

UK public sector employment at record low

Margot Miller
2 October 2017

The loss of a million public sector jobs since 2010 has reduced the public sector share of total employment to just 16.9 percent. This figure, published by the GMB trade union, was down from 17.1 percent in 2016, 22 percent in 2009 and an all-time high of 30.6 percent in 1977. The estimate is derived from a report compiled by the Office for National Statistics (ONS)—Public Sector Employment June 2017.

Seven years ago there were 6.4 million employed in the public sector. Today the figure is down to 5.33 million. Most jobs lost are from local government, which provides essential services including education, transport, planning, fire and public safety, social care, libraries, waste management and trading standards.

According to the ONS, local government jobs fell to 2.115 million, the lowest figure since records began in 1999. The national civil service had 423,000 employees as of June 2017, which the GMB calculated as an 18.2 percent drop from 517,000 in 2010.

The scale of austerity imposed in the last decade is evident in the fact that even under the Conservative Thatcher government of the 1980s—which privatized swathes of industry including the major utilities, car production, shipbuilding and steel—the share of the public sector was never lower than 20 percent.

The ruling elite are seeking to return social conditions to the Victorian era, pre-dating the introduction of the post-World War II welfare state. How far this has gone is indicated in the fact that public sector employment is now at its lowest since 1947, the year before the foundation of the National Health Service (NHS).

The jobs have mostly gone in councils in the main towns and cities nationwide. These are run, in the majority, by the Labour Party. Labour has imposed billions of pounds in austerity since the Brown Labour government bailed out the banks to the tune of around £1 trillion after the 2008 crash.

Labour-held Birmingham city council, for example,

has announced further cuts of £113 million for the current 2017/2018 budget. Since 2010, the council has cut services by £650 million.

By 2018, 13,000 public sector jobs will have been slashed in Birmingham, the UK's second largest city. The council is currently engaged in a long running dispute with striking refuse workers, responsible for ensuring the safety of refuse collection, over a planned 120 redundancies.

In just the four years to 2014, the councils comprising the region of Greater Manchester, with a population of 2.5 million people, imposed cuts—including thousands of job losses—of £1.2 billion. Nine out of ten of the councils are Labour-run.

This is entirely in line with Labour Party policy. Shadow Chancellor John McDonnell wrote to Labour councils last year instructing them to set legal budgets—i.e., impose cuts. He recently addressed a meeting of leading financiers and business magnates in the city of London, reassuring them that business has no need to fear a Labour government.

After a decade of cuts and losing more than £40 billion of its budget, the NHS is plagued with staff shortages among frontline staff, including doctors, nurses and midwives. Between January 2017 and March 2017, there were 86,000 vacant posts. This is expected to worsen due to the Brexit vote and the insecurity for EU workers it implies.

While the public sector has been haemorrhaging vital jobs and services, there has been a growth in employment overall. But the growth has been confined mainly to low-paid, temporary, and zero hours contracts jobs in what is known as the “gig” economy.

The ONS reports a rise in the private sector share of employment—up 167,000 from the previous quarter to 26.696 million, the highest since 1999 when comparable records began.

The move away from the public to the even worse

paid private sector employment is having a knock-on effect in relation to poverty. Of the 30 percent of UK children classified as poor, two thirds live in working households dependent on benefits to supplement their income.

The decline in public sector jobs has not been caused by austerity cuts alone but through a parallel process of privatisation and outsourcing. This has resulted in private companies raking in handsome profits at the expense of deteriorating services.

A recent programme on BBC Radio 4, *You and Yours*, aired an item on Homecare—care in the community for the elderly, disabled and vulnerable. Once provided by local authorities, this is now outsourced to private companies. According to Richard Whittell, who works for Corporate Watch, Home Care was privatised and run “increasingly by big corporate players. He said that councils have handed over “huge amounts to corporate players, to the tune of “£70m in the last five years.”

After the Thatcher years, privatization and the redistribution of wealth from the poor to the rich continued unabated under the government of New Labour, led first by Tony Blair and then Gordon Brown. Much of this was bound up with the introduction of the Tories’ Public Private Partnership (PFI) into hospitals, schools and the London Underground.

Under PFI, the public-sector leases assets built and owned by private companies, which make staggering profits out of the contracts. According to the website FullFact, in 2016/2017 the NHS alone paid £2 billion for past and present PFI contracts. The latest figures as of 2015 show the NHS will have to continue paying for 105 projects until 2050.

Labour also introduced Foundation Trusts and Clinical Commissioning Groups into the NHS, laying the ground for the introduction of the market into health provision. These initiatives were taken up and expanded under the Conservative governments that came to office after Labour was ousted in 2010.

Commenting on the GMB report, the union’s national secretary, Rehana Azam, said, “funding reductions are cutting into sheer bone.” Not only are public sector employees “being denied fair pay rises” [capped at one percent for the past seven years] but the “vital services they deliver are being stripped back and

hollowed out and denied the resources they need.”

The catastrophic decline in public sector is an indictment of the trade unions. Unison, the GMB and others including the health and education sector unions, with a membership of around 3.5 million—have sabotaged all struggles against austerity. Admitting the compliance of the unions with the cuts already imposed, Azam is quoted in the GMB report saying, “Any sensible opportunities for efficiencies are long gone,” and that in order to provide services “GMB’s members are performing miracles.”

This elicited the comment from a reader on the LocalGov website, who said, “About time the unions told members to stop performing miracles and start working to contract, hours and health and safety rules.”



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact