Letter number 52 September 2023

# A GLIMMER OF HOPE AMIDST AUSTERITY AND SOCIAL REGRESSION?

## THE CONTINUING STRIKE WAVE IN THE UNITED KINGDOM

"So somehow in the UK, someone needs to accept that they're worse off and stop trying to maintain their real spending power by bidding up prices, whether higher wages or passing the energy costs through on to customers. And what we're facing now is that reluctance to accept that, yes, we're all worse off, and we all have to take our share." – Huw Pill, Chief Economist to the Bank of England, April 2023<sup>1</sup>.

"...the very development of modern industry must progressively turn the scale in favour of the capitalist against the working man, and that consequently the general tendency of capitalistic production is not to raise, but to sink the average standard of wages, or to push the value of labour more or less to its minimum limit. Such being the tendency of things in this system, is this saying that the working class ought to renounce their resistance against the encroachments of capital, and abandon their attempts at making the best of the occasional chances for their temporary improvement? If they did, they would be degraded to one level mass of broken wretches past salvation. I think I have shown that their struggles for the standard of wages are incidents inseparable from the whole wages system, that in 99 cases out of 100 their efforts at raising wages are only efforts at maintaining the given value of labour, and that the necessity of debating their price with the capitalist is inherent to their condition of having to sell themselves as commodities. By cowardly giving way in their everyday conflict with capital, they would certainly disqualify themselves for the initiating of any larger movement." – Value, Price and Profit, Karl Marx, 1865<sup>2</sup>

The present upsurge in strike action by workers in the UK<sup>3</sup> has been building since summer 2022. It has undoubtedly been encouraged by the regular one and two-day strikes of railworkers (called by the two most important rail unions: RMT and ASLEF<sup>4</sup>) – starting from the three national rail strikes on 21, 23 and 25 June 2022 – although strikes in the postal sector had already taken place in May. By the end of July 2023 there were more than 30 days of rail strikes, not counting several days of overtime bans by train drivers. The overall unifying factor across all sectors is certainly the rate of inflation, coupled with the suppression of wage increases over the last few years, particularly in the state sector. In September 2023, the wave of strikes still continues, despite attempts by some important public sector unions to call off strikes to supposedly help with negotiations<sup>5</sup>. In addition, on the health worker front, the "NHS Staff Council" (see below, Appendix B) voted to accept the government's latest pay offer to health workers. The offer boiled down to a one-off payment plus a pay rise of 5% for 2023-24 for most staff, but will be over 10% for the lowest pay grades<sup>6</sup>. However, although the Staff Council supposedly represents 10 unions within the NHS, and thus over a million workers, its votes are not really binding on all the unions involved and, in this case, two important unions rejected the offer. These were the RCN<sup>7</sup> (with over half a million members, over 200,000 in the NHS)

<sup>&</sup>lt;sup>1</sup> See: https://www.theguardian.com/business/2023/apr/25/britons-need-to-accept-theyre-poorer-says-bank-of-england-economist

<sup>&</sup>lt;sup>2</sup> https://www.marxists.org/archive/marx/works/1865/value-price-profit/index.htm

<sup>&</sup>lt;sup>3</sup> Strikes have affected all four national components of the UK (England, Scotland, Wales and Northern Ireland), but some negotiation over pay and conditions has taken place on a regional level and, consequently, some strikes have been called on a regional basis. For example, in the health service, NHS workers in England and Wales were offered a pay rise of 4.75%, but were offered 7.5% in Scotland. In both cases, the offer was rejected by the Royal College of Nursing (the main nurses' union), which has called strikes, but on different days in England and Scotland. See: <a href="https://www.bbc.co.uk/news/health-63561305">https://www.bbc.co.uk/news/health-63561305</a>

<sup>&</sup>lt;sup>4</sup> RMT (National Union of Rail, Maritime and Transport workers): <a href="https://www.rmt.org.uk/home/">https://www.rmt.org.uk/home/</a>

ASLEF (Associated Society of Locomotive Engineers and Firemen): https://aslef.org.uk/

<sup>&</sup>lt;sup>5</sup> Yes, union leaders still come out with that old chestnut!

<sup>&</sup>lt;sup>6</sup> See: https://commonslibrary.parliament.uk/research-briefings/cbp-9775/ and

https://www.theguardian.com/society/2023/may/02/nhs-staff-council-votes-to-accept-pay-deal-for-health-workers-in-england-nurses

<sup>&</sup>lt;sup>7</sup> Letter from the RCN to Steve Barclay, Secretary of State for Health and Social Care: <a href="https://www.rcn.org.uk/news-and-events/Press-Releases/letter-from-rcn-to-steve-barclay-following-nhs-staff-council-meeting">https://www.rcn.org.uk/news-and-events/Press-Releases/letter-from-rcn-to-steve-barclay-following-nhs-staff-council-meeting</a>

and Unite (with over 100,000 members in the NHS)8. Significantly, the vote by the Staff Council means that members of the RCN and Unite will receive the offer, but the unions intended to continue to fight for more9. In addition, crucially, the deal did not involve doctors, and more strikes by "Junior Doctors" took place. At the end of June, the RCN failed to obtain a mandate to call more strikes – it got an overwhelming vote for strike action, 84%, but the member turnout was only 43%. All four categories of doctors (who all belong to the same union, the BMA¹0) have gone on strike and could do so again in the near future¹¹. And it's not just the NHS... Rail strikes, including on London Underground, keep happening on a regular basis.

There have been many "unprecedented" strike actions across the public sector. The strike by academic staff in 150 universities on 24-25 November 2022 was billed as "the biggest strike in the history of UK higher education" – which may well be true! Doctors have launched 4-day strikes for the first time in the history of the NHS, on multiple occasions<sup>12</sup>. The end of September/beginning of October 2023 will see the first joint strike in the history of the NHS between Junior Doctors and Consultants<sup>13</sup>. (hospital specialists)<sup>14</sup>.

However, we are beginning to see obvious large-scale defeats for workers. One is the settlement agreed by the unions in the Royal Mail. In terms of pay, the deal amounted to 10%... over three years! Plus a £500 lump sum<sup>15</sup>. The Communication Workers Union<sup>16</sup> agreed in principle with Royal Mail in April, and the membership voted on it in early July, with the result known on 11 July. This was a vote for the deal of 75%, on a turnout of 67%<sup>17</sup>. What was actually agreed was a 35-page document called "Business Recovery, Transformation & Growth"<sup>18</sup>. The only thing that can be described as a concession to the workers in the document is a commitment to no compulsory redundancies before April 2025. Similarly, School strikes in England have been called off after teachers and school leaders in four education unions voted to accept the government's 6.5% pay offer<sup>19</sup>.

The fact that members of the ruling class invoke the old argument about the "wages prices spiral" (as in the quote above), is partly a reflection of real social forces at work. As in the 1970s, inflation is acting as the recruiting sergeant for workers' struggles, according to the simple logic: a wage rise less than inflation is a wage cut; everybody else is going on strike for a pay rise, so why not you? At this point we need to stress that inflation in the UK remains high: 10% or so in April 2023. This is significantly higher than other Western European countries<sup>20</sup>.

<sup>8</sup> Membership numbers according to the unions' own statements, but more reliable figures do not seem to be available.

<sup>&</sup>lt;sup>9</sup> As the RCN itself makes clear: https://www.rcn.org.uk/news-and-events/news/uk-nhs-england-pay-offer-to-be-implemented-but-rcn-remains-in-dispute-020523

<sup>&</sup>lt;sup>10</sup> Strictly speaking, the BMA (British Medical Association) is not a trade union: https://www.bma.org.uk/

<sup>11</sup> https://www.theguardian.com/society/2023/jun/29/all-four-types-of-nhs-doctor-could-strike-before-general-election-bma-fears

<sup>&</sup>lt;sup>12</sup> Fifth round of strikes by Junior Doctors: https://www.theguardian.com/society/2023/aug/11/junior-doctors-england-launch-fifth-round-industrial-action-nhs-strike

<sup>&</sup>lt;sup>13</sup> See: <a href="https://www.theguardian.com/society/2023/aug/31/junior-doctors-nhs-england-vote-to-continue-strikes-through-winter">https://www.theguardian.com/society/2023/aug/31/junior-doctors-nhs-england-vote-to-continue-strikes-through-winter</a>

<sup>14</sup> See: https://www.theguardian.com/society/2023/aug/31/junior-doctors-nhs-england-vote-to-continue-strikes-through-winter

<sup>&</sup>lt;sup>15</sup> In fact, it is broken down into a previous 2% pay rise from 1 April 2022; a 6% pay rise from 1 April 2023 and a 2% pay rise from 1 April 2024. The one-off payment of £500 is equivalent to 2% of pay and pro-rated for part-time staff:

 $<sup>\</sup>underline{https://www.theguardian.com/business/2023/apr/21/royal-mail-agrees-pay-deal-cwu-postal-workers-union}$ 

<sup>&</sup>lt;sup>16</sup> See: https://www.cwu.org/

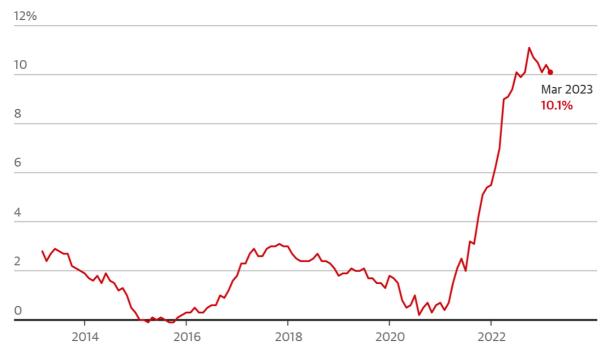
<sup>&</sup>lt;sup>17</sup> See: https://www.cwu.org/news/grim-determination-solid-unity-among-cwu-royal-mail-reps/

<sup>&</sup>lt;sup>18</sup> If you really want to read it: <a href="https://www.cwu.org/wp-content/uploads/2023/04/RMG-and-CWU-Business-Recovery-Transformation-and-Growth-Agreement-NEGOTIATORS-AGREEMENT-IN-PRINCIPLE-FORMATTED-FINAL-21.04.23-005.pdf">https://www.cwu.org/wp-content/uploads/2023/04/RMG-and-CWU-Business-Recovery-Transformation-and-Growth-Agreement-NEGOTIATORS-AGREEMENT-IN-PRINCIPLE-FORMATTED-FINAL-21.04.23-005.pdf</a>

<sup>&</sup>lt;sup>19</sup> See: <a href="https://www.theguardian.com/education/2023/jul/31/neu-teaching-union-accepts-pay-deal-england-school-strikes">https://www.theguardian.com/education/2023/jul/31/neu-teaching-union-accepts-pay-deal-england-school-strikes</a>

<sup>&</sup>lt;sup>20</sup> See the Trading Economics site: <a href="https://tradingeconomics.com/country-list/inflation-rate?continent=europe">https://tradingeconomics.com/country-list/inflation-rate?continent=europe</a>. In April 2023, France stood at 5.9%, Belgium was 5.6%, Denmark was 6.7%, Greece was 4.6% in March. In addition, in May "The headline figure remained steady from the previous month, at 8.7%. That was above economists' expectations of a fall to 8.4%. ... Core inflation both in America and the euro zone, though still high, has been ticking down gently—it reached 5.3% in May, in both places—and headline numbers in those economies, including food and energy, have tumbled faster. Among the G7 countries, none has higher inflation than Britain. Only Italy comes close, with a headline rate of 7.6%." – "Britain's inflation pain is mostly self-inflicted and getting worse", Economist, 21 June 2023

#### UK CPI annual inflation rate, %



Guardian graphic. Source: ONS

The higher rate of inflation in the UK has various causes, which we are not going to develop at length here. However, we can say that one cause is Brexit, which disrupted supply chains and set up greater barriers to trade, thus increasing prices of many goods traded with the EU. It is hard to say by how much, because the disruption coincided with the pandemic, but studies suggest that the effect is significant. For example, researchers from the Centre for Economic Performance concluded that Brexit increased average food prices in Britain by around 3% annually in 2020 and 2021. That is despite the fact that the British government has implemented only a subset of the import controls it promised. If it ever implements the full suite of controls (the latest deadline is the end of 2023), the effects will be even worse<sup>21</sup>.

## MAIN CHARACTERISTICS OF THE MOVEMENT

The movement has certain well-defined characteristics which have remained more or less constant since the summer of 2022. These can be summarised as:

- Workers have shown that they are very willing to go on strike. They vote for strike action (and any other kind of action) whenever the unions give them a chance to vote for it. This is particularly true across several large sectors:
  - Health
  - Schools
  - Universities
  - Railways
  - o Post Office/Royal Mail
- Votes for strike action have usually been strongly in favour. For example, the strike by hospital doctors which began on 11 April 2023 followed a ballot in February held by the BMA (British

<sup>&</sup>lt;sup>21</sup> See: "The impact of Brexit, in charts - How has leaving the EU affected Britain?", *The Economist*, 3 Jan 2023. Our take on Brexit at the time of the referendum is here:

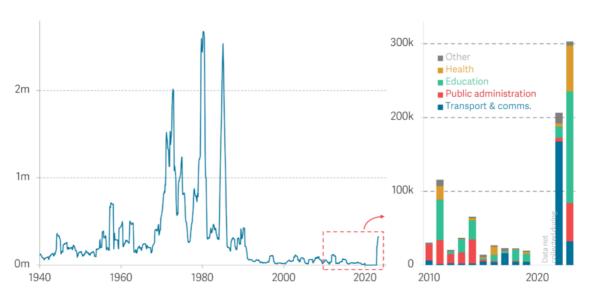
http://mouvement-communiste.com/documents/MC/Leaflets/BLT1610EN%20vF.pdf

Medical Association) in which 98% of the 36,000 doctors (out of 47,600 members) who participated voted in favour of a strike!<sup>22</sup> In August 2022, the vote for strike action by the 115,000 postal workers who are in the Communication Workers Union (CWU), was almost 99% in favour, albeit with a turnout of only 72% (that is, about 83,000 voting)<sup>23</sup>.

- Strikes are strongly observed trains don't run, junior doctors don't turn up for work (so hospitals rely on consultants to function during strike days), post offices and Royal Mail sorting offices shut, ambulances only run according to emergency guidelines agreed with the management by the union... In other words, there is very little scabbing. This level of militancy paradoxically means that, often, picket lines are not very prominent because they are not needed (in the strict sense of preventing scabbing) they are often small and symbolic (particularly compared to the numbers striking). The exceptions are in the private sector Amazon workers, Abellio bus drivers....
- The strike movement represents an upsurge in struggle from a working class which has been passive for a long time. The statistics on strikes speak for themselves<sup>24</sup>:

## Working days lost per month, overall (left panel), and by industry (right panel): UK





Notes: Left panel shows rolling 12-month average; right panel shows the average within the calendar year. Data is missing between February 2020 and June 2022 – collection of labour disputes data was suspended during the COVID-19 pandemic. Source: RF analysis of ONS, Labour Disputes Inquiry.

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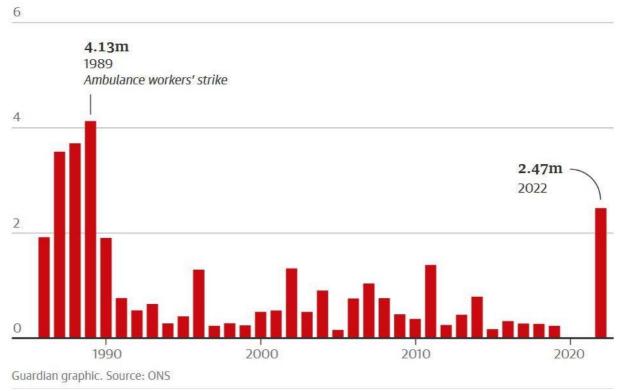
<sup>&</sup>lt;sup>22</sup> See: https://www.independent.co.uk/news/health/what-is-a-junior-doctors-salary-b2317656.html and https://news.sky.com/story/when-are-junior-doctors-striking-why-this-could-be-the-worst-nhs-strike-yet-12854292

<sup>&</sup>lt;sup>23</sup> See: <a href="https://www.theguardian.com/business/2022/aug/17/royal-mail-workers-vote-further-action-ahead-of-four-days-of-strikes-cwu">https://www.theguardian.com/business/2022/aug/17/royal-mail-workers-vote-further-action-ahead-of-four-days-of-strikes-cwu</a>

<sup>&</sup>lt;sup>24</sup> The lovely graph below comes from the Resolution Foundation Labour Market Outlook Q2 2023: https://www.resolutionfoundation.org/app/uploads/2023/08/LMO-Q2-2023.pdf

#### To zoom in a bit more:

#### Working days lost, millions



On this basis <sup>25</sup>, it is tempting to assume that most of the workers involved have never been on strike before. In the case of the health workers, this is largely true. For example, most nurses belong to the RCN, which never called a strike for over a hundred years of its history, until 2022! However, we must not forget that Junior Doctors went on strike in April 2016, and the strikes were just as solid as they have been recently. On the railways there have been regular strikes across the network by numerous categories of workers (see Appendix A below). In universities, in Feb/March 2018 there was a series of strikes around preserving the Defined Benefits pension scheme (known as the "Universities Superannuation Scheme", USS). The sheer number of strike days was significant – 14 in four weeks at one point<sup>26</sup>.

• The strike movement has *mostly* involved the public sector. Here we should include the railways – *de facto* re-nationalised during the pandemic (see Appendix A below). Perhaps also the Royal Mail/Post Office can be seen as a "semi-state" business. Royal Mail (the distribution, sorting and logistics side of the Post Office) was fully privatised in 2015, but before the privatisation process began in 2013 the government completely took over its Defined Benefits pension scheme, assuming responsibility for its massive liabilities<sup>27</sup>. In addition, its interaction with the public takes place through a network of over 11,600 Post Office branches across the UK. Most of these are actually "sub-post offices" run by shopkeepers. The ones with employees are "Crown Post Offices" - there are 191 of these. These are run by a separate company, Post Office Limited, which is still state-owned. It employs around 5,000 staff. Finally, under the Postal Services Act 2011, Royal Mail is obliged to provide a "universal

<sup>&</sup>lt;sup>25</sup> The second graph comes from: "The impact of strikes in the UK: June 2022 to February 2023", Office for National Statistics, 8 March 2023

<sup>&</sup>lt;sup>26</sup> https://notesfrombelow.org/article/looking-back-anger-ucu-strikes

<sup>&</sup>lt;sup>27</sup> Some details can be found in the House of Commons library: <a href="https://commonslibrary.parliament.uk/research-briefings/sn04940/">https://commonslibrary.parliament.uk/research-briefings/sn04940/</a>

<sup>-</sup> historic liabilities are estimated to be £40 billion in April 2012.

service" of mail deliveries, six days a week, one price for any distance, to all addresses in the UK<sup>28</sup>. To this we can add occasional strikes at the BBC – the state-sponsored but largely self-funded British Broadcasting Corporation<sup>29</sup>. And then there were the strikes by lawyers last summer over Legal Aid fees<sup>30</sup>... There was even *almost* a strike in August 2023 at an arms factory supplying missiles to Ukraine, run by the Ministry of Defence<sup>31</sup>.

- But we have to be clear that the movement is not *confined* to the state and semi-state sector. There have been numerous cases of smaller-scale strikes in the private sector. A small sample:
  - O Amazon warehouses. Hundreds of workers (out of 3,500 at the site) stopped work at the Tilbury (in Essex) plant in August 2022<sup>32</sup>. At the same time, there were also unofficial walkouts in Coventry, Bristol, Rugeley, Dartford, Belvedere, Hemel Hempstead and Chesterfield (that is, across the UK!<sup>33</sup>.). Workers at the Coventry warehouse were again on strike in January 2023 for 8 days and then again in April<sup>34</sup>. There are 62 Amazon "fulfilment centres" across the UK<sup>35</sup>.
  - British Telecom (BT) and its Openreach subsidiary (its first national strike since 1987), involving 30,000 workers<sup>36</sup>
  - O Bus drivers working for Abellio (1,800 workers) this ended with a significant pay rise for the drivers, 18% according to the union<sup>37</sup>
  - Private nurseries<sup>38</sup>
  - o Oil rigs (see below)
  - o Coffin makers employed by the Co-op<sup>39</sup>
  - Security guards at Heathrow airport<sup>40</sup>
  - O Coca Cola plant in Wakefield<sup>41</sup>. "Hundreds" of workers possibly involved.
  - O Dockers for example, 1,900 workers at Felixstowe docks were on strike for 8 days in August 2022, the first strike action at Felixstowe for three decades<sup>42</sup>. The dockers eventually

<sup>&</sup>lt;sup>28</sup> https://en.wikipedia.org/wiki/Post\_Office\_Limited

<sup>&</sup>lt;sup>29</sup> See, for example: <a href="https://www.theguardian.com/media/2023/mar/31/bbc-journalists-call-second-strike-over-local-radio-cuts">https://www.theguardian.com/media/2023/mar/31/bbc-journalists-call-second-strike-over-local-radio-cuts</a>. The BBC is mostly funded from a Licensing Fee imposed on individual households for receipt of its broadcasts, and from its own commercial activities: <a href="https://en.wikipedia.org/wiki/BBC">https://en.wikipedia.org/wiki/BBC</a>

<sup>&</sup>lt;sup>30</sup> For example: https://www.theguardian.com/law/2022/aug/22/barristers-england-wales-vote-indefinite-strike

<sup>&</sup>lt;sup>31</sup> The Defence Equipment and Support plant at Beith, Ayrshire, Scotland. It involved "nearly 50 workers":

https://www.theguardian.com/uk-news/2023/aug/17/strikes-suspended-at-uk-munitions-plant-that-supplies-missiles-to-ukraine

<sup>32</sup> See: https://www.theguardian.com/technology/2022/aug/04/hundreds-amazon-staff-essex-stop-work-protest-35p-pay-rise

<sup>&</sup>lt;sup>33</sup> See: https://www.theguardian.com/technology/2022/aug/05/amazon-staff-essex-protest-pay-dispute-coventry-bristol-rugeley

<sup>&</sup>lt;sup>34</sup> See: <a href="https://www.theguardian.com/technology/2023/mar/31/amazon-workers-in-coventry-announce-six-new-strike-dates">https://www.theguardian.com/technology/2023/mar/31/amazon-workers-in-coventry-announce-six-new-strike-dates</a> and <a href="https://www.theguardian.com/technology/2023/mar/22/amazon-raises-warehouse-pay-11-hour-strikes-threatened">https://www.theguardian.com/technology/2023/mar/22/amazon-raises-warehouse-pay-11-hour-strikes-threatened</a> and <a href="https://notesfrombelow.org/article/wildcat-strike-amazon">https://notesfrombelow.org/article/wildcat-strike-amazon</a> (for an interesting description of an impromptu unofficial work stoppage by Amazon workers).

<sup>35</sup> Listed here: https://en.wikipedia.org/wiki/List of Amazon locations

<sup>&</sup>lt;sup>36</sup> See: <a href="https://en.wikipedia.org/wiki/2022 BT Group strikes">https://en.wikipedia.org/wiki/2022 BT Group strikes</a>. The strike was called to gain an improvement on a pay rise in April. The union claim that the total increase for the lowest paid grades was more than 15%: <a href="https://www.bbc.co.uk/news/business-63785421">https://www.bbc.co.uk/news/business-63785421</a>. Union figures indicate that something like 30,000 workers were involved: <a href="https://www.cwu.org/btopenreachstrikeinfo">https://www.cwu.org/btopenreachstrikeinfo</a>
<a href="https://www.unitetheunion.org/news-events/news/2023/february/long-running-abellio-london-bus-dispute-ends-as-workers-

receive-major-pay-boost/

See: <a href="https://www.theguardian.com/education/2023/apr/08/liverpool-nursery-workers-who-lost-jobs-after-striking-call-for-solidarity-in-sector">https://www.theguardian.com/education/2023/apr/08/liverpool-nursery-workers-who-lost-jobs-after-striking-call-for-solidarity-in-sector</a> . In this case, the 50 or so workers involved lost their jobs when the nursery was closed shortly after the strike.

<sup>&</sup>lt;sup>39</sup> See: https://www.theguardian.com/business/2023/jan/05/co-op-glasgow-coffin-factory-workers-begin-further-strike-action-over-pay. This strike has been rumbling on for several months, but only involves 50 or so workers.

 $<sup>{\</sup>small ^{40}\,See:}\,\underline{https://www.theguardian.com/uk-news/2023/mar/31/heathrow-airport-service-security-staff-strike-easter}$ 

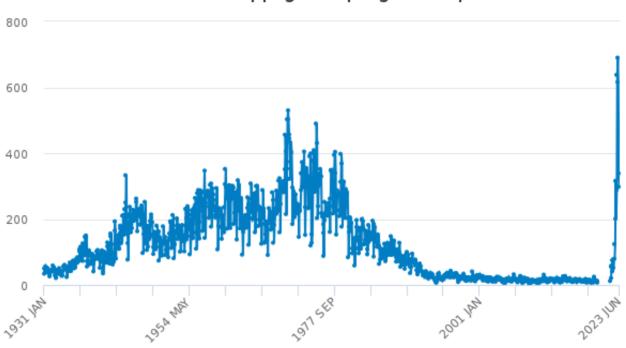
<sup>41</sup> See: https://www.wakefieldexpress.co.uk/business/strike-at-wakefield-coca-cola-plant-rescheduled-4167749

<sup>42</sup> See: https://www.bbc.co.uk/news/uk-england-suffolk-62608112

won a 15.5% pay rise... but over two years<sup>43</sup>. Around 600 dock workers at Liverpool struck for two weeks in October, partly overlapping the strike at Felixstowe. In November, a pay rise supposedly worth 14.3%-18.5% was negotiated<sup>44</sup>.

- Even a threat of strike action at the posh private school where Rishi Sunak was educated...
   but it was resolved with a pay rise<sup>45</sup>
- O At the charity for homeless people, Shelter, 600 workers went on an "unprecedented" strike in December<sup>46</sup>, winning a pay "increase" from 3% to 7%.
- And speaking of charities, in September 2023 the Royal Society of Arts (a charitable body founded in 1754 to promote the values of the Enlightenment) faced the first strike in its history<sup>47</sup>.
- If we look at another graph from the ONS, we can see that there are an enormous number of disputes happening (obviously, mostly very small ones)<sup>48</sup>:

## Number of stoppages in progress in period



However, the numbers of workers involved have generally been tiny compared to those in the state and semi-state sectors. The only exception was BT, and that involved only 2 days of strike action. Compare this with NHS nurses, who struck for 10 days between December 2022 and April 2023<sup>49</sup>.

<sup>&</sup>lt;sup>43</sup> Union's announcement is here: <a href="https://www.unitetheunion.org/news-events/news/2022/december/felixstowe-port-workers-win-155-per-cent-pay-increase/">https://www.unitetheunion.org/news-events/news/2022/december/felixstowe-port-workers-win-155-per-cent-pay-increase/</a>

<sup>&</sup>lt;sup>44</sup> See: <a href="https://www.reuters.com/world/uk/uks-liverpool-port-workers-agree-pay-deal-end-strike-2022-11-10/">https://www.reuters.com/world/uk/uks-liverpool-port-workers-agree-pay-deal-end-strike-2022-11-10/</a> and from the union: <a href="https://www.unitetheunion.org/news-events/news/2022/november/liverpool-dockers-celebrate-major-victory-after-unite-secures-pay-deal-worth-between-143-and-185/">https://www.unitetheunion.org/news-events/news/2022/november/liverpool-dockers-celebrate-major-victory-after-unite-secures-pay-deal-worth-between-143-and-185/</a>

<sup>45</sup> https://neu.org.uk/press-releases/neu-wins-pay-rise-teachers-winchester-college

<sup>&</sup>lt;sup>46</sup> See: <a href="https://www.theguardian.com/society/2022/dec/05/homelessness-charity-shelter-staff-start-unprecedented-two-week-strike">https://www.theguardian.com/society/2022/dec/05/homelessness-charity-shelter-staff-start-unprecedented-two-week-strike</a> and <a href="https://www.insidehousing.co.uk/news/shelter-strike-ends-early-following-improved-pay-offer-79483">https://www.insidehousing.co.uk/news/shelter-strike-ends-early-following-improved-pay-offer-79483</a>

<sup>&</sup>lt;sup>47</sup> The strike was called by one of the small activist unions created in the last few years in the UK, the IWGB (Independent Workers Union of Great Britain). See: <a href="https://www.theguardian.com/politics/2023/sep/02/royal-society-of-arts-strike-pay-union">https://www.theguardian.com/politics/2023/sep/02/royal-society-of-arts-strike-pay-union</a>

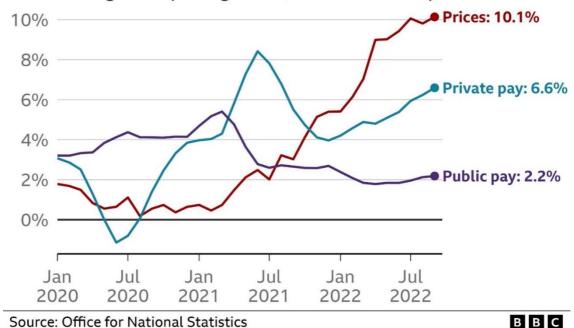
<sup>48</sup> https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/bluu/lms

<sup>&</sup>lt;sup>49</sup> See: https://en.wikipedia.org/wiki/2022%E2%80%932023 National Health Service strikes

• The separation between the public sector and private sector is partly because pay rises have been lower in the state sector over the past decade or so – see the graph below<sup>50</sup>. But there does seem to be a general mood of rebellion around the question of wages, which has spread to numerous sectors.

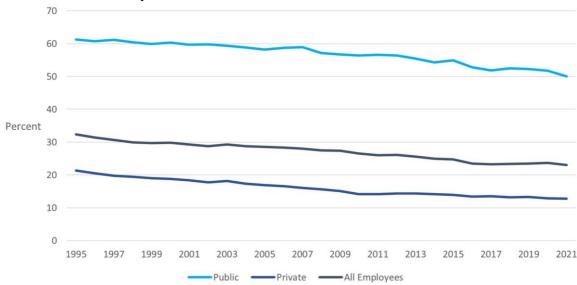
## Pay is not keeping up with inflation

Annual wage and price growth, Jan 2020 to Sep 2022



As one train guard told a newspaper back in December, "we haven't had a pay rise for three years" 51. Another obvious factor is that the public sector is much more unionised:

## Trade Union Density 1995 to 2021



Source: Labour Force Survey, Office for National Statistics<sup>52</sup>

<sup>&</sup>lt;sup>50</sup> Latest figures (June 2023) suggest that the trend continues. Private sector wages, excluding bonuses, were 7.6% higher than a year before, even though pay increases were concentrated in higher paid sectors: 9.2% in finance and business services, 5.1% in hospitality or retail. See: "Wage growth, inflation and more place Britain's central bank in a spot", *Economist*, 14 June 2023

<sup>51</sup> https://www.theguardian.com/uk-news/2022/dec/06/we-havent-had-a-rise-for-three-years-a-striking-rmt-train-guard-speaks-out

<sup>52</sup> https://www.gov.uk/government/statistics/trade-union-statistics-2021

- This matters precisely because we are talking about strikes that are almost entirely union initiated and controlled (see below).
- Despite the fact that wages have been the unifying force in the strike wave, all the major public sector categories also have their own specific grievances. These continue to be a motivating factor in the maintenance of the strikes, and we cannot ignore them when considering the dynamics of the struggle. In particular, health workers (whether nurses, doctors, ambulance drivers, midwives, physiotherapists...) are more concerned about the ever-rising intensity of work caused by many years of underinvestment in healthcare, certainly massively exacerbated by the pandemic. On the railways, the issue is more about job security, as some rail jobs become technologically obsolete. In the post office (both Royal Mail and the Post Office branches) it is also a question of intensity of work along with the threat of large-scale restructuring (including thousands of job losses) as RM fails to compete with newer parcel delivery companies, such as UPS, Deutsche Post DHL, FedEx etc. (not to mention Amazon), and letter delivery (which RM was originally intended for) becomes less and less relevant. The RM management insists that pay rises can only be put on the table in return for agreements on restructuring, and thus productivity increases. The postal union, the CWU, (Communication Workers Union) know that they can't easily sell this kind of deal to their members. Pensions are a major issue in the universities, and on the London Underground.
- As usual, in some sectors the bosses are claiming that more money can be put on the table if the workers accept restructuring leading to higher productivity. Rail and post are both sectors where productivity increases are possible with existing technology<sup>53</sup>. In a period where the value of wages is relatively stable, unions are happy to negotiate around these kinds of issues. Indeed, productivity deals are a major part of the function of a union in sectors dominated by productive capital. But in a period of high inflation, the real value of the wage is being continuously reduced, so the question of getting higher wages linked to productivity is not immediately relevant investment in higher productivity is something which happens on a timescale of years, not much help to workers whose wages are effectively falling by 1% of their value every month or so!
- There is almost no sign of any reactionary backlash against the strikers by "the public", despite the usual editorials in newspapers and speeches by Tory and Labour politicians about unreasonable wage demands that contribute to inflation. Numerous polls have shown support, or, at least, lack of hostility towards the strikers, even where it might be expected<sup>54</sup>. Indeed, polls have shown that the majority of the public *support* strikes by healthcare workers. According to IPSOS (a multinational market research company with headquarters in Paris), support for junior doctors actually grew from 47% in January to 56% in June 2023, while the figure for nurses went from 61% to 62% and support for ambulance workers from 58% to 62%<sup>55</sup>.
- Despite all the strikes and the large number of workers involved (on 1 Feb 2023 the total number on strike was around half a million, and more than half a million were also on strike on 15 March<sup>50</sup>), all this militancy has remained strictly within the framework of trade unionism. Even where there are some signs of self-activity on the part of workers it has mostly taken the form of traditional "rank and file trade unionism" accusing the leadership of "selling out", trying to influence ballots etc. For example, within the UCU (the union for university teaching staff) a group of rank-and-file activists protested outside the union headquarters in March with a banner saying "Grady Out" (Jo Grady being the union General Secretary). The only example of anything that might express a seed of workers' autonomy happened on the North Sea oil rigs in September 2022. The strike affected 15 oil rigs and was organised by the Offshore Oil & Gas Workers Strike Committee. They issued a

<sup>&</sup>lt;sup>53</sup> It gets a bit more "sci-fi" when we are talking about health or education – nurses are not about to be replaced by robots, and schools are not about to move entirely into the virtual world, despite (generally disastrous) experiments during the pandemic lockdown period.

<sup>54</sup> For example, a YouGov opinion poll in December 2022 ask how people felt about a strike by paramedics and "999" call handlers showed that 50% either "strongly supported" or "somewhat supported" the strikes: <a href="https://yougov.co.uk/topics/politics/survey-results/daily/2022/12/07/9c7fb/1">https://yougov.co.uk/topics/politics/survey-results/daily/2022/12/07/9c7fb/1</a> This is the worst case for health workers. For nurses' strikes, support is much higher – 66% for the first big nurses' strike in December: <a href="https://yougov.co.uk/topics/politics/articles-reports/2022/12/20/nurses-and-ambulance-workers-have-most-public-supp">https://yougov.co.uk/topics/politics/articles-reports/2022/12/20/nurses-and-ambulance-workers-have-most-public-supp</a>

<sup>55</sup> See: https://www.theguardian.com/society/2023/jul/02/majority-back-nhs-strikes-despite-disruption-polls-show

<sup>&</sup>lt;sup>56</sup> See: https://www.bloomberg.com/news/articles/2023-03-15/half-a-million-workers-to-strike-on-uk-chancellor-s-budget-day

statement denouncing a 3% pay offer (not surprising!) and talking about "years of inaction by the unions" and "we can only get things done by taking things into our own hands"57.

## PROTEST VERSUS STRUGGLE

An important distinction which needs to be made here is between "economic" strikes (what we are tempted to call "real strikes") - strikes where the workers (albeit through the mediation of a trade union) are attempting to cause real economic disruption and financial losses for the bosses - and "protest" strikes which are more about embarrassing the government and influencing public opinion. There is not necessarily a clear distinction between the two. Large-scale strikes in the health service are often, essentially, a protest action. But "local disputes" in the health sector can be a real attempt to assert workers' power and gain increases in wages or reductions in work intensity. And sometimes public support can be used to encourage genuinely disruptive actions. During the previous big wave of strikes in the NHS - forty years ago (!) in 1982-3 - there were some attempts by nurses and other health workers to get solidarity walk-outs by going directly to other groups of workers (notably the South Yorkshire coalfield – Britain still had coal mines in those days).

