

UK Communication Workers Union sellout BT deal: A warning to Royal Mail workers

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The Communication Workers Union (CWU) announced December 15 that the pay deal it agreed with BT Group was accepted by an 81 percent majority in the ballot covering BT and subsidiaries Openreach and EE.

The privatised UK telecoms giant was hit by its first company-wide strike in 35 years after chief executive Philip Jansen imposed a sub-inflation deal in April based on a flat rate of £1,500 for 58,000 workers. The company claimed it represented a pay deal of between 3.8 percent and 8 percent depending on a pay scale. The CWU said two thirds of the 8 percent for lower paid workers included a previous payment to keep them above the Real Living Wage, with most workers receiving just over 4 percent and some under 3 percent.

The strike involved around 40,000 telecom call centre workers at BT and engineers at Openreach. The CWU suspended rolling strike action which started in July after its eighth day on October 24 as it faced for an escalation of industrial action and demands for strike pay. It entered closed door negotiations with management, resisting calls for a report back to the membership. On November 28 the CWU Executive Committee declared it had come to an agreement with the company with a strong recommendation to accept.

CWU General Secretary Dave Ward and Assistant General Secretary for Telecoms and Financial Services (TF&S) Andy Kerr appeared in a video claiming the deal was the outcome telecom workers had fought to win.

The CWU reneged on the mandated demand of 10 percent backdated to April. The union agreed a flat rate increase of £1,500 not backdated to April but brought forward from 2023 and made payable from January in monthly payments. This was in line with Jansen's demands, who declared when the strikes began that

negotiations over this years' pay were "history" and would not be reopened.

The de facto pay cut was immediately challenged by telecoms workers flooding the CWU Facebook and Twitter pages with denunciations of the sellout as reported by the WWSWS. Contrary to Ward's claim in the video, the union never arranged a "CWU Live" event to avoid facing the wrath of the membership. The CWU leadership instead relied on a campaign of disinformation over the deal, acting as the faithful mouthpiece of the company.

Kerr and Ward claimed that BT had doubled the pay award to £3,000. This is to conceal the fact that the CWU has accepted the £1,500 flat rate imposed while the additional £1,500 will not be paid until the new year and on a piece meal basis up to September after the union agreed the anniversary pay date would be pushed back from April. In the small print the CWU admitted that the deal was worth just £1,875 over the 2022 pay year.

Even based on the headline figure of £3,000, the 10 percent cited by the CWU for the "most populous" grades of service delivery engineers it represents is below inflation, with the more accurate rate of RPI at 14 percent. The higher sum for lowest paid grades of between 13 and 15 percent is part of a pay deal spread over 16 months.

The agreement of a flat rate increase disadvantages telecom workers on all but the lower paid grades and is used to justify a pittance for telecom workers compared to the profits reaped from them by the company. The CWU had originally described the chief executive as "Food Bank Phil" after foodbanks were opened for low paid workers at BT sites while he increased his remuneration by 32 percent to £3.5 million and £761 million was handed out to shareholders.

Telecom workers opposing the deal exposed the level of deceit by the CWU leadership, pointing to management communications stating that £1,500 from January will “form part” of 2023 pay review and will be deducted, condemning the union for not pointing this out in the call for a Yes vote.

The headline of the CWU official statement on the vote to accept read, “Firm focus on the future as BT Group members bank hard won rise.” This was challenged by telecom workers on the union Facebook page with over a hundred comments within hours, 99 percent in opposition. They commented “sold out terrible deal”, “shat on again” and “Dave Ward and Andy Kerr out you’ve taken us for a ride and slapped us in the face with broken promises.”

As one telecom worker stated, “Many members only voted in favour because T&FS ‘leadership’ had clearly given up. Absolute sell out. BT said jump, Andy Kerr said ‘how high.’”

This is what the union hierarchy mean by a “negotiated settlement” rather than an imposed deal—one that utilises the bureaucracy in putting down workers’ resistance. The CWU statement celebrated the ending of “six months of unrest”, adding “getting back to the negotiating table was a huge achievement.”

Jansen welcomed the result, describing the CWU as “vital partners”. The CWU stated that it would strengthen “the way we work together,” adding, “This will be important as the company seeks to deliver its commitment to reduce cost and improve efficiency by the end of FY25.” This was in response to BT increasing its cost-cutting exercise from £2.5 to £3 billion as announced last month.

The sellout at BT is a warning to 115,000 Royal Mail workers who took their last national action on December 23 and 24 before re-balloting on strike action in the New Year. This is 19 days of strike action by postal workers since August against the original imposition of a 2 percent award, the announcement of 10,000 redundancies by next year and the restructuring of terms and conditions along the lines of a gig economy parcel delivery service.

This fight has been led down a dead end by the CWU, which has kept it separate from the struggle at BT Group. Ward has claimed that the problem at Royal Mail is the fault of one individual, chief executive Simon Thompson. Similar claims made at BT did not

stand in the way of a sellout deal with Jansen. Calls for “Thompson out” have been used to justify an orientation to shareholders urging an alternative business plan to guarantee continued competitiveness.

Royal Mail is proceeding to enforce its revised and announced at the end of last month of a 9 percent pay award over an 18-month period, including the 2 percent imposed and a £500 lump sum with productivity strings. This is tied to the loss of sick pay and phasing in mandatory Sunday working with no premium payments, plus workplace revisions resulting in further job losses.

The CWU offered to call off the strike action on December 23/4 to restore “a period of calm” until January 16, citing a worthless promise from the company of no compulsory redundancies as the basis of an agreement and further talks.

BT/Openreach workers must regroup in their struggle against continued pay restraint and cost cutting and unify with postal workers in the fight they face against the capitulation by the CWU at Royal Mail.

The central question posed is taking the fight out of the grip of the apparatus and its corporatist straitjacket and bringing it back into the hands of workers through the establishment of rank-and-file committees. The fight for a genuine pay rise, defence of jobs and terms and conditions should be connected to seizing the profits of the privatised utilities and bringing them into public ownership under the democratic control of the working class.

We encourage BT and Openreach workers to contact the WSWs and share their experience of the strike and how they have been affected by the sub-standard deal.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact