

## The real cost of inflation



If the government were to announce that it was cutting the wages of all workers there would be uproar. Yet this is exactly what they have done by calling for 'pay restraint' and capping all wage rises at 2%. A below-inflation pay 'rise' is a pay cut. No

amount of statistical trickery changes this fact.

The government's favoured measure of inflation, the Consumer Price Index (CPI) is currently running around 3.3%. However, this excludes mortgage repayments. Does that mean we don't have to pay them back out of our falling wages? No such luck. The inflation measure that does include these payments is called the Retail Price Index (RPI). It is currently running at around 4.3%. So by the government's own figures they are imposing a pay cut of over 2%.

However, the official figures don't tell the whole story. Inflation is calculated by taking the average prices of a 'typical basket of goods,' including such items as bread and butter, digital radios and flat screen TVs. However, if prices of essentials are rising while prices of gadgets are falling – which they are, we simply spend more on essentials and less on luxuries, and our standard of living falls even though overall prices may appear quite stable. The Telegraph calculated a 'Real Cost of Living Index' of 9.5%, taking into account rocketing food and energy costs.

Inflation is already being blamed on 'greedy' workers demanding they maintain their standards of living, despite wages in the economy as a whole failing to keep up with inflation over the past decade.

The irony here is that Gordon Brown built his 'prudent' reputation by keeping wages down – and profits up – while the economy grew. But a growing economy requires growing consumption. How are we to consume more if our wages aren't keeping up? The 'answer' was cheap credit for all to plug the gap; a pyramid scheme reliant on rising house prices – the reason we are up to our eyeballs in debt.

Now that the housing market has begun to fall and credit is beginning to dry up, inflation is doing the dirty work. Behind all the talk of the 'credit crunch' and rising oil prices, inflation is just the latest means to a familiar end – employers always want us to do more work for as little pay as they can get away with (just consider unpaid overtime, understaffing, increasing workloads...).

Therefore the only way to fight the current pay cuts is to fight for our own interests against theirs; regardless of the state of the economy our standard of living is only ever as low as we let them push it or as high as we can win through collective action.

### Dirty dealings at the LSE



At the London School of Economics the cleaning contract is held by ISS, a multinational with lots of privatised cleaning contracts, including the London Underground. The cleaners are mainly Latin American with poor English and a fear of joining a union or speaking out about their lousy pay and conditions.

As a result of a campaign by Justice for Cleaners, the LSE has adopted the London Living Wage which is higher than the National Minimum Wage. However, it was phased in over three years of the new cleaning contract.

Worse, the workers are paying for it. They are currently paid £6 per hour but staffing has been cut *Continued Inside...*

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and they have to work harder. This has affected standards of cleaning - management blame the new contract for mice in the Library.

iss is well known on the Underground for using immigration controls to victimise organisers and intimidate the workforce. Union activists in the recent strike by cleaners on the Underground have been suspended without pay, allegedly for working with bogus or incorrect National Insurance numbers. They've worked with these numbers for years - this is simply victimisation.

National Physical Laboratories once arranged an immigration raid on its cleaners to cut the workforce and cut costs. iss is rumoured to have used document checks against workers at the LSE earlier this year. Hard facts are difficult to come by due to the reluctance of cleaners to talk to union activists, but there is a suspicion that the workforce was cut by this method.

LSE likes to think of itself as special, it's paternalistic. Its apparent benevolence - especially if your face fits - helps to undermine union membership as many people think they don't need a union. Yet scratch the surface and the need for organisation couldn't be clearer.

We have to organise in solidarity with cleaners and push for the contract to be taken back in house on the grounds that it isn't really value for money. We also have to recognise that immigration controls are a means of undermining pay and conditions and disciplining vulnerable workers, and oppose them.

## Can I phone a friend?

Pell and Bales is a London call centre that raises funds on behalf of major charities. Since a venture capital company, ICENI, bought shares in P&B, the volume of calls staff must make has increased. This added pressure led to friction

# Who we are...



Anarcho-syndicalists believe that workplace organisation has to be based in the workplace and to involve the membership of all the unions in each workplace. Pay rises, job safety and control over how we work will not be won by representation, but by workers taking action for themselves, independent of their bosses or any would-be representatives.

"Workersrights" will only be won by direct action, or by negotiations backed up by the credible threat of direct action, regardless of legislation. Confusing workplace representatives with the rank and file only obscures the real task we face - that of building effective organisation in the workplace.

