

Workers power

WHAT WE FIGHT FOR

- Link pay rises to a working class cost of living index
- £15 an hour minimum wage
- Controls on rent and bills
- Tax the rich to fund public services
- Public ownership of utilities transport and social care
- Repeal the anti-union laws

● The workers' answer to the cost of living crisis:

MAKE THE RICH PAY

AS THE latest wave of the pandemic recedes, the bosses are preparing to make workers foot the bill through tax hikes, soaring inflation and real-terms pay cuts.

With the Tories and bosses on the offensive, we need to put the working class movement on a war footing. The first step is to campaign for the unions to link all pay claims to a workers' cost of living index. Local coordinating committees should be formed in every town and borough to mobilise the wider working class movement in a united front based on the demand – we won't pay for their crisis!

Workers face the biggest cost of living squeeze for a generation. The raising of the energy price cap will add £700 to the average bill, plunging 1 in 4 households into fuel poverty. Every year, around 3,000 people die because they cannot afford to heat their homes. Poverty pay and breadline benefits mean millions more will be forced to choose between heating or eating.

The National Insurance contribution hike will see workers' take home pay cut by an average of £254 a year. The average food bill is set to rise by £226 this year alone. Last year a record 2.5 million people depended on food banks.

Above inflation increases in rail fares will hand private operators a tidy profit. But pensioners and social security recipients have been hammered with a below-inflation increase of 3.1%, making a couple on the state pension £355 worse off next year.

Meanwhile Chancellor Rishi Sunak, a multi-millionaire former investment banker, has handed banks a tax cut worth £4 billion over five years. In October the government saved £6bn by scrapping the £20 a month 'uplift' to Universal Credit. Three months later it wrote off at least £4.3bn in fraudulently claimed 'bounce back' loans.

The government spent £400 billion on fighting the pandemic. The employers and government say they can't afford decent pay, pensions and public services. Another big lie! During the first year of the pandemic, the UK minted 24 new billionaires, taking the total wealth of the 171 of them to more than £600bn.

The bosses' offensive

At every stage of the pandemic crisis, this government has used it as a cover to drive forward its wider agenda: break up the NHS, erode the welfare safety net, scapegoat immigrants, and curtail the right to strike and protest.

The Health and Care Bill will give private companies control over swathes of the NHS budget. New sanctions on universal credit claimants will tackle the labour shortage by

starving the unemployed into low paid and insecure jobs. The Police, Courts, Sentencing and Crime Bill is a major attack on the right to protest. The Nationality and Borders Bill will institutionalise the hostile environment and criminalise refugees. A major attack on the RMT union is being prepared with cuts to Transport for London funding. Unilateral changes to terms and conditions have been imposed by employers using 'fire and rehire' tactics.

While Keir Starmer complains about Boris

We need to rebuild our movement and make it fit to fight. Let's maintain the momentum by forming local coordinating committees in every town which can unite the resistance and fight for a workers' answer to the crisis.

Johnson 'demeaning' the office of prime minister, the Tories are delivering for those who really rule Britain: cheap labour, high prices, and bigger profits from privatisation.

The government has been able to get away with presiding over the deaths of 150,000 people and overseeing a vast transfer of wealth from the poor to the rich with the collusion of the new pro-business leadership of the Labour Party.

Faced with a 54% rise in the energy cap, shadow chancellor Rachel Reeves ignored party policy for public ownership, and instead proposed scrapping the 5% VAT rate and redistributing income from a 'one-off' windfall tax on energy profits to offset some of the increase. In the words of Lisa Nandy – *is that it?*

At the very least Labour's policy should

be to freeze the price cap, banning companies from cutting off those in arrears, uplift Universal Credit to the level of the minimum wage and tax the oil giants 100% of their super-profits this year, nationalising any energy firm that declares bankruptcy without compensation and run them under workers' and household customers' control. In fact Labour's democratically agreed policy is to nationalise all these greedy, polluting behemoths.

Most importantly, however, we should force Labour to support every union demand for above-inflation pay rises by turning local Labour parties outwards to the class struggle.

The right wing takeover of the Labour Party and the crippling effect of the anti-trade union laws means that despite the crisis of the establishment embroiling the prime minister, Metropolitan police and civil service, it is the labour movement which is on the back foot.

Whether Johnson survives the final publication of the Gray report or not, the result will be a more right wing, aggressive government in hock to covid-septic, free-market, back-bench culture warriors determined to complete the unfinished business started with the Brexit referendum. Working conditions, living standards, the NHS and democratic rights are all in the firing line.

Resistance

The rise in the number of workers winning pay rises shows victories can be won at workplace and company level. The tens of thousands of young people who took to the streets in November against climate change and in January against the Police Bill, and the rise in the number of workers taking strike action shows a powerful movement of resistance can be mobilised if there is a clear strategy, organisation and leadership.

But winning the coming struggle means rebuilding the labour movement as a fighting force: we need a rank and file movement to democratise the unions and rebuild workplace organisation, we need political strike action to defend democratic rights, and we need committees of action to mobilise solidarity and coordinate campaigns. February 12 must fire the starting gun on a race to rebuild our movement and make it fit to fight.

Workers Power is calling for activists from across the working class movement to maintain the momentum by forming local coordinating committees in every town and borough, which can unite the resistance and fight for a workers' answer to the crisis. If you agree – join us: info@workerspower.uk

How can workers fight inflation?

ONCE AGAIN, the bosses are using inflation to swindle workers out of their wages. By raising prices, the capitalists pass on higher costs of raw materials and energy to their customers. Across the economy as a whole, this raises the cost of living and so erodes wages – and any increases we can win!

Workers are well aware of such ‘real-terms pay cuts’. Union officials do put forward claims taking inflation into account, but generally underestimate the real rise in the cost of workers’ living. Worse still, they fail to build in protection from future inflation, hoping to strike a compromise with employers.

Recently, in October, the RMT and Unite on ScotRail settled for 2.2%. This was based on the inflation figures in July, but by October this translated into a real pay cut.

There are two problems. First, unions take the official inflation figures as the starting point but the Consumer Price Index (4.2% October 2021, up from 3.1% in September) has a built-in bias against workers, mainly because it leaves out housing costs at a time of spiralling rents. The Retail Price Index (6% and 4.9% respectively) which Unite has started using, does include mortgage payments but not rent rises, so also falls short, particularly for low paid workers. Food, energy, transport, housing, taxes (Council and National Insurance) are all seeing outrageous price hikes, energy by several hundred percent.

Worse, workers get locked into a deal while bosses are free to hit back with further price rises. In fact, this is what the Bank of England predicts. Over the next 12 months, or longer if unions are foolish enough to sign multi-year deals, any gains will be eroded again.

Sliding scale

To combat this, workers need to demand a sliding scale of wages – so that every rise in the real cost of living leads to a rise in wages. To avoid the swindle of the official inflation rates, unions need to set up price watch committees which can calculate all increases in their members’ actual living costs. Yes, this means keeping our rank-and-file committees active, but in conditions where the attack on our living standards is constant, so must be our vigilance.

Similarly, local committees of delegates from local workplaces, estates, and other community groups can monitor the cost of living and demand employers and the government

index the minimum wage, benefits and pensions to inflation.

To win such demands – the only way of stopping inflation robbing our incomes – will take a militant struggle. Bosses will resist any restrictions on their ability to protect their profits by passing on costs through higher prices, even more so because victory would mean inroads into their control of production, putting elements of it in the hands of workers.

Winning unions to militant, all-out strikes, despite the anti-union laws, is notoriously difficult. But, when workers are presented with the facts and see a will to win in their leaders, they can and do fight long and

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courageous battles. Such leadership, however, is usually lacking – the decisive blockage is the union bureaucracy itself.

Strike committees

That is why strike committees, elected by the workers in dispute, whatever their union, are crucial. By linking up nationally, or across sectors, these can fight not only to control the claims but also every aspect of the struggle: picket lines, strike dates, negotiations, welfare, solidarity...

The vast majority of the well-paid officials hate the prospect of this because it threatens their role in negotiating compromises within capitalism. What workers need, however, is to maintain and improve their living standards, regardless of whether that encroaches on the rights of management to manage, of capital to rule.

In short, the fight for the correct tactics in the strike must also be a fight for control of the unions. A rank and file movement, in the tradition of the Militant Minority Movement of the early 1920s, has to be built.

Revolutionary communists call these tactics – price watch committees, sliding scale of

wages, rank and file movement – transitional demands. Central to all of them is the fight for workers’ control over wages and conditions and over the union itself.

On their own, they are not an end in themselves. To be really effective, such demands have to be linked to others, because each time the workers gain control over part of production, part of the economy, part of society, the bosses will attempt to claw that control back.

Workers’ control

‘We can’t pay!’ they’ll declare. Workers should answer, ‘Open the books and bank accounts to workers’ inspection.’ If they are indeed ‘bankrupt’, then their remaining assets should go to the workers whose labour created them, not to shareholders who have been living high on the profits for years. When the employers launch swingeing job cuts, workers will have to demand a four-day week with no loss of pay to spread the work around or, more radically, sharing out the work with no loss of pay. And so on.

Workers’ control really represents ‘dual power’ in the workplace – between the workers’ representatives on the one side and the bosses’ management on the other. This is not the so-called ‘co-management’ that exists in Germany or the workers’ representation that was tried in British Leyland in the 1970s. Such agreements just draw workers’ representatives into taking responsibility for the viability of the company. That easily becomes ensuring profitability, ‘more efficient’ production, even jointly unloading redundancies or wage cuts onto the backs of the workforce with the aid of union leaders.

Workers’ control can start in a few workplaces but will be quickly rolled back if it does not spread throughout industry and society, in the form of workers’ councils. At that point the question would be posed, who will rule society, the workers or the capitalists?

Workers’ control is a great step forward, allowing workers to take part in running their workplaces and society, but it is only the first step. It poses the need for complete workers’ management, nationalisation without any compensation to the capitalist parasites, and democratic planning of production for need, not greed. The struggle will either end in revolution or counter-revolution.

Wage disputes, like all partial struggles, are thus schools for a future revolution, and the rank and file bodies they can throw up at their highest point are the embryo of the new society that can abolish private property for good.

**Cost of Living crisis: building the fightback
London organising meeting Sunday 20th February
2pm, Zoom: use QR code to register**