Protest strikes often express a high level of "inter-classism" - the management (even very senior management) of the sector involved are seen as being on the same side as the workers against the governments "underfunding" of education, healthcare or whatever. This usually means a complete lack of criticism of the hierarchy of power inside a workplace. At the time of writing, all four categories of doctors in the NHS (represented by the same union, the BMA) could strike in the near future<sup>58</sup>. This means there will be strikes which include "consultants" - i.e. senior doctors with managerial authority. This potentially raises the question of hierarchy on the "shop floor" of the hospital, and how to oppose it in the heat of the struggle. This is something that our comrades in Nurses' Initiative (*Iniciativa Sester*) in Czechia have tried to address over the last few years, but it has hardly even been discussed in any health workers struggle in the UK.

## "STATE" VERSUS "PRIVATE" CAPITAL

It is perfectly possible, and not uncommon, for a state to directly own a stake in a company, or to own a company outright, for the purpose of making a profit (a profit which is partly reinvested and partly forms a part of state revenue). In the past, state-owned rail companies, such as Trenitalia (Italy) and SNCF (France) have been profitable businesses. In the UK the coal mines were nationalised after World War II precisely to make them profitable. The generally small-scale rent-seeking coal-owners in the prewar period were not capable of raising the productivity of the industry - only massive state-organised investment could do that. The labour of workers in such a company would be "productive" in Marxist terms. "That worker is productive who performs productive labour, and that labour is productive which directly creates surplus value, i.e. valorises capital" - Draft Chapter 6 of Capital<sup>59</sup>

But this is generally not what is meant by the "public sector" nowadays. Many of the most profitable state companies have become privatised. One of the best examples is the DHL Group, which was previously the German postal authority, privatised in 1995. It still delivers letters in Germany (as Deutsche Post), but the parcel division (DHL) is now present in over 220 countries (even if it sold its Chinese operation in 2019). The "public sector" or "state sector" is generally taken to mean that sector of wage labour which is paid for out of state revenue. In Marxist terms, we are talking about "unproductive labour", in that it does not directly create surplus value. What does this mean in practical terms from a worker's point of view? Clearly, the fact that labour is unproductive (in the sense still used by us Marxists today) does not mean that it is not useful to capital or to the satisfaction of human needs. Labour in a state-funded hospital is certainly useful to the well-

<sup>&</sup>lt;sup>57</sup> See: https://www.angryworkers.org/2023/01/12/on-the-current-strike-wave-in-the-uk/ The Strike Committee statement is reproduced here: https://www.leftcom.org/en/articles/2022-08-31/north-sea-oil-and-gas-fields-the-struggle-continues This is how it was reported in the oil industry press:

https://scaffmag.com/2022/09/offshore-scaffolders-plan-unofficial-strike-in-north-sea/

https://www.energyvoice.com/oilandgas/north-sea/442996/breaking-north-sea-workers-begin-wildcat-cost-of-living-strike-action/ https://www.energyvoice.com/oilandgas/north-sea/442528/unions-contractors-decry-smash-and-grab-wildcat-strikes-plannedacross-north-sea/

The third article is quite revealing: "in a joint letter from ESA signatories Unite, RMT and GMB, the unions said formal negotiations offered 'a real chance to change this industry for the better of every worker 'and that any unofficial action 'risks everything'. "!

<sup>58</sup> https://www.theguardian.com/society/2023/jun/29/all-four-types-of-nhs-doctor-could-strike-before-general-election-bma-fears

<sup>&</sup>lt;sup>59</sup> https://www.marxists.org/archive/marx/works/1864/economic/ch02b.htm

being of proletarians, as well as useful to the accumulation of capital by providing a workforce which is healthy enough to be productive (but not necessarily any more than that!).

Clearly, in terms of the day-to-day experience of workers – wages, conditions of work, management hierarchy etc. – there is no difference between "productive" and "unproductive" labour. All the same modern management techniques employed in the "private sector" apply in the "public sector" too – "Key Performance Indicators" and all the rest of it... In addition, there is always the tendency, in whichever sector, for capital to turn all labour into something resembling working in a factory. As we say in our text on "Health as an Industry"60:

"The hospital expresses the most advanced form of the concentration and centralisation of capital in the health market. To put it another way and more schematically: the family doctor recalls the figure of the artisan; the health centre is more like small scale manufacturing (gathering workers in the same place and sharing fixed costs but still relying on simple cooperation); the hospital appears as the specific industrial organisation of the capitalist mode of production by combining the division and scientific organisation of labour (specialisation, division, repetitive work), mechanisation (technology and applied science) and large-scale cooperation (the collective worker and the centralisation of applied research)."

Allied to this tendency is the interpenetration of private and "public" capital. For example, just like large private corporations, the NHS has outsourced more and more "in-house" functions to outside contractors in order, as they say in the corporate world, to focus on its core business. This has the consequence of exacerbating divisions between workers, as well as subjecting outsourced jobs to direct market pressure. Since the mid-1980s the NHS has been subject to "competitive tendering" for services like catering, cleaning and laundry<sup>61</sup>, which has resulted in these being provided by a wide range of private companies, often the same ones which provide outsourced services in, for example, large offices in the financial sector<sup>62</sup>. During the wave of strikes known as the Winter of Discontent (winter of 1978-9), laundry workers in the NHS played an important role – they were able to disrupt hospitals without directly hurting patients<sup>63</sup>. In the present strike wave, there have been strikes by outsourced NHS staff, but these have remained separate "disputes" from the large-scale strikes by workers directly employed by the NHS<sup>64</sup>.

Within the NHS, Consultants have been allowed to sell private medical treatment since the NHS was founded, using NHS facilities. However, consultants have always received most of their income from their NHS salaries, and before 2003 the amount of income that they could receive from private practice was capped at 10% of their NHS pay<sup>65</sup>. The NHS itself also makes use of private healthcare providers, but this remains a small part of total healthcare expenditure. Private sector healthcare accounts for 10% of "elective care" (that is, care which is planned in advance, as opposed to emergency care), with half being NHS patients treated in the private sector (the other half being patients paid for by private health insurance, or out of their own pockets)<sup>66</sup>.

Since the 1980s there have been numerous reorganisations of the NHS intended to introduce market mechanisms inside the state healthcare system. In particular, the National Health Service and Community Act (1990) allowed hospitals and other health care providers to become "trusts", supposedly independent of health authority control. Health Authorities, GP fundholders and other health organisations were to purchase care from the trusts<sup>67</sup>. Hence there would be a split between providers and purchasers, mimicking a market. However, the latest round of significant reforms, in 2017, aimed to "to break down silos by combining budgets and having staff from different parts of the health service work more closely together" and "effectively end the purchaser-provider split"<sup>68</sup>.

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<sup>&</sup>lt;sup>60</sup> See: "Health as an Industry Generating new Value - the transformation of the hospital towards a modern industrial model": <a href="http://mouvement-communiste.com/documents/MC/Booklets/BR6\_Sant%C3%A9%20\_EN\_vF%20Site.pdf">http://mouvement-communiste.com/documents/MC/Booklets/BR6\_Sant%C3%A9%20\_EN\_vF%20Site.pdf</a>

<sup>61</sup> See "People's History of the NHS" site, in particular: <a href="https://peopleshistorynhs.org/encyclopaedia/outsourcing-in-the-nhs/">https://peopleshistorynhs.org/encyclopaedia/outsourcing-in-the-nhs/</a>

<sup>&</sup>lt;sup>62</sup> Although there are some which specialise in providing services to the state. SERCO, for example, runs all manner of state functions, from call centres in local government to prisons...

<sup>63</sup> See chapter 7 of The Winter of Discontent - myth, memory and history, by Tara Martin López, Liverpool University Press, 2014.

<sup>&</sup>lt;sup>64</sup> For example, this article describes a strike of cleaners and catering staff in mental hospitals in South London, called by the GMB union: <a href="https://tribunemag.co.uk/2023/04/south-londons-outsourced-nhs-workers-are-fighting-back">https://tribunemag.co.uk/2023/04/south-londons-outsourced-nhs-workers-are-fighting-back</a>

<sup>65</sup> See: "Consultants/Specialists" section of "UK Health System Review, 2022", published by the European Observatory on Health Systems and Policies: <a href="https://eurohealthobservatory.who.int/countries/united-kingdom-of-great-britain-and-northern-ireland/66">https://eurohealthobservatory.who.int/countries/united-kingdom-of-great-britain-and-northern-ireland/66</a> See: section 2.3 of "UK Health System Review, 2022", ibid.

<sup>67</sup> BBC website, 19 May 1998: http://news.bbc.co.uk/1/hi/health/background\_briefings/your\_nhs/93732.stm

<sup>&</sup>lt;sup>68</sup> Economist, 2 Nov 2017: https://www.economist.com/britain/2017/11/02/is-this-the-end-of-the-nhss-internal-market

Despite tendencies to marketisation, the NHS remains overwhelmingly funded out of general taxation, and hospitals remain state-owned. Thus, the intensification of work experienced within the NHS should be seen primarily as an expression of the *fiscal crisis of the state*<sup>69</sup>, rather than as a result of market mechanisms. This means that most strikes are directly against the state-boss. Hence, they are more "political" (in bourgeois parliamentary terms), but also the state has the option of doing nothing and hoping that the workers give up – this has been more or less Sunak's "strategy". It is even possible that the executive of the state sees the strikes as a saving in wages. It may be an administrative headache to deal with, but the immediate effect of, let's say, a hundred thousand NHS workers going on strike for a day is a saving of millions of pounds in unpaid wages (even if there may be an overall loss due to all the money that has to be spent on agency staff in the case of the NHS<sup>70</sup>).

In the university sector there is now a long history of partnerships between educational institutions and private companies, particularly to commercialise scientific and engineering research. The best example from the pandemic years is the partnership between Oxford University and AstraZeneca to develop a vaccine. But it is not only "big money" cooperation which expresses this tendency – there is also the implantation of privately funded NGOs in universities. For example, there is "Forensic Architecture" (an organisation which uses architectural modelling techniques to investigate human rights abuses) based in Goldsmiths College – none of its employees went on strike when the Goldsmiths academic staff were out! But it is not this penetration of private corporations which imposes market forces on the workers in this sector. Universities now function essentially as businesses competing to attract customers: students willing to pay tuition fees. This is particularly so in the UK after the Browne Review of UK universities in 2010<sup>71</sup>, which recommended a large increase in tuition fees to make up for the loss of other sources of funding, combined with an expansion of the student loan system. For universities teaching mostly "liberal arts" subjects this means that student fees are their main source of funding.

Taking the example of Goldsmiths again, this institution derives 79% of its income from tuition fees<sup>72</sup>, as opposed to 54% for the higher education sector in general<sup>73</sup>. But tuition fees were capped by the government in 2012 at £9,000, and it is considered politically impossible to raise them for UK students. This means that universities are more and more dependent on fees from students outside the UK – there is no such cap in this case<sup>74</sup>. The competition for customers has predictable results. Universities often engage in "speculative" investments in new buildings and facilities to attract higher-paying students, and these investments can go seriously wrong, as happened during the pandemic for some universities. And universities have to continually force down costs (notably wages, by far their biggest cost)... Often the reaction by academic staff is to loudly protest that they love their jobs and their students! As a militant in that sector commented, half seriously, "I think the perception is that causing the failure of the degree or PhD or whatever ... is parallel in ethical terms to homicide in the medical arena". Yes, and that is a problem! There is no reason why workers' struggles in this sector cannot succeed, but, as in other parts of the "public sector", it means questioning the whole idea of "public service".

Also, we should not underestimate the power that "public sector" workers have at the point of production from the *indirect* effect of a strike on productive capital. An obvious example is a large-scale withdrawal of labour by school teachers – the effect is to make millions of parents (including productive workers) take the day off work to look after their children who are not at school. In fact, teachers have an enormous capacity for economic disruption, but it looks like this will not be put to the test this time.

Another important consequence of the fiscal crisis of the state on the "public sector" which we have seen recently is on the effect of *labour shortages*. In the private sector, post-pandemic labour shortages have been almost automatically translated into pay rises for workers. Obvious examples are transport (truck drivers, in particular) and warehouse work. Often workers have received pay increases without having to do anything at all, apart from taking the trouble to apply for a job at the warehouse down the road (or just waiting for some of their workmates to do it). Where workers have acted collectively, through a strike (or maybe just the threat of one), they have quickly won increases. Contrast this with the NHS, where there are chronic shortages

<sup>72</sup> Goldsmiths annual financial report for 2021-2: https://www.gold.ac.uk/governance/financial-reports/

https://www.economist.com/britain/2023/07/18/muddled-policies-are-harming-british-universities

<sup>&</sup>lt;sup>69</sup> See our previous texts on the subject. In particular, Letter no. 35, "State Fiscal Crises and the Greek Example": <a href="https://mouvement-communiste.com/documents/MC/Letters/LTMC1135ENvH.pdf">https://mouvement-communiste.com/documents/MC/Letters/LTMC1135ENvH.pdf</a>

<sup>70</sup> See: https://www.theguardian.com/society/2023/jul/20/ministers-urged-to-resolve-nhs-strikes-that-could-cost-billions

<sup>71</sup> See: https://en.wikipedia.org/wiki/Browne Review

<sup>&</sup>lt;sup>73</sup> Tuition fees are £23.5B out of £43.9B total income: <a href="https://www.universitiesuk.ac.uk/latest/insights-and-analysis/higher-education-numbers">https://www.universitiesuk.ac.uk/latest/insights-and-analysis/higher-education-numbers</a> In more detail: <a href="https://www.hesa.ac.uk/data-and-analysis/finances/income">https://www.hesa.ac.uk/data-and-analysis/finances/income</a>

<sup>&</sup>lt;sup>74</sup> See: "Muddled policies are harming British universities", Economist, 18 July 2023:

of skilled labour (not just doctors and nurses, but also anaesthetists, midwives...), but also stagnant wages. In this sector, the equivalent of going to the warehouse down the road is emigrating to a more financially solvent nation-state, usually Australia... which many skilled health workers have been doing<sup>75</sup>.

Finally, if strikes are confined to the "public sector" then there is less possibility of internationalisation of the struggle. A public sector strike may inspire workers in other countries when they read about it or watch it on YouTube, but there is little opportunity for concrete solidarity. In contrast, private companies (including the ones used in outsourcing of work within state companies) are usually multinational. In recent worker struggles in the UK, the example *par excellence* is Amazon. In just the last 5 years, this gigantic corporation (employing 1.5 million people across the world<sup>76</sup> – that's more than the NHS!) has seen strikes in the USA, Canada, Germany, Italy, Turkey, France, India and the UK...

## RANK AND FILE TRADE UNIONISM AND WORKERS AUTONOMY

Let's stress again that these are trade union strikes. The unions have correctly read the level of discontent of their memberships and called well-observed strikes which have strengthened their negotiating position. All the legal niceties of UK trade union law have been observed. These laws make it very difficult to call synchronised strikes by different unions, and almost impossible for workers to express direct solidarity with another group of workers (in addition to the fact that *actual* solidarity strikes have been illegal since the days of Thatcher). To organise a strike a union has to organise a ballot with the required turnout and majority (at least 50% turnout, plus at least 40% of all members supporting strike action), call a strike within 4 weeks, and then give the bosses at least 2 weeks' notice of a strike. Of course, many unions can take months to organise a ballot...

What do we mean by rank-and-file trade unionism? Simply put, we mean attempts by workers to use trade union structures to serve their interests as workers fighting the bosses. Such an effort will quickly run up against the limits of using a capitalist negotiating machine to fight for proletarian interests, but it will not necessarily be a complete waste of time. In countries with a long history of liberal and social democracy, unions are often very skilful at "officialising" and absorbing workers' aspirations to self-organised struggle, which means that they do not completely squash it. At the same time, unless there is a strong movement towards workers' independent political organisation (workers autonomy), it is only natural that workers will try to use the organisations that claim to represent their interests, particularly as worker discontent tends to push union bureaucrats and leaders to adopt a more "militant", "left-wing" (even "radical") stance. As one GMB union official said about the wildcat strikes at Amazon last August (see above): "It kicked off and someone said, Let's phone a union' ... We had always been there, so it was us they called."77 This often has nothing to do with the ideological complexion of the union. Who would have guessed that the RCN – which started out as a classical conservative professional body opposed to strikes (the clue is the "Royal" in the name!) in 1916, and which only registered as a trade union in 1977 - would become one of the most militant trade unions in the UK in recent months? Similar remarks can be made about the BMA, although it has at least previously called strikes. And let's be clear that we have nothing against struggles which are defensive and "purely economic" - they are, and always have been, the indispensable foundation of any future autonomous political struggle.

So, what rank and file initiatives have we seen? Of course, there are the usual informal connections between union reps (who may still be nostalgically called "shop stewards" in some sectors), and some "hard picketing" during some disputes (e.g. Abellio bus drivers). But, in addition, there have been more formal attempts. In the NHS there is "NHS Workers Say No" formed in the summer of 202078. It describes itself as "a grassroots self-organised group of NHS Workers and supporters, initially fighting against public sector pay inequality". They produce a two-sided newsletter, *Healthworker Bulletin*, with the slogan "All Unions – All bands – One fight". Their bulletin stresses that it is strike action which gets results 79 – and we can't disagree

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<sup>&</sup>lt;sup>75</sup> For a rather anecdotal account of this phenomenon, see: https://archive.ph/2hcwM

<sup>&</sup>lt;sup>76</sup> See: https://www.statista.com/statistics/234488/number-of-amazon-employees/

<sup>&</sup>lt;sup>77</sup> For a good description of the dynamic of struggle inside the Coventry Amazon warehouse, see: https://www.theguardian.com/technology/2023/jul/29/to-them-we-are-like-robots-inside-story-of-a-strike-at-amazon

<sup>&</sup>lt;sup>78</sup> See: <a href="https://nhsworkerssayno.org/about-us/">https://metro.co.uk/2021/10/28/as-a-nurse-i-think-rishis-plan-to-end-our-sectors-pay-freeze-is-meaningless-15504799/</a> for its origin story: "Last summer, myself and four other nurses decided to organise a fight back – for each other and our patients. I co-created the grassroots campaign NHS Workers Say No, which campaigns for pay justice for NHS workers. We made a decision to mobilise, organise and fight.". One of their leading lights is Holly Turner, a GMB union rep: <a href="https://www.gmb.org.uk/long-read/fighting-rights-nhs-workers-has-never-been-more-important">https://www.gmb.org.uk/long-read/fighting-rights-nhs-workers-has-never-been-more-important</a>

<sup>&</sup>lt;sup>79</sup> Available on their Facebook page, but also downloadable from the "Notes From Below" site:

with that. In the university sector the torch of rank-and-file-ism has largely been taken up the "Notes From Below" group, who have been producing analyses of class struggle in various sectors of the working class in the UK since 2018<sup>80</sup>. They claim to be influenced by *operaismo* and the concept of workers' inquiry... There is no doubt that they are, but they seem to ignore a vitally important component of the workers' movement in Italy in the hot decade of 1968-1979: the critique (in very practical terms) of the trade unions. Like other rank and file-oriented groups they have performed all kinds of useful functions for the class struggle that the trade unions are generally incapable of (or simply not interested in). Examples include circulating information about what is happening at different workplaces during a strike, encouraging discussion between workers on picket lines (and online) about the way forward for the struggle, and publicising struggles in other sectors.

## "VICTORIES"?

The movement is slowly declining, and this is hardly surprising given the government's strategy of simply witing for the strikers to get demoralised. There have not been any serious pay gains in the state and semi-state sectors involved. The only real gains in wages have been in the private sector (for example, Abellio bus drivers, and Felixstowe and Liverpool dock workers).

It has to be stressed again that in the sectors of "unproductive labour" simple "militancy" (longer strikes, harder strikes) is not enough. At the time of writing, Junior Doctors have just launched their *fifth* (!) round of 4-day hospital strikes. Nobody can claim that they lack militancy, but it is only by being part of a wider movement which directly disrupts capital accumulation that workers have any chance of making significant pay gains that are not simply wiped out by inflation.

### WHY AREN'T WE RANK-AND-FILE TRADE UNIONISTS?

Our critique of trade unionism, including its rank-and-file version, is not a matter of claiming that unions are always bureaucratic and always "sell out". Nor is it a matter of organisational form, as we explain in our text "Unions and Political Struggle" 81. For example, worker general assemblies inside or outside workplaces which cut across union and occupational divisions are *usually* a step forward, but they are *not* a guarantee of worker independence. In some industrial sectors in France (for example, the railways) there is a long tradition of *Assemblées Générales*, but they often turn into simply a forum where rival union confederations can spout their various official positions in front of a passive (and often rather small) worker audience.

"We can understand very well then that the question of workers' autonomy cannot in any way be reduced to a banal matter of techniques and forms of organisation. It is not enough to proffer magic slogans of committees, coordinations, Cobas or some other revolutionary union to change the game. Throughout the history of the workers' movement, there have been all kinds of combinations: workers' parties with or without unions, unions more or less politicised with or without a party, councils or militias with or without a party and/or a union. No organisational alchemy has been shown to be a sufficient guarantee of victory. During struggle the class engenders such organs ad hoc. The dynamic of the movement, if it is not interrupted, always tends to their unification, to their fusion in the service of the maximal concentration of available forces.

The relationship between defensive struggles and political combat is anything but linear. If it is true that the everyday struggle represents the school of communism, it can become the opposite when capital manages to freeze the price of utilisation of labour power within its limits of haggling. A potential brake on possible revolutionary developments as well as a base for political struggles of the working class, so-called economic struggles remain a subject of reflection of the first order within the communist movement."—"Unions and Political Struggle"

What is important is to attack the separation between economic and political struggle, something which trade union activism cannot do, however militant.

"But it is precisely the union between economic and political struggle which can throw capitalist society into crisis. In effect, the economic struggle is only fertile if it fights against the general plan of the bosses' policy, in the factory and in society (political struggle). More than this, the economic struggle is only fertile when it emerges from the political struggle. Conversely, the

http://mouvement-communiste.com/documents/MC/Letters/LTMC0311EN.pdf

https://notesfrombelow.org/author/nhs-workers-say-no

<sup>80</sup> See: <a href="https://notesfrombelow.org/">https://notesfrombelow.org/</a>. A useful account of their general activity and relation to the union which many of them belong to (UCU) can be found here: <a href="https://notesfrombelow.org/article/ucu-and-university-worker-experiments-bulletin">https://notesfrombelow.org/article/ucu-and-university-worker-experiments-bulletin</a>

<sup>81</sup> Mouvement Communiste Letter no. 11, October 2003:

political battle cannot be separated, without fading away, from economic struggles. In addition, it is through workers becoming conscious of their own interests and rights in places of work that one can succeed in the general struggle in society, and vice versa. When, as now, the political struggle is confined to the party leaders and the economic struggle to their trade union equivalents, there is a risk that the working class will become a stranger to both processes. Without even mentioning that the leaders will transform themselves into a party and union bureaucracy." — Unitary Base Committee of the Pirelli factory in Milan, 1968 (quoted in "Unions and Political Struggle")

## Appendix A – The specificities of the UK rail network

## Overview

The railways were privatised in 1997, although the Thatcher government had begun privatising bits and pieces belonging to British Rail (the nationalised company) in the 1980s. Ownership of the infrastructure (tracks, large stations, bridges, tunnels etc.) was put into the hands of the consortium Railtrack. There were initially 25 train operating companies (TOCs) as well as several companies that owned coaches and locomotives (ROSCO), and other companies who maintained infrastructure. So, as with other privatisations of big nationalised industries, there was an attempt to create a heavily regulated simulation of market competition.

However, Railtrack collapsed in 2001 and was renationalised as Network Rail. This decision followed a serious train crash, the Selby catastrophe which saw 10 dead and 82 seriously injured<sup>82</sup>. This meant increased safety costs. The system of franchising of regional train operators carried on. The idea is that a company can be retained or dropped by the government body involved, depending on performance. If they make a real mess of it, they can be temporarily taken into government ownership, which happened several times.

One of the ironies of privatisation is that most of the TOCs are owned by foreign companies, particularly the *state-owned rail companies* of other European countries. The most important is Deutsche Bahn, but Trenitalia and Nederlandse Spoorwegen (NS) also have important holdings<sup>83</sup>, and SNCF via the subsidiary Keolis<sup>84</sup> (although it only has rail investments in the London area). This leads to the kind of nationalism always seen in British trade unions – a leaflet handed out by RMT during the summer strikes said "80% of profits go to foreign owned companies".

Was privatisation a success? This quote from the *Economist*<sup>85</sup> sums it up:

"In continental Europe, opening the railways to competition reduced costs — something that also happened when Britain's buses were deregulated. British railways, by contrast, not only stayed expensive but became more so. Net government support for the railways in 2018-19 amounted to £7.1bn—more than twice as much, in real terms, as the average level in the decade before privatisation." [our emphasis]

A common comment from UK train passengers used to be along the lines of: "we thought privatised rail couldn't possibly be any worse than British Rail, but then it was..." By 2018, fares had risen by 45% in real terms since privatisation.

Another important consequence of UK-style privatisation is that train operators (unlike British Rail) did not invest in training drivers. This led to a shortage, putting drivers in a stronger bargaining position. The result was a series of local disputes over pay which the drivers often won:

"Oddly, trade unions—particularly ASLEF, which represents drivers—have become more powerful since privatisation in 1994. Short franchise contracts of five or six years discourage operators from battling unions over pay and conditions, as even a brief strike could wipe out the profits of a franchise term. Short-term contracts also make it hard to justify long-term, labour-saving investments, such as in ticket-selling and door-closing technology. And there is little political will to tackle labour costs. Although London Midland is known for being well-run, and the driver shortage is a result of union demands over training time and pay, politicians have threatened to strip the operator of its franchise."87

## **Covid Consequences**

As with many other sectors of the economy, Covid led to *de facto* renationalisation. Train operators were released from franchises where they could actually go bankrupt and given new contracts where the

<sup>82</sup> See: https://en.wikipedia.org/wiki/Selby rail crash

<sup>83</sup> https://www.forbes.com/sites/davekeating/2019/08/15/almost-all-british-train-lines-are-now-owned-by-other-eu-countries/

And https://www.rmt.org.uk/news/rmt-reveals-that-75-of-uk-rail-now-foreign-owned/

<sup>84</sup> https://www.keolis.com/ - See their page on the UK.

<sup>85</sup> Economist, "Britain's experiment in radical rail privatisation is over", 24 Sept 2020.

<sup>86</sup> Economist, "Foreign firms are taking over Britain's railways - But they are not making as much money as they hoped", 24 May 2018.

<sup>87</sup> Economist, "Gravy train - Why a popular, well-paid job suffers shortages", 24 Nov 2012.

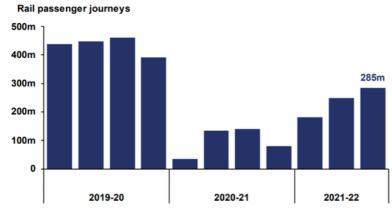
government was responsible for losses<sup>88</sup>. All fare income now goes to the government, not the operators. So, in real life, it's "public sector" again... The Department of Transport has said that employers can negotiate "with clear direction from government about the modernisation that needs to be achieved".

The situation in Scotland is a bit different from the rest of the UK... The Scottish operator was *officially* nationalised in April 2022 as ScotRail Trains<sup>89</sup>. The same applies to Wales since February 2021<sup>90</sup>.

So, what are the constraints that the industry is under, and what is the "modernisation" demanded by the state-boss? Pay rises are supposed to be granted in return for higher productivity, but where does this come from?

## Rail use is shrinking

During the pandemic, rail journeys fell drastically, and there is much debate about whether it will ever recover to pre-pandemic levels (naturally, the rail unions have been claiming that it has almost recovered). Total UK passenger revenue was £1.7bn in Q4 2021, equating to 60% of pre-pandemic revenue in the same quarter in 2019 (at £2.9bn). Evidence seems to be that passenger journeys are *not* returning to pre-pandemic levels  $^{91}$ . Figures for both London Underground and National Rail show not just a drastic reduction in weekday travel, but weekends as well. The reason is simple: working from home is still common, and is unlikely to disappear any time soon. Weekends are a bit more mysterious, but weekend shopping trips have declined as more people shop online. Train usage is hit harder than other means of transport because it is white collar workers (and their managers) who travel by train (mostly). These days, only 10% of people actually travel to work by train, and, of those, 70% say they can work from home  $^{92}$ .



Figures available on 11 April 202293.

90 https://en.wikipedia.org/wiki/Transport\_for\_Wales\_Rail

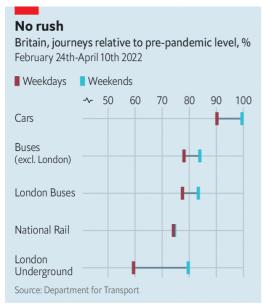
<sup>88</sup> https://www.theguardian.com/uk-news/2022/jun/21/uk-rail-strikes-the-truth-behind-the-claims-and-counter-claims

<sup>89</sup> https://en.wikipedia.org/wiki/ScotRail

<sup>91</sup> https://www.theguardian.com/uk-news/2022/jun/11/uk-rail-unions-dismiss-claim-that-usage-is-in-decline-and-cuts-are-needed

<sup>92</sup> BBC News, 2 June 2023, "Do train strikes still have any impact?": https://www.bbc.co.uk/news/business-65779925

<sup>93</sup> https://www.business-live.co.uk/economic-development/latest-rail-passenger-numbers-uk-23656866



The Economist

From: The Economist, "The future of public transport in Britain", 19 May 2022.

## **Productivity**

In short, the rail industry really is shrinking. But what about productivity? There is talk of a "secret plan" by the bosses to close around 1,000 ticket offices (i.e. all of them) across the country<sup>94</sup>. In fact, the closure of ticket offices has been a live issue on the railways for many years, both on the national network (where they are run by the TOCs) and in London, where they belong to Transport for London (TfL)<sup>95</sup>.

In many ways, the strikes on TfL are a re-run of the strikes in 2014, and in fact most strikes since then! Once again, the issues are pensions (gradual erosion of defined benefit pensions), job losses (particularly compulsory redundancies) and pay<sup>96</sup>. The issue of ticket office closures still looms large. As with national rail, the ticket office question is very simple – fewer and fewer people buy paper tickets. On TfL the reasons are that most journeys are paid for with a debit or credit card, and those that are not are paid for with an Oyster card (which may be pay-as-you-go, or may be some kind of concession card, such as for people over 60). Hundreds of ticket offices have already closed over the last decade<sup>97</sup>.

On national rail paper tickets are disappearing because tickets are being bought online and downloaded to phones. Even where paper is purchased it is most likely to be from a ticket machine. In addition, payment with bank cards is gradually being extended to lines around London.

The issue is not just that jobs are being lost. In both cases, staff who previously worked in ticket offices (with not much to do because not many people bought tickets) are now expected to be available to passengers by hanging around the station – yes, they still sell tickets occasionally. This clearly represents an intensification of work

Another area where productivity can supposedly be increased is track maintenance, through increased use of track inspection methods such as Plain Line Pattern Recognition (PLPR)98. This involves continuous automatic inspection of tracks by means of high-speed cameras mounted under trains. Another possibility is using drones. In both cases, the number of workers needed to be present on the tracks is reduced, although some jobs will be relocated to offices.

Finally, a word from the train drivers' union on productivity:

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<sup>94</sup> This is what the RMT says: https://www.rmt.org.uk/news/rmt-reveals-rail-industrys-plan-for-a-cull-of-ticket-offices/

<sup>95</sup> See: https://tfl.gov.uk/

<sup>&</sup>lt;sup>96</sup> See: <a href="https://www.theguardian.com/uk-news/2023/jul/06/london-underground-staff-to-take-week-of-industrial-action-at-end-of-july">https://www.theguardian.com/uk-news/2023/jul/06/london-underground-staff-to-take-week-of-industrial-action-at-end-of-july</a> for the latest iteration at the time of writing.

<sup>97</sup> This article contains a useful short history of the ticket-office question on TfL: <a href="https://www.londonreconnections.com/2018/fare-whom-the-bell-tolls-the-end-of-the-tfl-ticket-office/">https://www.londonreconnections.com/2018/fare-whom-the-bell-tolls-the-end-of-the-tfl-ticket-office/</a>

<sup>98</sup> https://www.networkrail.co.uk/stories/how-cutting-edge-track-technology-is-reducing-delays-for-passengers/

"That is a deliberate act on behalf of both the government and the people that we're dealing with. They do not apparently want a resolution. ... They seem to want thousands of per cent productivity [increase] for a 20% pay cut." – Mick Whelan, the general secretary of ASLEF<sup>99</sup>

Whilst we might criticise this gentleman for his lack of accuracy with regards to the productivity increases possible under capitalism (or any other mode of production for that matter), we can see this as an example of how even classical craft trade unions can recognise the significance of the rate of exploitation.

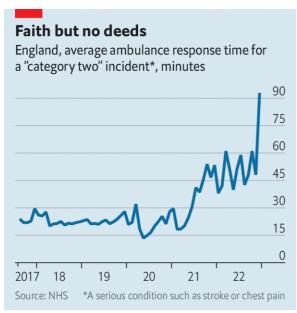
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<sup>99</sup> See: https://www.theguardian.com/uk-news/2023/may/31/rail-services-in-parts-of-england-grind-to-halt-in-first-of-three-train-strikes-this-week

## Appendix B – The specificities of UK public health

### The Crisis in the NHS

The catastrophic state of the NHS is well described in a recent article in Private Eye written by an NHS doctor: 'The NHS is failing, but it's not for want of effort from the staff. Demand is just too high to be handled safely. Average ambulance waits for heart attacks and strokes are more than an hour (target: 18 minutes). A quarter of ambulance handovers at emergency departments take more than an hour (target: 15 minutes). Nearly 10 percent of patients wait 12 hours to be seen in emergency departments. Avoidable deaths are widespread. Up to September 2022, West Midlands Ambulance Service reported 3 7 deaths caused by ambulance delays, compared to I for the whole of 2020. To add to the pressure, average hospital admissions for Covid increased by 36 percent in the week to 22 December, with bed occupancy up by 29 percent. Covid acquired while in hospital has shown the fastest growth, up 44 percent. Hospital admissions with flu are now significantly higher than at any point in the past five years. The recent large wave of Respiratory Syncytial Virus in children appears to be receding but 24 children in the UK have died from Group A Strep infection, which is causing widespread panic among parents and demand for GP appointments and antibiotics. This in turn is leading to widespread shortages and may fuel antimicrobial resistance." "—MD" column, Private Eye, 6 January 2023<sup>100</sup>



The Economist

It is this situation which explains much of the militancy of health workers, in particular the "radical" stance taken by such conservative professional bodies as the Royal College of Nursing (RCN) and the British Medical Association (BMA).

## Some background information

As is well known, the British NHS was the world's first universal "free at the point of use" healthcare system, founded in 1948. It is paid for almost entirely out of general taxation<sup>101</sup>. Patient charges, for dental treatment and prescriptions, make up not much more than 1% of its revenue. Unlike in many other OECD countries, there is no charge for seeing a GP (General Practitioner, "family doctor"). Dental treatment and prescriptions have been charged for since 1952, but, in practice, only if you are working<sup>102</sup>. And in Scotland

<sup>&</sup>lt;sup>100</sup> Most articles published in *Private Eye* don't become available online, so you either have to buy the edition as it comes out, or consult some physical archive.

<sup>&</sup>lt;sup>101</sup> See: https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/how-nhs-funded

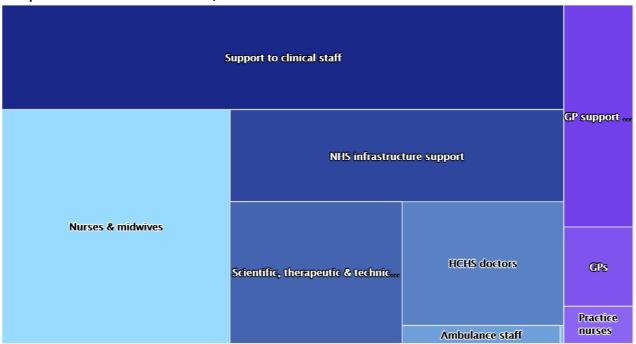
Confusingly, around 20% of funding comes from something called "National Insurance". But this does not correspond to the National Insurance schemes in other parts of Europe, even if it does have contributions from employees and employers. National Insurance is simply a component of payroll tax which is specifically used to finance some state benefits.

<sup>&</sup>lt;sup>102</sup> Pensioners and those dependent on state benefits get free prescriptions, along with pregnant and nursing women, and free dental care is available to students, benefit claimants (including low-paid workers) and pregnant and nursing women.

everybody gets free prescriptions. At no point in the history of the NHS has there been a serious suggestion to finance it in any other way.

As of September 2022, NHS England employed 1,391,820 people, an increase of 2.7% on September 2021<sup>103</sup>. This makes it one of the world's largest employers, not far behind McDonalds (1.9m) and slightly ahead of Indian Railways (1.2m). 78% of staff in the NHS are women<sup>104</sup>.

## Composition of the NHS workforce, March 2022:



Source: Nuffield Trust<sup>105</sup>

## The categories of doctors in the UK

To help us find our way around, and avoid making bad comparisons with doctors in other countries, here is a summary of the main categories of doctor<sup>106</sup>:

Title	Definition					
Medical	Medical students typically undertake a five-year course of study for					
student	undergraduate or a four-year postgraduate course to become a doctor. This					
	usually includes two years studying basic medical sciences, followed by three					
	years of more clinical training during which they work in hospital wards under					
	the supervision of consultants.					
Junior doctor	Junior doctors are qualified doctors in clinical training. They have completed a					
	medical degree and can have up to nine years of working experience as a					
	hospital doctor, depending on their specialty, or up to five years working and					
	gaining experience to become a general practitioner (GP). All junior doctors					
	work under the supervisor of a senior doctor.					
Consultant	Consultants are senior doctors that have completed full medical training in a					
	specialised area of medicine and are listed on the GMC's (General Medical					
	Council) specialist register. They have clinical responsibilities and					
	administrative responsibilities in managing SAS and junior doctors. They					
	usually work in hospitals or community settings. After graduating from					

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics/september-2022 https://www.closethegap.org.uk/content/resources/CTG-Working-Paper-8---Shifting-the-Balance.pdf

106 See: https://www.bma.org.uk/advice-and-support/international-doctors/life-and-work-in-the-uk/toolkit-for-doctors-new-to-the-uk/doctors-titles-explained

<sup>105</sup> See: https://www.nuffieldtrust.org.uk/resource/the-nhs-workforce-in-numbers

Title	Definition						
	medical school, it takes around six to eight years to become a consultant.						
Specialist	SAS doctors (Specialist, Associate specialist and Specialty doctors) are						
doctors	experienced and senior doctors in permanent posts. They have at least four						
	years of full-time postgraduate training, two of which have been in their						
	relevant specialty. SAS doctors work in hospitals and have a very 'hands on'						
	role with a lot of patient contact. There are SAS doctors in every hospital						
	specialty and also in community hospitals (e.g. psychiatry and paediatrics).						
	Some hold jobs in both the hospital and the community (e.g. gynaecology and						
	sexual health). Some SAS doctors also work part-time as GPs. SAS doctors						
	therefore work across primary, community and hospital care.						
General	GPs have overall responsibility for the management of patient care outside of						
practitioner	hospitals. This includes the diagnosis and treatment of health problems and						
	the referral of patients for specialist treatment where necessary. Rather than						
	having a specific specialist area, GPs can diagnose many illnesses or ailments,						
	and determine whether a patient needs to see a doctor with more specialist						
	training. They are also increasingly responsible for the management and						
	monitoring of complex chronic illnesses.						
Academic	Academic or clinical academic doctors often work in a combination of						
doctor	teaching, research, and specialist clinical care. They undertake research in order						
	to develop the science of medicine and can be any grade of doctor from a						
	foundation year junior doctor to a consultant, GP or SAS doctor.						

## Working conditions

The stresses of the job make for a high staff turnover. In Q2 of 2022, 42,400 (3% of the staff) voluntarily left the NHS<sup>107</sup>. The service is currently operating with 154,000 staff vacancies (of which 17,000 are for nurses<sup>108</sup>), and a recent internal report leaked to the *Guardian* newspaper estimated that the number could expand to 571,000 staff by 2036<sup>109</sup>.

In 2016 there were a series of strikes by Junior Doctors across hospitals in England. This was the first time NHS doctors had struck in 40 years! On 26 and 27 April the doctors even withdrew emergency, as well as routine, care – the first time this had ever happened<sup>110</sup>. The dispute was only officially resolved in June 2019<sup>111</sup>. It came about because of a manifesto commitment by the Tories to a "7-day NHS", meaning an NHS that would have the same staffing levels at weekends as on weekdays. The idea was to essentially increase basic pay while reducing overtime rates, except on Sunday. The aim was to persuade Junior Doctors to work more hours at the weekend, that is: work more hours in general, at a time when they were already working dangerously long hours (many of them more than 56 hours a week). As usual, there was *no plan to recruit more staff* – the "plan" was, as usual, to get existing staff to work longer hours.

A good general source of information and statistics about the NHS is the European Observatory on Health Systems and Policies, which provides a complete set of reports on all European countries called "Health Systems in Transition"<sup>112</sup>.

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 $<sup>{}^{107}\,\</sup>underline{https://www.independent.co.uk/news/health/nhs-staff-resign-record-b2261689.html}$ 

<sup>&</sup>lt;sup>108</sup> Nuffield Trust, "Nursing strikes: facts and figures on UK nursing staff": <a href="https://www.nuffieldtrust.org.uk/resource/nursing-strikes-facts-and-figures-on-uk-nursing-staff">https://www.nuffieldtrust.org.uk/resource/nursing-staff</a>

<sup>109</sup> See: https://www.theguardian.com/society/2023/mar/26/nhs-england-staff-shortages-could-exceed-570000-by-2036-study-finds

<sup>&</sup>lt;sup>110</sup> In fact, the provision of emergency care was carried out mostly by consultants. It wasn't a 24-hour strike - just "office hours" (8.00 to 17.00). There didn't appear to be picket lines as such, just "protest lines" in visible places outside hospitals. A comrade was told by doctors on one picket line in London that they were not really a "picket" because they didn't want to "intimidate" anyone, but that the strike was almost completely solid: 80% and a lot of the remaining 20% were people who were on holiday or otherwise not going into work!

<sup>111</sup> Guardian, 26 June 2019: https://www.theguardian.com/society/2019/jun/26/junior-doctors-agree-to-82-pay-rise-ending-four-year-dispute

<sup>&</sup>lt;sup>112</sup> For the UK report, see "UK Health System Review, 2022": <a href="https://eurohealthobservatory.who.int/countries/united-kingdom-of-great-britain-and-northern-ireland/">https://eurohealthobservatory.who.int/countries/united-kingdom-of-great-britain-and-northern-ireland/</a>

## Trends in health expenditure

It is important to note that, despite the crisis in healthcare provision, the level of expenditure on healthcare in the UK (in absolute terms, as a percentage of GDP, and as a percentage of government spending) has risen over the last 20 years. It is also worth noting that the percentage spent on private health provision has actually fallen.

**TABLE 3.1** Trends in health expenditure in the United Kingdom, 2000–2019 (selected years)

EXPENDITURE	2000	2005	2010	2015	2019
Current health expenditure per capita in International US\$ (Purchasing Power Parity)	1927	2798	3645	4228	5087
Current health expenditure as % of GDP	7.3	8.5	10.0	9.9	10.2
Public expenditure on health as % of total expenditure on health	76.8	81.3	82.3	80.1	79.5
Public expenditure on health per capita in International US\$ (Purchasing Power Parity)	1481	2276	2999	3389	4043
Private expenditure on health as % of total expenditure on health	23.2	18.6	17.7	19.8	20.5
Public expenditure on health as % of general government expenditure	15.8	16.8	17.3	18.8	19.7
Government health spending as % of GDP	5.6	6.9	8.2	7.9	8.1
Out-of-pocket payments as % of total expenditure on health	17.1	13.3	12.9	15.1	17.1
Private insurance as % of total expenditure on health	4.2	3.9	3.5	3.3	2.8
Capital health expenditure as % of total expenditure on health	3.8	4.5	4.1	3.0	N/A

Source: WHO (2021).

From the UK Health System Review 2022.

#### Unions in the NHS

There is an almost 100% level of unionisation in the NHS. For example, if we consider nurses, the total number of nurses and midwives is around 344,000113. The number in the RCN is actually something like half a million because it includes healthcare assistants and nursing students<sup>114</sup>.

## **Pensions**

Like other important state institutions, the NHS has its own pension scheme (in fact, more than one). The NHS Pension Scheme (NPS) applies to England and Wales. It was created in 1948. Employee contributions were increased in 2015. Employee contribution rates vary from 5% to 14.5%, depending on the pay range. Scotland is covered by the Local Government Pension Scheme (LGPS). It is a "funded" scheme with contributions and staff and employers invested a managed fund. The NPS is "unfunded" - contributions

<sup>113</sup> Nuffield Trust, ibid.

go to central government, which also pays out as needed. NPS has 1.7m active member, 713,000 deferred members and around 1 million pensioners being paid<sup>115</sup>. Pensions have very rarely been the subject of demands during strikes in the NHS, except for those involving senior doctors, where there are unresolved tax implications<sup>116</sup>.

## NHS corporatism

It is worth stressing just how many institutions there are in the NHS for mediating conflict at all levels. It's not simply a matter of workers, bosses and trade unions – there are all kinds of bureaucratic structures and procedures intended to prevent any kind of conflict breaking out, not just class struggle. Here are some examples.

The NHS Staff Council (mentioned in the introduction) is a highly developed example of NHS corporatism. Its Executive Committee has representatives from staff, employers *and* the governments of Scotland, Wales and Northern Ireland, and the English Department of Health and Social Care. The staff side is made up of representatives from the following trade unions: Unison; Royal College of Midwives; Chartered Society of Physiotherapists; GMB; Unite; RCN. The employer side is mostly composed of senior HR managers.

Its main functions are: running the Agenda for Change pay scales; providing mediation where local partnerships disagree about something. Where disagreement occurs, the employer and the trade union must make a joint application for the Staff Council to take a view! The Agenda for Change is an NHS grading and pay system (making use of something called the "Knowledge and Skills Framework") created in December 2004. It excludes doctors, dentists, apprentices and some senior managers, but affects over a million people<sup>117</sup>.

In news of negotiations with NHS workers, there are often references to the "NHS Confederation" (formed in January 2004). This is essentially an employers 'confederation (like the CBI, Confindustria etc.) but for the NHS Trusts, even though they are all part of the NHS!

When the NHS was founded in 1948 it adopted the "Whitley industrial relations system" widely used in the civil service. "Whitley Councils", or "Joint Industrial Councils" (JICs) are statutory councils of employers and trade unions (usually having a formal constitution)<sup>118</sup>. They were first established in 1919, following an initiative in 1917 by the Liberal politician John Henry Whitley. The aim was to maintain war production in the face of the rise of the Shop Stewards movement out of a rise of strikes before WWI. The intention was to establish them throughout the economy, but they never caught on in industries actually affected by the strike wave. They only really gained a foothold in the government sector.

#### Regionalism

The NHS is divided into four separate organisations corresponding to the four "nations" of the United Kingdom – England, Scotland, Wales and Northern Ireland. There are significant differences between them. For example, prescription charges only exist in England – in the other regions prescriptions are free. Another important regional variation is that in Northern Ireland health and social care are provided through a single integrated service, whereas they are separate in the other "nations" 119.

118 See: https://en.wikipedia.org/wiki/Joint industrial council

<sup>&</sup>lt;sup>115</sup> See: https://en.wikipedia.org/wiki/NHS Pension Scheme

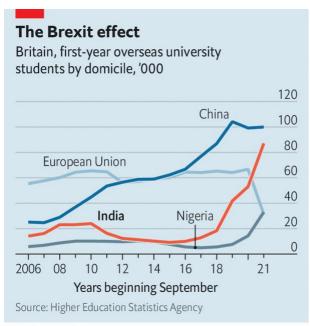
<sup>116</sup> See: https://www.theguardian.com/uk-news/2023/mar/06/senior-doctors-in-england-prepared-to-strike-over-pensions-and-pay

<sup>117</sup> https://www.nhsemployers.org/NHSStaffCouncil

<sup>119</sup> See: https://www.healthcareers.nhs.uk/working-health/uk-health-systems/uk-health-systems

## Appendix C – The specificities of UK university education

There are more than 2.8 million students enrolled in universities in the UK. Most of them come from the UK, but this figure includes around 120,000 from the EU and 560,000 from non-EU countries<sup>120</sup>. The number of students has continued to rise steadily over the last 20 years or so, without the pandemic having much influence on numbers<sup>121</sup>. "Overseas" students are increasingly important to the revenue of the UK's universities (and other Higher Education providers), and their composition is continuously changing, depending on visa rules and geopolitics.



The Economist

Source: The Economist, 18 June 2023122

In 2021-2 the sector employed around 234,000 academic staff, and around 192,000 non-academic staff<sup>123</sup>. Roughly a third of the academic staff are from outside the UK, roughly split half and half between EU and non-EU countries of origin<sup>124</sup>. There are 216 universities in the UK<sup>125</sup>. At least 145 of them have been involved in the "marking and assessment boycott", starting in April 2023<sup>126</sup>, and at least 150 universities have been involved in strike action<sup>127</sup>.

A high proportion of academic staff work part-time. In particular, most of the staff who only teach are not on full-time contracts. Of the staff on full-time contracts, 24% were on fixed-term contracts in 2021-2, as were 51% of part-time staff. In addition, 37% of part-time staff were hourly-paid, although the number who were actually on zero-hours contracts was quite small: 4,420 (let's say almost 2% of the total) 128. However, anecdotal evidence (from our own contacts) suggests that there are far more on *almost* zero-hours.

<sup>&</sup>lt;sup>120</sup> See Universities UK statistics: <a href="https://www.universitiesuk.ac.uk/latest/insights-and-analysis/higher-education-numbers">https://www.universitiesuk.ac.uk/latest/insights-and-analysis/higher-education-numbers</a>

<sup>121</sup> See Higher Education Statistics Agency data: https://www.hesa.ac.uk/data-and-analysis/students/whos-in-he

<sup>&</sup>lt;sup>122</sup> "Indians are flocking to study at British universities": <a href="https://www.economist.com/britain/2023/06/18/indians-are-flocking-to-study-at-british-universities">https://www.economist.com/britain/2023/06/18/indians-are-flocking-to-study-at-british-universities</a>

<sup>123</sup> HESA, "Who's working in HE?": https://www.hesa.ac.uk/data-and-analysis/staff/working-in-he

Warning: getting these basic stats involves messing about with their spreadsheets.

<sup>&</sup>quot;Academic staff contracts are for planning, directing and undertaking academic teaching and research. This includes lecturers and researchers, but also Vice chancellors, and medical professionals who undertake research. Non-academic staff contracts include managers, professionals in non-academic jobs, student welfare workers, secretaries, caretakers and cleaners."

<sup>124</sup> Universities UK stats, Ibid.

<sup>125</sup> HESA, Ibid.

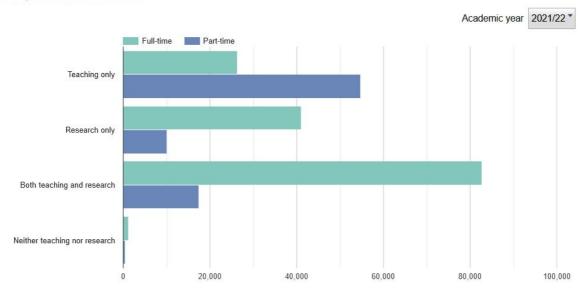
https://www.theguardian.com/commentisfree/2023/jul/03/lecturers-marking-boycott-uk-universities-pay-cuts-working-conditions-students

<sup>127 &</sup>lt;a href="https://www.independent.co.uk/news/uk/office-for-national-statistics-universities-uk-university-and-college-union-mark-serwotka-london-b2281969.html">https://www.independent.co.uk/news/uk/office-for-national-statistics-universities-uk-university-and-college-union-mark-serwotka-london-b2281969.html</a>

<sup>128</sup> HESA, https://www.hesa.ac.uk/news/17-01-2023/sb264-higher-education-staff-statistics

This means that casualisation ("precarity", to use the term popular in the universities) is a major issue across the sector.

## Academic staff by academic employment function Academic years 2017/18 to 2021/22



Source: HESA, Ibid.

#### The Unions

There is effectively only one union for academic staff, the UCU (*University and College Union*<sup>129</sup>), and the great majority of them are members. But it doesn't just represent academic staff – according to its own figures <sup>130</sup>, it has more than 120,000 members, including researchers, managers, administrators, computer staff, librarians... This means that almost half the academic staff in the UK are not in a union.

#### **Pensions**

A recurring issue for employees in this sector is pensions. The Defined Benefits (DB) pension scheme, the Universities Superannuation Scheme (USS), is the largest private pension scheme in the UK, with over £90 billion in assets. It has around 500,000 members (active and retired)<sup>131</sup>.

At the beginning of 2018 there were a series of strikes in defence of the pension scheme, when a serious deficit<sup>132</sup> in the scheme lead to threats to close it and transform it into a Defined Contribution (DC) scheme (i.e. you put money in, but there is no guarantee of what you will get out when you retire). Of course, as always, whether a pension scheme goes into "deficit" is more than anything a question of whether the bosses choose to fund it, and that is a question of the balance of class forces. Conversion to a DC scheme would have been a disaster for most university staff<sup>133</sup>. Then, as now, the action took the form of numerous multi-day strikes (2, 3 and 4-day strikes), and various forms of work-to-rule (ASOS, "action short of a strike"). The fight ended in a messy compromise not to abolish the DB scheme but to reduce its value<sup>134</sup>.

#### **Demands**

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<sup>129</sup> Voir: https://www.ucu.org.uk/

<sup>130</sup> https://www.ucu.org.uk/article/1685/About-UCU

<sup>131</sup> https://exelerating.com/en/insights/top-10-pension-funds-in-the-uk/#positie1

<sup>132 &</sup>quot;Universities' main pension pot faces the biggest deficit of any British fund", *Economist*, 3 August 2017:

https://www.economist.com/britain/2017/08/03/universities-main-pension-pot-faces-the-biggest-deficit-of-any-british-fund lose-half-their retirement income, according to the FT: https://www.ftadviser.com/pensions/2017/12/19/university-staff-could-lose-half-their-retirement-income/

https://www.timeshighereducation.com/news/strikes-suspended-union-members-vote-end-pensions-dispute and https://www.ucu.org.uk/media/9556/Backing-for-defined-benefit-pension-scheme-bucks-trend-Financial-Times---27-Sep-2018/pdf/Backing for defined benefit pension scheme bucks trend Financial Times.pdf (FT article preserved on UCU website)

In 2022-23 there were 21 days of national strikes between November and March, this has been followed by a marking and assessment boycott (MAB)<sup>135</sup>. Demands have concerned pay, pensions (USS) and also against casualisation and excessive workloads.

## Appendix D – The specificities of UK Post Office

The mail service in Britain (or at least most of it) is still known as the Royal Mail, a name which has been in existence since 1635, although it has been privatised since 2013. As Royal Mail Group Ltd, it operates the brands Royal Mail (letters and parcels) and Parcelforce Worldwide (parcels). It is owned by International Distributions Services (IDS), based in Amsterdam. This company also owns General Logistics Systems, an international parcel delivery service. Royal Mail and Parcel Force between them employ around 130,000 people, GLS employs 22,000<sup>136</sup>. The Royal Mail Group is partly owned (22%) by Czech billionaire Daniel Křetínský<sup>137</sup>. GLS is far more profitable than RMG – the Royal Mail Annual Report for 2021-22 reveals that it accounts for only 33% of the parent company's revenue, but 57% of its operating profit<sup>138</sup>. This will probably lead to GLS being split off from RMG. The practical consequence of this would be that GLS will be free to compete against Royal Mail and Parcel Force in the UK<sup>139</sup>. There are presently very few GLS staff in the UK, and they have not participated in recent strikes in the UK, but GLS workers have a history of strikes in other European countries, notably Italy<sup>140</sup>. However, as we've already mentioned, the Royal Mail is separate from the Post Office branches, which interact with the public.

The Post Office/Royal Mail was one of the last industries to retain a "closed shop" policy, until the practice was outlawed in the late 1980s under the Thatcher government. Union density remains very high, with almost all workers (including mail delivery staff) enrolled in the CWU. A high percentage of RM managers are in Unite, and voted to work-to-rule and then go on strike in July 2022. This was partly around pay, but also because of threats of 700 job losses for managerial staff (on top of 1,200 the previous year)<sup>141</sup>. Like other modern corporations, RM seeks a "flat" managerial hierarchy, which means intensification of work for the lower managerial strata, as well as for workers.

In October 2022, Royal Mail announced plans to cut 10,000 jobs (that is, around 6% of the workforce). IDS claimed that the three days of industrial seen up until then resulted in a £70m hit to the first half of the financial year, with Royal Mail expected to post an adjusted operating loss of £219m for the period, compared to the previous year's £235m profit<sup>142</sup>. Clearly, they were exaggerating the direct effect of strikes, but the need for restructuring is real enough, and the IDS share price fell 10% when the announcement was made. In March 2023, the board of RM even threatened to effectively declare RM insolvent. A "special administration" under the Postal Act was suggested, affecting the parts of RM operating under the Universal Service Obligation (not Parcelforce)<sup>143</sup>. Of course, this was partly a bluff used in the negotiations with the CWU, but threatening to declare bankruptcy is hardly an orthodox negotiating strategy for a large company...

Previous high points in worker struggle in the postal sector were in 1964, 1971 (from 20 January to 8 March, the longest continuous strike in the sector), 1988 (14 days on strike, starting on 31 August), 2007 and 2009<sup>144</sup>.

<sup>135</sup> Defined here by the union: https://www.ucu.org.uk/MAB2023

<sup>&</sup>lt;sup>136</sup> See: https://www.internationaldistributionsservices.com/en/about-us/our-businesses/

See: <a href="https://www.theguardian.com/business/nils-pratley-on-finance/2022/aug/25/prospect-of-royal-mail-break-up-will-not-improve-workers-mood-on-eve-of-strike">https://www.theguardian.com/business/nils-pratley-on-finance/2022/aug/25/prospect-of-royal-mail-break-up-will-not-improve-workers-mood-on-eve-of-strike</a>

<sup>138</sup> Downloadable here: https://www.annreports.com/royal-mail/royal-mail-ar-2022.pdf

<sup>&</sup>lt;sup>139</sup> See: <a href="https://www.newstatesman.com/quickfire/2022/09/royal-mail-strike-action-break-up-inevitable">https://www.newstatesman.com/quickfire/2022/09/royal-mail-strike-action-break-up-inevitable</a> and <a href="https://www.theguardian.com/business/nils-pratley-on-finance/2023/may/18/with-strikes-behind-them-get-ready-for-royal-mails-next-battles">https://www.newstatesman.com/quickfire/2022/09/royal-mail-strike-action-break-up-inevitable</a> and <a href="https://www.theguardian.com/business/nils-pratley-on-finance/2023/may/18/with-strikes-behind-them-get-ready-for-royal-mails-next-battles">https://www.theguardian.com/business/nils-pratley-on-finance/2023/may/18/with-strikes-behind-them-get-ready-for-royal-mails-next-battles</a>

<sup>&</sup>lt;sup>140</sup> See, for example: <a href="https://peoplesdispatch.org/2019/02/08/italian-logistics-workers-plan-stir-on-february-22/">https://peoplesdispatch.org/2019/02/08/italian-logistics-workers-plan-stir-on-february-22/</a>

<sup>&</sup>lt;sup>141</sup> See: <a href="https://www.unitetheunion.org/news-events/news/2022/july/royal-mail-managers-announce-strike-dates-over-cuts-to-700-jobs-and-pay/">https://www.unitetheunion.org/news-events/news/2022/july/royal-mail-managers-announce-strike-dates-over-cuts-to-700-jobs-and-pay/</a>

<sup>142</sup> See: https://www.printweek.com/news/article/shock-at-royal-mail-plans-to-axe-up-to-10-000-jobs and

https://www.theguardian.com/business/2022/oct/14/royal-mail-to-cut-up-to-10000-roles-blaming-strikes-and-lower-parcel-volumes

143 See: <a href="https://www.theguardian.com/business/2023/mar/27/royal-mail-bosses-threaten-to-declare-insolvency-as-pay-talks-near-collapse">https://www.theguardian.com/business/2023/mar/27/royal-mail-bosses-threaten-to-declare-insolvency-as-pay-talks-near-collapse</a>

<sup>144</sup> From the Postal Museum: https://www.postalmuseum.org/blog/brief-history-of-national-postal-strikes/