

UK Labour Party/Unite corporatist campaign against “fire and rehire”

Laura Tiernan

3 May 2021

The Labour Party and Unite the union proclaimed a major campaign against fire and rehire schemes last week, with a national day of action and a parliamentary debate.

Unite, Britain's largest union, promised “coordinated strikes and action across the country to end 'bully boy' fire and rehire tactics”. Howard Beckett, currently standing for Unite general secretary with the backing of former Labour leader Jeremy Corbyn, fronted last Monday's day of action declaring, “we're fighting back, we'll take industrial action where we need to because fire and rehire is not here to stay”.

Fire and rehire is part of a global wave of restructuring to wring from workers trillions of pounds, euros and dollars in bailout funds handed out to the corporations and banks over the past year. By January this year, an estimated one in 10 workers in the UK had been forced to reapply for their jobs on worse pay, terms and conditions, according to a survey by the Trades Union Congress (TUC). Almost a quarter (24 percent) said their terms of employment had suffered, rising to one in three (34 percent) for those aged 18-24.

Unite's campaign is duplicitous. It aims to harness working class opposition to fire and rehire behind the union's nationalist and corporatist pitch to big business and the state. At British Airways, Go North West, SAICA, and SPS Technologies, the union has responded to fire and rehire by offering its services to enforce redundancies and cuts to pay and conditions.

A video released last week by Unite featured strikers at Go North West denouncing the company's fire and rehire in Manchester. One of the workers explains, “We're not just taking a stand for ourselves and our families, we're taking a stand for everybody.” But Unite marries this principled class standpoint to its own grovelling appeal to the Tories, claiming, “The government has spoken out against fire and rehire”. Evidence is offered in the form of Jacob Rees-Mogg telling the House of Commons, “Employers threatening to fire and rehire as a negotiating tactic are doing something that is wrong”.

Rees Mogg is a political reactionary, widely ridiculed as Minister for the Nineteenth Century. A former owner of Somerset Capital Management with an estimated personal fortune of £150 million, he is a public supporter of zero hours contracts who has previously suggested that people who perished in the Grenfell Tower inferno lacked intelligence for failing to leave the building. Unite's promotion of his weasel words on fire and rehire is obscene. The Tories have merely cautioned employers they should vary contracts only after a 90-day consultation period with unions to avoid unnecessary confrontation.

The “day of strikes” announced by Unite amounted to a handful of token protests and a rebranding of ongoing disputes it has isolated for months. Hotel workers in Glasgow and Edinburgh, Heathrow airport ground staff, SPS Technology workers and Go North West strikers were among those participating. Beckett launched the day in London with a protest by around 20 sacked Goodlords workers addressed by Jeremy Corbyn. Corbyn said, “Howard has led a brilliant campaign within the

union, obviously for the benefit of the members, to defeat them at British Airways and at quite a lot of other places as well and that is fantastic, because winning at British Airways is a fillip for everybody else and it shows it can be done.”

Unite's #BABA Betrayal

Corbyn's choice of British Airways to highlight Unite's “brilliant campaign” against fire and rehire is unfortunate. In April 2020, the airline announced plans to slash 12,000 jobs and rehire the remaining workforce on greatly reduced terms and conditions including pay cuts of more than 20 percent. Unite denounced the company's plans, launching a cross-party campaign #BABA Betrayal that ran for several months, arguing that BA's actions were “un-British” and urging company executives to work with Unite and the government to establish a “new bespoke, sector-wide, crisis support plan and package for aviation, with oversight from a new sector panel with representation from unions, businesses and government.”

On this basis, the British Airlines Stewards and Stewardesses Association (BASSA), a branch of UNITE, cut a deal with BA parent company IAG. The deal saw BA's fire and rehire plans introduced via the back door. They agreed a new fleet structure, changing employment contracts overnight and downgrading more senior grades. A “Redundancy Mitigation Agreement” targeting lower paid and more recently employed Mixed Fleet (MF) crew, saw more than 4,000 jobs destroyed. All remaining staff, including former European Fleet and Worldwide Fleet members, received a 15 percent pay cut. BA crew members reacted with fury. Unite had driven a wedge between the MF and European Fleet /World Fleet crews to the detriment of all. “[U]nite has two cabin crew branches—BASSA & MFU [Mixed Fleet Union],” explained an outraged BA worker, “BASSA asked BA to make all redundancies from MFU members to save themselves. Please help us expose this betrayal... we thought we were fighting together but clearly not.”

Under the hashtag #unitebetrayal, another Mixed Fleet crew member denounced the deal as “a total shambles and actively seeking for one group of colleagues in favour of another (hint: the ones that pay them more). I will never rejoin Unite the Union. Utter trash.” Another demanded of Beckett, “why did you allow Fire & Rehire to go through with BA Crew under the guise of a variation in contract? Too late for the members you let down! Looking for votes now? Question what @BeckettUnite [Howard Beckett] DID NOT DO. Cheap words, too late, for those you betrayed.” Meanwhile, BASSA officials chastised workers for “complaining” about the deal, admonishing remaining crew members to “keep calm and carry on”.

