

GMB union pushes through de facto pay cut at Cadent after blocking strike by 2,000 field engineers

Simon Whelan, Tony Robson
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Cadent has enforced a below inflation pay award on its 2,000 field engineers courtesy of the GMB, following acceptance of a deal in June. The company is the largest gas distribution network in the UK with profits of £900 million last year and is owned by Macquarie Group Limited.

The agreement accepted June 13 is for a basic pay uplift of just 2 percent for last year and 4 percent for 2022, which is substantially below the current inflation rate of 9.1 percent CPI and 11.7 percent RPI.

GMB officials presented the inclusion of a £750 lump sum as the equivalent of 2 percent in cash terms. But the one-off payment is non-consolidated and does not count in wages going forward. This sleight of hand is indicative of the union's role in facilitating a real terms' pay decline for workers while Cadent pumps out more profits from their labour.

Workers have been told to accept pay restraint, but Cadent CEO Steve Fraser received a salary last year of £1.4 million in 2021.

GMB and Cadent used back pay provisions to dress up their substandard agreement, cynically exploiting the company's refusal last year to grant a pay rise. Even this has been applied inconsistently: this year's pay award is backdated to May, while last year's is from July.

The union waged a smoke and mirrors campaign to promote the company's revised proposals as a "very good deal". The vote to accept on June 13 was the outcome of conscious efforts by GMB officials to demobilise the fight for a genuine pay increase.

GMB members voted by 86.9 percent for strike action on April 11, following their earlier rejection of a 2 percent pay increase for 2021 and a 4 percent uplift

for this year. The union originally said that a walk-out could start as early as April 22.

The mandate for action was turned into its opposite as GMB pleaded with the company to "treat workers right" and come back with a revised offer to avert strike action. GMB officials initially limited industrial action to an overtime ban from May 10-28 as a "gesture of goodwill".

Seeking to maintain their control over the dispute, GMB officials announced a two-day strike from May 30. The stoppage across five regions in the UK would have demonstrated the tremendous power of Cadent workers, but this prospect was averted. Strike action was suspended by the GMB and it was drafted into company talks, drawing up a revised offer on May 26. It repackaged proposals already rejected, with some modifications, fulfilling the overarching goal of wage suppression.

Balloting on the offer was based on divisions fostered by the GMB since the sale of the National Grid in 2016, with a two-tier workforce at Cadent between Legacy Field Force workers transferred over and Cadent G Field Force on inferior rates of pay. The former voted for the deal by a margin of 74.5 percent and the latter by 69.5 percent.

Some Cadent field engineers on the Cadent G contract will be left earning just over £10 an hour. This will leave workers who perform the critical role of connecting households to the UK gas supply in the obscene situation of being less able than ever to meet the energy costs of running their own homes.

In April, domestic energy bills leaped when the price cap was increased by 54 percent to £1,971 for the average UK household. Energy experts believe this will

possibly rise again by approximately 50 percent in October, to bring the average energy bill to an eye watering figure around £2,800.

Gary Carter, GMB National Officer announcing the vote to accept the deal stated, “I would also like to thank the Cadent GMB members, whose steadfast support for one another has brought the company back to the table and resulted in an improved offer that members have now accepted.”

Who does Carter think he is kidding? It was only Cadent management and the GMB which stood together against the fight of 2,000 field engineers for a genuine pay rise.

The “improved offer” by Cadent was even less than the meager 3 percent for 2021 and 5 percent for 2022 the GMB tabled at negotiations. The GMB’s starting position was a pay cut. When the union first announced on March 4 that it would authorise a strike ballot, RPI inflation was already running at 7.8 percent.

The GMB are proving their worth as corporatist partners to Cadent and the gas industry as an industrial police force over the workers. This was most graphically exposed in the GMB betrayal of the fight against fire and rehire at British Gas (Centrica) in April 2021. After 42 days of strike action by 7,000 engineers the GMB enforced the deadline to sign the contracts leaving the 500 workers who refused dismissed by the company.

In its coverage of the Cadent dispute the WSWS argued for the building of rank-and-file committees to reject GMB-Cadent’s below-inflation pay deals. Such committees would bring workers together and fight to overturn the two-tier system between Legacy and Cadent G workers.

The robbery of wages through the on-call system must be ended. Field engineers are not paid for all their rostered time, only when they are called out. Excessive hours are being worked to plug staff shortages caused by low pay.

The struggle at Cadent is part of a wider fight back among key workers in the oil and gas sector who have faced a major assault on pay and conditions amid rampant company profiteering. Recent months has seen strike action at the UK’s largest oil refinery in Fawley and wildcat action by oil and gas workers across 16 rigs in the North Sea demanding a “wages revolution.” A network of rank and file committees can unite these

struggles against the efforts of the GMB, Unite and other unions at dividing and quashing workers’ fight, on behalf of the mega rich corporations.

The trade unions are currently suppressing a potential strike movement of around 3 million workers. Strike ballots of rail workers, postal workers, teachers and nurses are being delayed, blocked or divided and otherwise suppressed, preventing all-out strike action to bring down the Johnson government. The unions are working to prop up the Tories while a suitable right-wing successor to Johnson is found. The Labour Party functions shamelessly as de facto coalition partner to the Tories.

We encourage 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 as part of the fight for a new socialist leadership in the working class.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact