UK: Reject Cadent and GMB's de facto pay cut! Build rank-and-file committees for unified action

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The GMB union is balloting workers on a substandard pay offer from Cadent after cancelling a two-day strike set for this week. The ballot runs from June 6.

This follows last-ditch talks with management last Thursday over a revised offer, expressing their nervousness over 2,000 field engineers downing tools. The union is pushing acceptance of the revised offer by resorting to the method of smoke and mirrors.

Cadent's revised offer is fundamentally no different from that which has already been rejected. It remains 2 percent for 2021 and 4 percent for this year even according to the highlights provided by the GMB. It includes an additional insulting £750 lump sum for this year (on top of a similar lump sum paid in January) and an agreement that the 2022 award will be back paid from May instead of July. However, the pay agreement for 2021 is only backdated to July of that year. An attempted sweetener is the inclusion of proposals for a 2023 pay award equal to the RPI rate of inflation (averaged out over the year up to and including March 31), with a minimum of 5 percent.

The GMB has prepared the way for this offer by doing everything in its power to stifle Cadent workers' resistance, first by delaying setting dates for industrial action (voted for overwhelmingly by 86.9 percent in April), then restricting this to an overtime ban from May 10 and now suspending strike action altogether. It buried the dispute in talks at the government's Advisory, Conciliation and Arbitration Service (ACAS) with management after it was armed with a mandate to strike.

Gary Carter, national officer for the GMB, stated that this was done "in the spirit of goodwill" towards the company. That "goodwill" has now been extended to cancelling the strike action and trying to foist a below-inflation deal on Cadent engineers. The revised offer is even less than the pathetic 3 percent for 2021 and 5 percent for 2022 the GMB formally tabled. When the union first announced on March 4 that it would authorise a strike ballot, RPI inflation was already at 7.8 percent. By the time the union announced the ballot result on April 11, it had reached 8.2 percent and it now stands at 11.1 percent.

According to the GMB, the £750 lump sum is worth 2 percent in cash terms. But this sleight of hand is aimed at covering up the fact it is non-consolidated and so does not count in wages going forward. The increasing resort to one-off payments by companies has been accepted by all the unions as part of their collusion with below-inflation pay deals. If they were engaged in a real fight to improve the basic rate of wages this practice would not even be accepted as part of negotiations.

The GMB is "strongly recommending acceptance of the offer." It has delayed releasing the full details until this week, reducing the time available to Cadent workers to read and discuss the contents before voting.

It matters not one jot how much the GMB slices and dices up the pounds and pennies of the Cadent offer, highlighting one-off lump sums, backdated pay and the rest. Any way you look at it, the latest offer amounts to the same thing: a significant pay cut imposed on the workforce under conditions of rampant inflation.

For the GMB to present this as the best possible deal is risible. Cadent made £900 million in profits last year. The company's owner, Macquarie Group, is currently heading a consortium aiming to buy the National

Grid's gas transmission and metering business for £4.2 billion. Macquarie Group Limited is a global financial services group. It is headquartered and listed in Australia and employs more than 17,000 workers in 33 different countries. It is the world's largest infrastructure asset manager and Australia's top-ranked mergers and acquisitions adviser, with more than £350 billion in assets under management.

The references by the GMB to a "both reasonable and affordable" pay settlement have proven to be made entirely on the company's terms.

Since workers were transferred over from the National Grid when it was privatised, the GMB has allowed the maintenance of a two-tier workforce between these "Legacy" employees and Cadent G employees on inferior terms and conditions. Some currently earn only £10 an hour. The below-inflation pay offer will hit them hardest.

Britain's poorest households, forced to spend a greater share of their income on energy and food, are expected to see their living costs increase by almost twice the rate of the richest when energy bills rise again in October. The Institute for Fiscal Studies reports that the latest increases in gas and electricity bills could lead to average annual inflation rates of 14 percent for the poorest tenth.

The union has cynically pointed to the RPI-linked aspect of the pay deal for 2023, promising jam tomorrow while ramming through a de facto pay cut for a two-year period. Carter stated, "This is a very good offer when you consider where inflation is and is likely to be."

It is a "good offer" only from the point of view of Cadent and the GMB, who are proving their worth as corporatist partners and an industrial police force of the employers. As the *World Socialist Web Site* warned, the union has sought a sell-out deal at the earliest opportunity.

Cadent workers should vote decisively to reject the deal. To counter the disinformation from the GMB and its divisive policies, they must form a rank-and-file committee which can inform workers of the truth and organise a successful struggle against the company, including ending the discrepancies between the different contracts by bringing everyone up to the highest and improved standard.

The Cadent workforce should first get to see the full details of the agreement, not just the GMB's soundbites. They must draw up a pay demand not according to what the union and the employers deem affordable, but to provide what is required to protect their living standards.

Workers are in a powerful position to demand a cost-of-living pay increase. They play a central role in energy supply. Cadent is the largest of Britain's four gas distribution network companies, supplying 11 million homes and businesses. It maintains the gas network throughout South Yorkshire, the Midlands, the North West, East Anglia and North London.

A struggle at Cadent could link up with other energy workers in the oil and gas industry who are calling for a redistribution of the vast fortunes of the corporations, as was demonstrated in the recent wildcat strikes across rigs in the North Sea demanding a "wages revolution." Workers have also been on strike at the Fawley and Stanlow refineries.

This pay struggle must be unified, and connected with the fight for the nationalisation of the oil and gas industry under workers' control. All utility companies should be placed under public ownership and their profits seized to improve pay and conditions, make gas supplies affordable for workers and small businesses, and allow the necessary huge investment in infrastructure.

We urge Cadent workers to contact the WSWS and Socialist Equality Party which are fighting to develop a network of rank-and-file committees across the country and internationally.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact