therefore patient safety, is extremely undesirable and costly”.

These threats are made as if health workers have created the financial problems in the trusts. On the contrary, it is the world economic crisis, together with the policies of the current coalition government and the previous Labour Party government, which are

responsible for the sorry state of the NHS today. The ruling class is determined to bankrupt and destroy NHS as part of their class strategy to roll back and eliminate social reforms and to impose the full cost of the economic crisis onto working people.

The scope of the cuts outlined in these two new documents goes far beyond those leaked earlier this year in the Project Initiation Document. Although the cartel claims the documents are purely for discussion and are not recommendations or proposals, the sections “Modelling how best to find savings” and “Staff cost reduction potential opportunities” show that 28 different ways to cut labour costs and make savings are on the table.

In addition to reducing wages and unsocial hours payments, introducing a performance-based incremental progression, increasing working hours, removing sickness absent enhancements and cutting down annual leave, the documents examine a further “full set of options in order to inform the production of the full business case” before end of this year.

These options include:

- Slashing the working week and a voluntary reduction of hours and income of workers and not replacing the capacity by 50 percent
- Creating a two tier workforce by introducing new terms and conditions which could be up to 20-25 percent less than the cost of current posts
- Cutting down short-term and long-term sickness benefits and sickness absence paid in a plain rate
- After cutting down annual leave, workers wanting extra leave will have to pay for it by exchanging some of their salary
- Reducing the rates of Additional Programmed Activities (APAs), reducing time spent on Supporting Professional Activities (SPAs), ending offers of

guaranteed SPA time for locum and retired consultants and cutting down consultant on-call supplements

- Giving junior doctors limited working employment contracts which are mostly education without access to enhancements

It is clear the South West measures are a pilot programme for the entire 1.5 million NHS workforce. The latest documents state, “There is some indication that trusts across England are following very closely what SWC is doing and have made similar assessments regarding the financial gap facing them as those trusts which have set up the SWC”.

Low wages and reduced terms and conditions are the preconditions for attracting private health companies eager to profit from the lucrative business of patient care. The Project Initiation Document reveals that a major objective of cutting wages and conditions is to create “a fit for purpose, flexible workforce able to respond to any qualified provider”.

Contrary to the cynical claims of Prime Minister David Cameron that he is “on a mission to make our NHS better than ever”, it is no secret that the government, determined to privatise large swathes of the NHS, passed the Health and Social Care act in parliament with the help of its Liberal Democrat partners. As the Southwest NHS Fightback campaign has shown, a significant layer of Labour, Conservative and Liberal Democrat politicians have vested interests in the privatisation of the NHS.

The £20 billion cuts to the £108 billion NHS budget have already generated a severe crisis in the NHS, which the Royal College of Physicians recently described as “on the brink of collapse”.

Dismantling the NHS is part of the social counter-revolution launched against the working class and the most vulnerable sections of society. There is a division of labour between Trust employers and the trade unions in implementing these attacks. The trade unions are working as a safety valve for the employers, not only in the UK, but everywhere in the world. Their function is to intervene whenever a genuine struggle by workers against these attacks threatens to emerge, in order to divert workers’ anger into safe channels.

The campaigns of the trade union centre on the gathering of petitions calling for everyone to write to their MPs—the very people who are implementing these attacks—and lobbying the trust boards to change their

minds.

Action committees are required, independent of the unions, to unify all health staff with patients and the wider population to prevent the further dismantling of the NHS.



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