

British Gas workers' strike against "fire and rehire" in danger

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The latest four-day strike by 7,000 British Gas engineers ended March 1. Workers are opposing new contracts the company is attempting to impose through "fire and rehire" that mean an effective 20 percent pay cut, with some workers losing up to £15,000 a year.

Workers have completed 26 days of action since the dispute began.

After 18 days of strikes, the GMB trade union and Centrica, parent company of British Gas, emailed workers February 12 to say that new negotiations were going ahead. The union had called off planned action on the evening of February 11 to enter talks on the following day at the government's Advisory, Conciliation and Arbitration Service (Acas). On February 14, the GMB imposed a "temporary cessation of hostilities" stating, "The company has suspended its actions against our members and in turn the strike has been suspended."

Following the failure of talks, a four-day strike began on February 19. The talks broke down as British Gas refused to retreat from its fire and rehire threat. The GMB website posted a report February 19 quoting GMB National Secretary, Justin Bowden that "Strike(s)... will go ahead at British Gas after talks at ACAS faltered because the company refused to end the fire and rehire notice. GMB's executive has determined action could continue to mid-April in this deadlocked dispute."

The union is more than willing to call off strikes if British Gas withdraws its threat, with Bowden emphasised in a February 25 GMB statement that "Refusing to take fire and rehire off the table is the main obstacle to a settlement at ACAS."

British Gas' parent company Centrica's latest results reported a drop in its earnings of around a third. British Gas saw its earnings fall by 35 percent to £80 million

last year. It continues to lose customers, with its customer base shrinking by two percent last year. In response to the decline, Centrica announced a second restructuring programme. British Gas shed 3,000 jobs last year and a further 5,000 are slated to go.

Commenting on the need for a "major transformation" of the company, Centrica chief executive Chris O'Shea was quoted in a *Guardian* article February 25, "Our journey to transform has only just started..."

The GMB's aim is also to ensure the continued profitability of British Gas, with itself as a corporate partner. Last November, the GMB put out a video in which Bowden said the firm now had "less customers, less workers, more subcontractors and a plummeting share price which has bounced Centrica out of the FTSE 100 [share index]." Even as GMB called on its members to reject the company's "final offer", Bowden called on them to "help us to save this business".

British Gas workers are among a growing number of workers combatting a major offensive assault by big business. "Fire and rehire" ultimatums are becoming the chosen method by which companies push through attacks on workers' jobs and conditions, using the COVID-19 pandemic as a pretext. Bus drivers at Go North West in Manchester are presently on strike opposing a fire and rehire plot.

The main concern of the union bureaucracy is that such methods undermine their role as a labour police force of the corporations by provoking opposition. The British Gas dispute was discussed by parliament's business select committee on February 2. At the hearing GMB national officer Bowden accused the company of "poisoning the well", adding of "fire and rehire" that "It has no place in modern industrial

relations, it is an utterly un-British type of mechanism.”

The recent experience of the Unite union’s alliance with Rolls Royce, with the union proving its credentials as a corporate partner, should be assimilated by all workers. The union announced on February 18 the signing of a memorandum of understandings with Rolls Royce at two of its sites, Inchinnan in Scotland and Ansty in Coventry.

Rolls Royce agreed not to push through compulsory redundancies at the two sites. The Inchinnan site employs around 575 workers producing turbine blades and aerofoils, while around 85 are employed at Ansty producing engine fan cases.

Unite Assistant General Secretary Steve Turner said, “Coming hot on the heels of the Barnoldswick deal, these agreements show exactly what can be achieved when employers and unions work together in a genuine and positive way.”

Appealing for a tripartite campaign including Boris Johnson’s Conservative government to defend British industry he continued, “As we face the triple challenge of recovering from the pandemic, adjusting to the UK’s new position outside of the EU [European Union] and tackling climate change, it is clear that government now needs to play its part... Companies like Rolls-Royce have the potential to drive a jobs recovery as they produce the green tech needed to meet our zero carbon targets, while cementing the UK’s position as the envy of the manufacturing world... We now need government to be working much closer with both unions and industry to ensure that [the] challenges [ahead] are met.”

At Rolls Royce’s aero manufacturing plant in Barnoldswick in Lancashire, workers held nine weeks of industrial action over plans to offshore 350 Trent jet engine blade manufacturing jobs to Singapore. The plant currently employs around 740.

The deal struck by Rolls Royce and Unite at Barnoldswick was outlined in a January 14 article in the aero-mag website. It reported, “The main details of the deal are 10-year manufacturing guarantee for the site and a guaranteed minimum headcount of 350 workers.”

It includes, “A guarantee of a two year no compulsory redundancy agreement to facilitate discussions on a plan to develop advanced manufacturing work, supporting carbon free energy

generation, along with synthetic fuels and green technologies.”

What this means is that under the terms of the deal Rolls Royce would be able to halve the workforce over time by voluntary redundancies.

Welcoming the deal Turner said, “I’d like to recognise the role of Rolls-Royce CEO, Warren East, who was prepared to listen to a clear alternative business case for this highly skilled, dedicated workforce. I urge others to follow suit and work with Unite to do the same, to develop a shared vision and determination to position UK manufacturing as a world-leader in emerging and green technologies.”

Rolls Royce is continuing its attacks on its workforce to ramp up productivity and cut workers’ pay with Unite’s complicity. The firm plans to close its civil aircraft jet engine plants for two weeks over the summer to save money. The shutdown—the first in the company’s history—will affect all 19,000 staff in the UK, according to reports. Workers won’t be paid for the two weeks, with Rolls Royce spreading the loss of wages over the year.

The plan has the backing of Unite. Rolls Royce said last month, “As part of the agreement reached with the union last summer, we agreed in principle to enter into negotiations about delivering a 10 percent productivity and efficiency improvement across our Civil Aerospace operations in the UK. We have now begun complex and constructive discussions with the union on how this can be achieved.”

The Socialist Equality Party calls on British Gas workers to oppose the union bureaucracy and establish rank-and-file committees independent of the trade unions. British Gas strikers must establish contact with all other workers fighting fire and rehire ultimatums and turn for support to the 20,000 workers in the Centrica group and the nearly 700,000 employed throughout the UK’s energy sector. Contact us today to discuss the way forward.



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