To this end, we organise in Networks across industries and in Locals geographically, to support each other in our struggles and to fight for our interests, both in and out of the workplace.

Solidarity Federation is part of the International Workers Association, organising with like minded people across the world.

We'd like to distribute Catalyst as widely as possible, so if you'd like to distribute locally, get in touch at one of the addresses' below or - [Catalyst@solfed.org.uk](mailto:Catalyst@solfed.org.uk)

between management and staff, and an increase in petty disciplinary actions and grievances.

Pat Carmody, a caller and CWU rep at Pell & Bales, helped build a fast-growing union that won a pay increase for the first time in 6 years and is capable of winning disciplinaries and grievances. Senior management were none too pleased.

In June, Carmody was suspended for writing an article for *Socialist Worker* in defence of a suspended colleague. Management claimed the article defamed the company and suspended him.

In June 2008 a solidarity picket outside of Pell & Bales' office was called, attended by supporters, including workers from Shelter, the Solidarity Federation and the London Coalition Against Poverty.

He was sacked on the 21st June, but won his appeal and was reinstated with back pay on the 22nd July. However, he did receive a final written warning and management intend to rewrite the text of the

staff handbook to reinforce their control of press relations.

If we are to defend our rights to freedom of speech and stop the victimisation of active union members, then we must repeat such acts of solidarity.



On 5th July this year, members of Solidarity Federation joined a day of action against Starbucks, after the coffee chain fired a CNT member in Spain and an Industrial Workers of the World organiser in Grand Rapids, USA. The action was called by the International Workers Association, (of which SolFed and CNT are affiliates) and the IWW.

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# Know your rights

## Trade Union Membership

You are protected against being fired or refused a job because of trade union membership or activities, including activities in the past. Your employer is not allowed to treat you any differently if you are a member of a trade union. This means that they must not pass you over for promotion

or training opportunities, or treat you differently from non-union members in any way. The same right also applies in the unlikely event of discrimination in favour of union members.

In addition, you have the right to be accompanied by

a union official in a disciplinary hearing. You can also have someone accompany you in a grievance hearing if the grievance relates to your terms and conditions of employment.

If these rights are denied, or you are sacked for anything related to trying to exercise your rights, you have a case that can be taken to an Employment Tribunal; though it should be mentioned that they are stacked in favour of the employers with little compensation available.

For more information on your rights at work: [www.stuffyourboss.com](http://www.stuffyourboss.com)

## Cleaning up on the tube

London tube cleaners have won crucial pay increases from cleaning companies, with their £5.50 an hour poverty wages being brought up to £7.45.

CleanersonMetronetcontracts were granted the 'London living wage' in July through a wider initiative whilst those working for ISS (contracted by Tubelines) won a staggered pay rise in pre-strike negotiations in August.

With the 48hour RMT strike in June/July and the planned three day strike in August forcing the hand of ISS, the cleaners have demonstrated their strength and gained from it. However, their fight is far from over with the strike committee continuing to meet in pursuit of unmet demands - more holidays, better sick pay, a decent pension and an end to the scandal of 'third party sackings'.

With more strikes in the pipeline, lessons need to be learned if more gains are to be made. In the first strike T&G/Unite balloted late and didn't join, making it less effective. The strike could also have been more successful if RMT cleaners had not been told to finish their shifts if they ended after the strike had begun, instead of all walking out together. This left workers isolated and open to pressure from management. A tougher obstacle has been ISS suspending strikers without pay on the grounds that there are irregularities with their NI numbers. Not only are these



the same NI numbers they have always used, bringing the timing of the suspensions into question, but non-strikers have merely been asked to provide the documents without being suspended. These are clear cases of victimisation and examples of how immigration controls are used directly by companies seeking to profit from insecure, cheap labour to discipline their workforce and prevent it from improving its lot. Outsourcing and this kind of business practice go hand in hand.

The unions need a strategy for defending their members from this kind of attack. In this instance the RMT were slow to defend their suspended members where they could have got prompt and supportive legal advice and representation from immigration solicitors. The RMT is, however, pursuing a strategy of tackling outsourcing, first by seeking to bring workers' conditions up to the standard of London Underground staff. They have already won the victory over post-Transfer recruits to Metronet after being brought back in-house.