Unite's “brilliant campaign” served as a template for agreements

elsewhere. At Go North West, SPS Technologies, SAICA, company threats to fire and rehire employees were withdrawn after sellout deals reached with Unite. The union organised strikes and protests solely to pressure company executives to the negotiating table. At SPS Technologies, annual pay cuts of £3,000 under fire and rehire were shelved in favour of a Unite deal that cut wages by £1,500. At SAICA packaging plant in Scotland, new contracts were withdrawn after Unite offered major concessions, with SAICA telling the *Edinburgh News*, “we are very pleased that progress has been made”. At Go North West in Manchester, where bus drivers have been on strike against fire and rehire since February, Unite’s response was to offer £1.3 million in concessions. In each case, workers have been offered the “choice” of being nuked or carpet-bombed, with Unite declaring a “victory”.

Early Day Motion: corporatism and nationalism

The corporatist strategy of the unions acting as an integral part of the structures of corporate management and the state was on display during a House of Commons debate on fire and rehire last Tuesday.

Unite’s Beckett, Corbyn, his former shadow chancellor John McDonnell and other “left” pretenders, have for several weeks promoted an Early Day Motion calling on the Tories to legislate against fire and rehire. “I, along with my union Unite, am calling for fire and rehire to be included in next month’s Queen’s Speech, either in the Employment Bill or as stand-alone emergency legislation. It is a national emergency”, declared Kate Osborne Labour MP for Jarrow.

For one-and-a-half hours, Labour MPs who have served as loyal members of Sir Keir Starmer’s parliamentary team, rose to denounce “capitalism”, “robbery” and “legalised theft”. Hire and fire was a “Tory blueprint” and “Thatcherism on steroids”, declared Richard Burdon, stating that he had “joined British Gas workers on the GMB picket in Leeds”. Navendu Mishra proclaimed, “I am proud to be a Labour MP, so it should not come as a surprise that I am a socialist and trade unionist.”

Neither Mishra nor Burdon offered any explanation for the refusal of the overwhelming majority of Labour MPs to sign the motion against fire and rehire—just 43 out of 199 have signed.

Scottish National Party MP Gavin Newlands—in keeping with his party’s strategy for an independent capitalist Scotland—claimed the European Union was a bastion of progress against hire and rehire, “Workers in those countries have employment rights based on modernity, not Dickens novels,” he asserted. BA’s parent company IAG, “could not copy the tactics they used in the UK with staff at Iberia and Aer Lingus because those countries enshrined in law the rights of employees not to be treated in such a way.”

In fact, the major airline carriers have forced through a continent-wide jobs massacre via their “social partnership” with the trade unions. Workers in Ireland have lost more than a billion euro during the pandemic, amounting to a 40 percent wage cut for those in construction, transport, retail and hospitality. An International Labour Organisation report published in December found “the largest wage bill losses—in excess of 10 per cent—have been estimated in Ireland, Portugal, and Spain.”

Denunciations of “rogue employers” and “bully boy tactics” climaxed in the same grovelling plea to the Tories: “do the right thing” and “ensure the draconian practice of fire and rehire is outlawed in the Queen’s Speech”. It was left to Business Secretary Paul Scully to reply on behalf of a government whose pandemic strategy had been revealed just two days earlier by the prime minister: “let the bodies pile high”.

Scully held the government’s line: “Our flexible hiring practice is

important to ensuring that our economy is rounded but flexible”. He added, “[W]e should tread carefully when considering Government intervention in commercial contractual matters between employers and employees... we must also allow businesses to take the sometimes difficult decisions that are necessary to preserve their commercial viability.”

Against the Tories’ support for “freedom of contract”, Labour is advocating a corporatist alliance between unions, big business and government to deliver the required “flexibility”, while averting the threat of mass strikes and political unrest. McDonnell spelled this out, declaring, “Lord Hendy reminded us a couple of days ago that fire and rehire is not a new practice. The general strike was provoked by it when the miners were sacked and brought back to work only if they accepted wage cuts. I warn the Government: if they do not act and change the legislation, there will be more industrial action and more disputes, so they need to act with urgency.”

Underpinning the appeals to the Tories is the programme of economic nationalism, i.e., the suppression of the class struggle and the subordination of workers to the profit requirements of “their own” capitalist class. While US President Joseph Biden promotes “Buy American” in alliance with the AFL-CIO union federation and as part of trade war measures against Europe and China, the same agenda is championed in Britain by the Labour Party “lefts” and trade unions.

Unite’s “radical blueprint to transform UK manufacturing”, launched in November 2019, demands “Build local—Buy UK”, and “bring back the thousands of manufacturing jobs that moved overseas”. Its revised strategy document, “Recovery and Rebuild”, published in June 2020, calls for protectionism and trade war measures against “low-cost rivals”, pitting British workers against their class brothers and sisters in a fratricidal struggle for global market dominance that leads in the direction of World War III. This is to be enforced through “new corporate ownership models” based on “boardroom representation” for trade unions to “fight for survival of British manufacturing”. This corporatist strategy was to have been the centrepiece of a Corbyn-led Labour government.

The socialist answer to austerity, trade war and military conflict is the fight for the international unity of the working class against capitalism. In reply to company directors’ declarations that their businesses lack “commercial viability” and that pay cuts and job losses are “inevitable”, workers must raise the demand for expropriation and for the transformation of the major corporations into public enterprises under the democratic ownership and control of the working class.

The monopolisation of society’s resources by a handful of billionaires means the working class cannot defend anything outside of a frontal assault on the power of the financial oligarchy. For this, workers need genuine organisations of mass struggle, rank-and-file committees, not corporatist “trade unions” in alliance with big business and the state.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact