

Government demands third year of pay freeze in British health service

Ajanta Silva**29 October 2013**

The Conservative/Liberal Democrat UK government is continuing its unrelenting attack on National Health Service (NHS) workers in England by calling for pay to be frozen for a third consecutive year.

Health Secretary Jeremy Hunt has urged two independent pay review bodies to abandon a proposed 1 percent rise due April next year and called for the annual pay progression system linked to length of service to be scrapped. Hunt claims that the NHS £100 billion annual budget is under so much strain it cannot afford such wage increases.

The NHS Employers organisation has echoed Hunt's call, claiming that job security cannot be guaranteed unless workers accept massive changes to their pay and conditions, in order to meet the government's £20 billion in "efficiency savings" before 2015.

NHS Employers chief executive Dean Royles declared that the meagre 1 percent pay increase was "not appropriate" and would cost the service an "unaffordable" £500 million. He demanded the pay increase "be deferred to facilitate pay reform and support negotiations on terms and conditions rather than adding it directly to pay scales."

NHS Employers is also keen to rein in pay rises because of the increased competition with private providers brought in under the Health and Social Care Act, which came into effect last April. It says that "a national pay uplift will reduce the chances of NHS organisations being able to compete with the private sector..."

Standing reality on its head, Royles continued, "NHS pay is already competitive and increasing year on year for most staff."

This claim is a lie. NHS workers, like other workers across the country, have seen a massive erosion of their real wages over recent years while the super-rich have

increased their wealth enormously.

After the global economic crisis erupted in 2008, the NHS, like the public sector generally, was targeted for swingeing budget cuts. Not only has pay been frozen for two years, but pension benefits have been slashed and contributions increased—all with the tacit backing of the unions.

Tens of thousands of NHS workers on Pay Bands 1 and 2 including hospital porters, domestic workers and health care assistants working unsocial hours still do not receive a living wage, defined as £8.55 per hour in London and £7.45 outside the capital. In contrast to employers' claims that the NHS pays generously, 39 percent of NHS staff in the UK are paid below £21,000 a year.

Like other workers in the UK, NHS workers' household incomes have fallen in real terms—by an average 1.6 percent a year over the last four years. According to the Office of National Statistics, food prices have gone up 19 percent, gas by 21 percent, electricity by 25 percent and road fuel by 29 percent during that period. Energy and water companies recently announced huge price hikes, further battering the working class and poor. Those with children have seen their tax credits reduced and child care fees increased.

As a result, many NHS workers are forced to work extra hours in the "Bank" (Staff Resource Pool) under zero-hour contracts or with agencies to keep their heads above water.

Last November, the NHS trade unions signed a rotten agreement with the NHS Staff Council under the bogus claim that it would stop NHS employers implementing regional pay systems. Unions justified their actions by pointing their fingers at employers in south west England who had created a Pay Terms and

Condition consortium, or Pay Cartel. At the time, the *World Socialist Web Site* warned the function of the cartel was to operate as a Trojan horse to put pressure on unions to sign a national agreement—which they duly did.

Cuts to wages and conditions under the agreement included the introduction of performance-based incremental progression, an end to sickness absence enhancements, getting rid of the recruitment and retention premium and the removal of accelerated pay progression for Pay Band 5 workers including nurses, physiotherapists and radiographers.

As a result of the government’s “efficiency savings,” dozens of Accident and Emergency units, maternity departments, and children’s heart surgery services have been downgraded, earmarked for closure or already shut down. Waiting lists for surgical and medical interventions have soared to a five-year high. Thousands of frontline staff posts and other jobs have been eliminated, despite government election promises they would be protected.

Many hospitals are saddled with large deficits—some 26 NHS Trusts are expecting to have debts of £325 million in 2013/2014. More than half a dozen NHS Trusts face bankruptcy due to massive debts and have been placed under “special measures”. Up to 22 NHS trusts are facing serious financial difficulties, as a result of expensive Private Finance Initiative schemes forced on them by the previous Labour government.

The situation is set to worsen dramatically as revelations by the NHS regulatory body, Monitor, indicate there are behind-closed-door talks about “efficiency savings” being increased to £30 billion by 2021—almost a third of the current NHS budget.

Time and again, the unions—Unite, Unison, the Royal College of Nursing, GMB and company—have proved themselves implacably hostile to mounting any genuine opposition to the attacks. They confine workers to signing petitions, writing letters to Members of Parliament, and participating in fragmented campaigns in this or that NHS hospital threatened with closure. Wherever opposition erupts, the unions use it to promote the Labour Party as the sole saviour of the NHS, ignoring its 13-year track record of laying the foundations for NHS privatisation and budget cuts while in power between 1997 and 2010.

NHS FightBack, an initiative of the Socialist Equality

Party in the UK, calls on NHS workers to form action committees, independent of the unions, to launch a genuine political struggle against attacks on their jobs, wages and conditions and to defend the NHS based on a socialist strategy. These action committees must fight to mobilise patients, hospital staff and the workers and youth whose lives and health are being jeopardised under these attacks.

The problem is not a lack of funds or resources, but the monopoly of wealth by the super-rich. This monopoly can only be broken by a mass movement of the working class to bring down the coalition government and replace it by a workers’ government based on socialist policies.



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