Catalyst

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Post Office privatisation will be disguised as workers' ownership

In spite of Labour's manifesto commitments the government plans to privatise the Post Office. Lobbying Labour MPs, who have shown in the past that they will settle for cosmetic changes to avoid defeating the government in Parliament, won't stop this. Post Office workers have the organised strength to mount the campaign of industrial action needed to defeat Labour's plans.



The election was hardly over before the government began to brief journalists that it was considering privatising the Post Office. This is a complete reversal of what appeared in the Labour manifesto that stated there were "no plans to privatise" and that Labour wanted a "publicly owned Royal Mail". Not that we should be alarmed, because Labour leaks are making it clear that should it go ahead it will not be a nasty Thatcherite privatisation but rather a nice New Labour affair under which the workers themselves will take control of the Post Office.

All nonsense, of course, for the idea being floated amounts to little more than a sugar-coated management buy-out under which Post Office Chairman, Allen Leighton, and his fellow executives will borrow the money to buy 51% of the Post Office from the government and then hand out a few token shares to each worker. Once in control, Leighton and co. will set about slashing jobs and destroying working conditions as the Post Office becomes a money making machine for the new owners. And if anybody doubts the pure greed of Post Office directors look at chief executive Adam Crozier, for example, who got a £3m pay and incentive package in May – nice work if you can get it.

CWU to lobby Labour MPs

The Post Office union, the CWU, in response to the leaked proposals, talked about mounting a campaign aimed at mobilising opposition amongst the public and Labour MPs. The union has already written to all Labour MPs making clear their opposition to any attempt at privatisation. Central to the CWU strategy is the idea that, with Labour's reduced majority, they'll get the support of enough Labour MPs to defeat any privatisation proposal in the House of Commons. This is putting a great deal of faith in Labour MPs, not known for their backbone.

Given that the privatisation proposals are being dressed up in the language of "mutualism" and "employee ownership", the virtual certainty is that, faced with a Labour defeat in the Commons, and no doubt after winning some "vital" concessions, enough Labour MPs will back the government, just as they did over Iraq and tuition fees. Quite frankly, for the CWU to be putting its faith in Labour MPs is the equivalent of the turkey pinning all its hopes on Christmas being cancelled.

Post Office privatisation is not just about making Leighton a multi-millionaire. Privatisation has never just been about making the rich richer. It has also been a means of undermining working

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Post Office privatisation

class organisation. The government knows that if it wants to extend deregulation by opening up mail delivery in Britain fully to competition it must break the virtual monopoly of the Post Office.

And to do that it knows it must defeat union organisation in the Post Office. The privatisation proposal being mooted by Labour, based on bogus employee ownership, is an attempt at breaking the postal monopoly while trying to avoid strike action by postal workers.

Labour's privatisation proposals, should they go ahead, will not be defeated in the Commons, but in the workplace. Despite setbacks in recent years, the Post Office is one of the few remaining industries in Britain that retains a reasonable workplace based union organisation. That organisational strength can be used to mount a campaign aimed at taking strike action to defeat privatisation. Workplace meetings can not only be used to expose media and management lies and win support for strike action, but they are also the means by which workers can retain control of their own struggles and ensure no behind-the-scenes back-sliding by union leaders.



Strike action needed to defend Public Sector pension rights

Workers across the public sector were set to strike on March 23rd to defend pension rights but the strike was called off when a deal was done with the government. The same attacks on pension schemes are due to be implemented in April 2006, and John Prescott is already under pressure to renege on the deal. Only effective strike action will defeat these attacks and workers have to be ready to take it.

Local government bosses still intend to raise the minimum retirement age from 50 to 55, as well as the age at which the full pension is payable from 60 to 65. If they get away with that then another set of cost-cutting measures such as average salary, as opposed to final salary, pensions and higher employee contributions will be brought in.

Increased life expectancy?

This is "justified" on the grounds that average life expectancy has increased but it isn't that simple. The truth is more to do with the "pensions holidays" taken by the bosses, where they have not paid their share of the money into pension funds, leaving a shortfall. TGWU boss Jack Dromey blamed the Tories for cutting pension funding "to smooth the move from poll tax to council tax" in the early '90s but Labour hasn't made up the deficit.

In any case, average life expectancy and the life expectancy of working class people are not the same. Since 1974 life expectancy at 65 for men has increased by more than 4 years and for women by more than 3 years, but over the equivalent period for a male caretaker the increase was only a year-and-a-half and for a female hospital cleaner there was no increase at all. What's more, the longer you work the shorter your life expectancy.

The only problem with final salary pensions is that these discourage people from going part-time towards the end of their working lives. This is a particular issue for teachers but it applies across the board. Sorting this out would actually cut the need for early retirement and allow services to retain experienced workers for longer. Since the "unfairness" of final salary pensions is one of the bosses' justifications for wanting to scrap them they would extract a high price for concessions - unless they were under considerable pressure from industrial action.

Back in March UNISON hailed a victory when John Prescott agreed to scrap regulations decreeing an increase in the minimum age at which workers in local government can claim their full occupational pension. As well as crediting this "victory" to Dave Prentis, then seeking re-election as General Secretary, the union highlighted lobbying by sponsored Labour MPs, rather than the threat of strike action, as the key factor in the turn-around.

No guarantee

It is difficult to take this at face value. First of all, the only promise from the government was of negotiations – no guarantee was given that they wouldn't force through the same changes if the unions didn't agree to them. Secondly, in the run up to an election the political impact of strike action on a Labour government would have been greater.

Consequently, the issue will be revisited with workers in a weaker bargaining position. Thirdly, there is no doubt that it was the threat of strike action, not lobbying MPs, which forced Prescott to back down. Prentis has actually saved the government from itself.

UNISON's National Local Government Conference first voted for a ballot on industrial action over pensions in June 2004, and the issue was then pursued via Labour Link until December before finally deciding to proceed with the ballot. Meanwhile, the civil service union PCS – less loyal to the Labour Party leadership – had planned strike action all along. Prentis only elbowed his way to "leadership" of the strike at the last minute. Some civil service workers are understandably suspicious of his role.

Organise for strike action

We need to organise, and to start now. The real issues and the need for strike action have to be understood in every workplace. Meetings need to be held, especially in poorly organised sections. Rank and file action committees need to be set up and links have to be made between civil service, local government, health and education workers so that it will be harder for the government to pick us off one at a time.

Finally, in the light of UNISON's behaviour the issue has to be linked to breaking the stranglehold the Labour Party has on the unions.

Don't fall into the TUPE trap

Union officials tell workers in public services facing privatisation that they won't be worse off because TUPE (Transfer of Undertakings Protection of Employees) regulations will protect them. Workers are told they will not lose their jobs and their existing terms and conditions will be protected. This protection is not only worth less than people are being told it's worth, it is also leading us into a dangerous trap. We must fight transfer itself not just start thinking about TUPE deals as soon as privatisation is mentioned.

There are two things that management and senior union officials are not prepared to acknowledge. Firstly, TUPE offers a degree of protection but it guarantees nothing. It only prevents you losing your job *because of the transfer*. If the employer can argue that they are cutting jobs for another reason they are free to make people redundant. For example, they might argue they have to cut jobs because of a cut in funding and that this cut isn't connected with the transfer. The same principle applies if they want to cut pay and conditions. The only real way to ensure you hold onto your jobs and conditions is strong union organisation; the law is a false friend.

Secondly, the whole business of privatisation and TUPE transfers is designed to undermine the public sector unions. Once privatised, workers cannot legally take part in public sector strikes, even if they affect their own pay and conditions. They can take official action to defend their existing terms and conditions *only* if it is their new employer that is attacking them. What's more the privatised worker is caught in the "TUPE trap". If they fight on their own to get better pay and conditions for themselves any improvements they win will change their contracts and end what protection TUPE provided. Meanwhile, endless hiving off of different departments further reduces the strength of workers still in the public sector.

Haringey ALMO

In Haringey Council housing workers facing privatisation are demanding to stay as council employees. This is not as contradictory as it seems. Under ALMO (Arms Length Management Organisation) deals the housing stock is in theory still owned by the council, although a private company has been set up to manage it. If the tenants are being told this means they are still council tenants, then housing workers can still be council workers, "seconded" to the ALMO. Some public sector workers that the government has tried to transfer under PFI (Private Finance Initiatives) have already won this type of deal.

Privatisation is designed to undermine the power of the working class in the public sector. Workers who fight transfer are challenging this agenda head on so concessions won't be won without action like worker non-cooperation and strike action, or threats of strike action. The more cautious union officials are also likely to reject action in favour of TUPE deals. Militant workers have to force officials' hand through independent organisation. We need to organise workplace assemblies and start thinking about unofficial action.

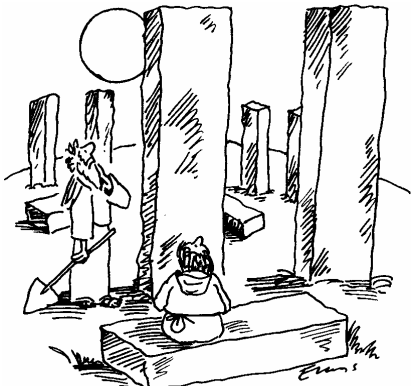
Rank and File building workers organise

Workers in the construction industry look to be gearing up for some serious opposition to the latest insult thrown at them by the employers. A new Rank and File coalition has been formed to oppose new contracts imposed by the employers with the connivance of full-time union officials. They are looking for help in distributing newsletters and bulletins on building sites.

Major construction firm Laing O'Rourke has recently imposed a new Contract of Employment on all its site workers, meaning large pay cuts for many and everyone having to rely on the employers' 'discretionary bonus'. Disgracefully, but not surprisingly, these attacks were fully supported by the full-time officials of the three major building industry unions - UCATT, TGWU and GMB. This treachery, coupled with the sudden imposition of the new contract ensured that where resistance did occur it was fragmented and unsuccessful.

Other employers, seeing that Laing O'Rourke appears to have gotten away with it, are now following suit. Rank and File activists in the construction industry believe that it's not too late for workers to begin real, organised resistance to these attacks, as long as it occurs at a grassroots level.

A meeting took place on 14th June in London to coordinate the fightback, and there has been considerable interest from individual workers as well as the national Rank and File Building Worker Group and union branches such as the GMB SOLO branch and Northampton UCATT.



Laing's prehistoric contracts

This new Rank and File coalition is looking to spread resistance to the new contracts nationally whilst also fighting for improvements in wages, working hours, sick pay, pensions and the constant deaths and injuries caused by so-called 'site accidents'.

As well as looking to link up with building workers they are asking for support from other sympathisers who can hand out newsletters and bulletins on their local building sites and so spread the message wider without the fear of being sacked or blacklisted. Solidarity Federation locals will be among those participating in this organising drive. In a national climate where none of the TUC-affiliated unions is democratic and none truly stands up for its members this type of grassroots initiative needs to be both supported and replicated in other industries. Get involved, contact **The Building Worker Group** on **07767615354**.

We welcome comments and contributions, contact us at:
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The Solidarity Federation - International Workers' Association (SF-IWA)

We seek to replace capitalism with a stateless society based on the principle of from each according to their ability, to each according to their needs. In the medium term and as an essential forerunner of such a society, SolFed promotes and seeks to initiate anarchosyndicalist unions. SolFed seeks to create a militant opposition to the bosses and the state, controlled by the workers themselves. Its strategy can apply equally to those in the official trade unions who wish to organise independently of the union bureaucracy and those who wish to set up other types of self-organisation.

Our activities are based on Direct Action - action by workers ourselves not through intermediaries like politicians and union officials. Our decisions are made through participation of the membership. We welcome anyone who agrees with our aims and principles. We recognise that not all oppression is economic, but can be based on gender, race, sexuality, or anything our rulers find useful.