

# UK: Communication Workers Union agrees sellout deal to end BT strike, pledges partnership in £3 billion cost-cutting agenda

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The Communication Workers Union (CWU) has reached a sellout below inflation agreement with BT to end the months' long dispute that saw 40,000 telecoms workers hold eight days of strikes.

The Prospect union are also recommending the pay deal.

Among those in the Labour and trade union bureaucracy hailing the deal are Jeremy Corbyn's Peace and Justice Project which tweeted, "An absolutely MASSIVE win for The Communication Workers Union in their dispute with BT! There's power in a union."

Within minutes of the deal being made public, BT workers were angrily attacking the deal and its sellout authors in the CWU bureaucracy. On the union's social media platforms, workers described the deal as "shameful" and a "stab in the back". Several pointed out they had lost more money in unpaid strike days than anything gained in the CWU's deal. Many said they planned to reject the deal and would quit the CWU.

One worker tweeted in response to a CWU tweet announcing the deal as a victory: "Absolute joke! You as a union seem to be quite proud that you've come to an agreement, yet it's appalling. A lot of engineers will be cancelling their membership that's for sure! Let down."

Another tweeted, "Is this what the CWU have spent the last few months coming up with? An increase that's less than the cost of living and nothing back-dated? And we lost how many days pay for this? You're a joke, not fit for purpose. Membership cancelled."

Every BT worker should join them in voting to reject the filthy deal when it is balloted on in December.

The CWU called strikes after BT imposed a flat rate pay increase of £1,500 in April. This represented an average pay rise of just 4.8 percent, and a pay cut in real-terms, with the lower CPI rate of inflation already at 9 percent in April 2022. The more accurate RPI measure of inflation was even higher, 11.1 percent, that month.

The new deal maintains the imposition of a flat rate payment of £1,500 and proposes the same for next year. The new instalment of £1,500 is to be paid from January 2023 until September 2023. BT workers are also angry the deal is not backdated to April, meaning they have lost even more from their wage packets.

The CWU claims the company's £3,000 flat-rate increase is a "pay rise ranging from 6 to 16% for workers of different grades." For most workers this will mean a pay cut. CPI inflation rose by 11.1 percent in the 12 months to October 2022, while RPI inflation (the more accurate measure) shot to 14.2 percent.

The CWU calculated that workers earning £18,750 will receive a 16 percent rise, but with the tax threshold freezes, they will take home just £2,400 extra. But even this fails to keep pace with inflation. A BT worker on £18,750 currently takes home £17,400 after National Insurance deductions. After this deal, they will take home £19,800 after NI, a 13.8 percent increase, but still below RPI inflation.

The pay-cut element of the deal is only the thin end of the wedge. The overall deal is premised on the company achieving £3 billion in cost savings by the end of 2025 and spells disaster for workers jobs, terms and conditions. The deal stipulates that the required cost savings and cuts are to be achieved with the direct collaboration of the CWU, who will act as the

designated company “partners”.

Announcing the deal, BT Group Chief Executive Philip Jansen could barely conceal his delight, “Crucially, [the deal] has been worked on in conjunction with the CWU. As I’ve said throughout, whatever our differences, our unions are vital partners. We will now build on this collaboration: We have agreed with both our union partners that we will all lean into the opportunities and challenges the future will bring, specifically our transformation plans and the delivery of the £3bn cost savings by the end of FY25. Ultimately, we all want BT Group to be successful so that we can do the best by our people and customers for years to come.”

The CWU made clear it is equally committed to ensuring BT meets its cost-cutting targets, “As part of the conversations with BT we have agreed to renew and strengthen the way we work together. This will be important as the company seeks to deliver its commitment to reduce cost and improve efficiency by the end of FY25...”

Below inflation pay settlements and cost-cutting, enforced by the CWU, are vital to maintaining surging profits that reached £1.3 billion last year, with £761 million paid out in shareholder dividends. BT workers will view with dread the CWU’s statement that the deal includes “a further review from 1st September 2023 to allow for further negotiations to resolve pay, grading and structuring issues.”

In October, the union stepped up its efforts to bring the strike to a close on the kind of below-inflation offer proposed by Virgin Media O2. The *Financial Times* reported last month, “Virgin Media O2 announced that it was planning to introduce a new £1,400 payment for employees earning £35,000 and under. Including a 3 percent pay rise earlier in the year, and bonus payments, the new offer equates to a more than 10 percent pay rise for the company’s lowest paid staff.”

The newspaper cited Andy Kerr, deputy general secretary of the CWU, responsible for telecoms, who said that the Virgin Media O2 offer is “the kind of thing we’d be willing to look at” to end the BT workers’ strike.

The CWU has set a new low benchmark for other unions, including the Rail, Maritime and Transport (RMT) union, Unite and Unison, who are working

overtime to end months of strikes involving hundreds of thousands of workers across the public and private sectors.

The CWU bureaucracy will now move to end the current national strike by 115,000 Royal Mail workers, which resumed today for 48 hours. CWU General Secretary Dave Ward has already said he would agree to a 9 percent offer at Royal Mail that also accepts “reasonable change.”

The CWU’s sellout deal at BT follows rotten deals by the RMT at ScotRail based on a pay award of just 5 percent for one year, plus £750, in return for accepting new technology and cuts, while at Transport for Wales the RMT accepted 4.5 percent, increasing to 6.6 percent with “productivity elements”.

Workers confront the outright sabotage of their struggles by the trade union bureaucracy based on its subordination of the working class to the requirements of the corporations and the capitalist state. Bureaucrats such as CWU General Secretary Dave Ward (salary package £142,485) and RMT General Secretary Mick Lynch (salary £84,000) have responded to the ruthless assault by the companies and the Tory government by demanding “a seat at the table” in helping to oversee corporate restructuring, offering up their members’ pay, terms and conditions.

The fundamental task facing workers is to seize control of their fate from the trade union apparatus and advance the fight for socialist policies that prioritise workers’ needs over the dictates of the corporate profiteers. Rank-and-file committees, democratically elected, must be formed in every workplace, dedicated to unifying the growing wave of struggles based on the demand for a general strike to bring down the Tories. This must be waged as a global offensive of the working class through the building of the International Workers Alliance of Rank-and-File Committees (IWA-RFC).



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