

# Socialist Equality Party stands in UK's North West constituency in European Elections

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The Socialist Equality Party in Britain and the Partei für Soziale Gleichheit (Socialist Equality Party, PSG) in Germany are standing candidates in this year's election for the European Parliament. The elections take place in the UK on May 22 and in Germany on May 25.

In Britain, the SEP is standing in the North West constituency. The third most populated region in the UK, it comprises the counties of Cheshire, Cumbria and Lancashire and, most importantly, the metropolitan counties of Greater Manchester and Merseyside. Of the five million plus electorate, more than four million live in Greater Manchester and Merseyside; with their main cities of Manchester and Liverpool.

Robert Skelton stood as the SEP candidate for Manchester Central in the general election in 2010. Skelton also stood as a council for the local council seat of Ardwick, which is part of Manchester Central in 2011. Danny Dickinson ran for the SEP in the 2012 local elections in the St Helen's, Merseyside ward.

Covering the birthplace of the industrial revolution, the North West has been decimated by the de-industrialisation and austerity policies of successive Conservative and Labour governments.

Unemployment in the North West is above the average for England, at 8.1 percent, compared to 7.2 percent, while the local authorities of Liverpool and Manchester rank among the most deprived areas in England.

Such social misery has been compounded by the impact of the Conservative-Liberal Democrat coalition's austerity measures. Figures by the Church Urban Fund in 2012 showed that areas in Greater Manchester, Liverpool and Lancashire account for nine out of the ten poorest areas in the country. Five areas in Liverpool figure in the top ten and three in Greater

Manchester. Toxteth West, Liverpool has up to 64 percent of children and 53 percent of pensioners living in poverty.

An estimated 42 percent of children in Manchester live below the poverty line (set at 60 percent of median income); double the national rate and the highest level of any local authority outside London.

This is set to worsen as millions of pounds in central government cuts are imposed by the Labour-controlled authorities in Manchester and Liverpool. Town halls in Greater Manchester will lose 14 percent of their budgets for 2015, on top of the £250 million cut since 2010. Local officials have said more service closures and job losses (3,000 public sector places have gone so far) are "inevitable."

In February, the Liverpool City Council announced £156 million in public spending cuts for the next three years, including 300 jobs on top of the 1,600 already shed. Some £42 million is to be cut from adult services, £16 million from children's services, and a "significant number" of day centres, children's centres and up to half the local libraries are to close.

Workers in the North West have suffered a huge drop in wages since the 2008 financial crisis. Average pay has fallen by 8 percent, and as much as 11 percent in areas like Blackburn.

This, in part, explains why the region remains proportionally a favoured location for many large businesses, such as BAE Systems, Airbus, AstraZeneca, Siemens, Kelloggs, Unilever, Adidas, Proctor & Gamble, Cammell Lairds shipbuilders and the Vauxhall and Jaguar Land Rover (JLR) car plants.

A 2012 study by KPMG auditors recorded that Manchester was a good investment location due to its low costs. The city featured in the top 30 globally due to its lower corporate taxes and "statutory labour

costs.”

This backed up an earlier study by the Manchester Independent Economic Review which stated the city could rely on a “low wage equilibrium” to protect profits.

A particularly crucial role in enforcing this “equilibrium” is played by the trade unions. In July last year workers employed by the logistics firm DHL voted overwhelmingly to strike for pay parity with JLR employees. Three DHL plants, which supply JLR, voted in favour, including those employed at Halewood.

The ballot flew in the face of the Unite union policy, which had agreed with JLR management to maintain divisions in pay between contract workers and permanent staff. Consequently, the union confined any action to a token half-hour stoppage and an overtime ban on August 28, so as to prevent any disruption to JLR’s production. Immediately afterwards, Unite reported it had accepted a deal with the agency companies, the details of which have not been made public.

Unite struck a deal at the JLR plant in 2012 for increased production and the restructuring of working conditions so as to supposedly secure jobs up to 2020. Meanwhile, over at Vauxhall, the union was similarly engaged in measures to help the GM owners in their global restructuring operations, including pay freezes and pay reductions of up to 10 percent.

In this way Unite played a key role in helping play off workers at the Ellesmere Port plant against other GM employees globally, such as in Bochum, Germany which is to close by 2015.

It is with good reason that Vauxhall’s UK human resources director Phil Millward, in a 2011 interview, described the trade unions as “a very important stakeholder in the business—it has a responsible role to play. Obviously it has its own hierarchical structure so you need to share much more confidential information with the more senior people. We have a platform of trust and respect that has been established over a number of years.”

Describing how management and Unite had reached a “solution where disposable income is to be reduced”, Millward said, “We would never, ever, have reached the level of understanding we did, if the relationship we had for each other was not at the optimum level. It was

pro-active communication.”

Exactly the same role has been played by the Bakers Food and Allied Workers Union (BFAWU) in selling out the dispute by workers at Park Cakes at sites in Oldham and Bolton in 2011. Having called off mandated strike action, the union agreed to a deal with management that imposed minimum wage contracts on 149 employees.



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