## Service not included

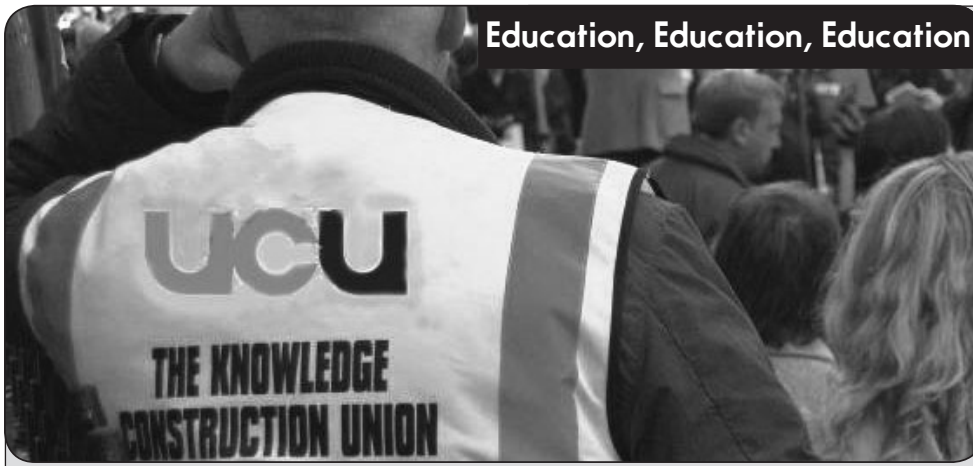
Following our piece on tips in the last issue, The Independent launched a campaign on the same issue. They didn't credit either us or the trades unions, which have been campaigning on the issue much longer.

This newspaper campaign seems to have had some effect, however. "Government insiders" now claim they will address the issue in the autumn. More significantly, a prominent "Old" Labour figure has admitted delivering restaurant workers into the hands of their exploiters when drafting minimum wage legislation in 1997.

Ian McCartney, ex-trades union official and token ex-prole in the government, admitted that he sold out workers to ensure the agreement of bosses to the minimum wage. While this ex-waiter banned the use of cash tips to top up the minimum wage, he agreed to a legal loophole allowing catering bosses to use "service charges" for the same purpose.

In spite of the massive "electoral mandate" enjoyed by his government, he was more committed to getting the agreement of bosses than he was to helping vulnerable workers. In the end, lobbying by the "catering industry" counted for more than votes. Democracy in a nutshell!





Higher Education faces significant changes in the coming years as universities move to a market based model. Tuition and top-up fees are perhaps the more visible signs of this but many institutions are now seeing changes which, among other things, significantly affect education workers' terms and conditions. Union responses so far have seen conferences like NUS's (National Union of Students) 'Reclaim the Campus' and UCU's 'Challenging the market in education' (University and College Union)

Meanwhile, the more action-minded have been far from quiet. The Universities of Sussex and Manchester, for example, both saw occupations,

demonstrations and demands to end this commercialisation process. In both cases, while the impetus for action has come from student activists, university workers have also been involved. In Sussex, the 'Sussex not 4 Sale' campaign organised the largest rally in Brighton for 20 years.

In Manchester members of the SF's Education Workers' Network have been involved in the 'Reclaim the Uni' campaign which organised a march and occupation and put together a list of demands, several of which related to staff issues.

Meanwhile, commercialisation continues apace at Manchester. The introduction of an internal market is bringing about a

situation where each building has devolved decision making. Though they use university support staff at the moment there is no reason why work cannot be outsourced and, in the case of one new building complex, private night time security staff are to be used. Also the no compulsory redundancy agreement runs out later this year. Although there have already been upwards of 800 voluntary redundancies, with the university still massively in debt because of its dash for 'world class university' status and with an expected squeeze on public spending there are growing concerns that compulsory redundancies are a distinct possibility.

While it has been encouraging to see university staff and students beginning to come together to oppose the current neoliberal climate in universities, it is going to require much more of the same to reverse the flow of change. It is to be hoped that these positive moves can re-gather momentum as soon as the summer break is over.

**For continuing coverage of struggles in the education sector see Education Worker available online at [www.ewn.rgbi.net](http://www.ewn.rgbi.net)**

## Making a killing

Nearly twice as many people die from fatal injuries at work than are victims of homicide, a new report has revealed. At least 1,300 people died as a result of fatal occupational injuries in 2005-06 in England and Wales, compared with 765 homicide deaths. It was also found that non-fatal workplace injuries requiring hospitalisation were far higher than those needing treatment following a violent crime.

Yet at a time when crime, especially violent crime, takes centre stage and any working class youth who likes wearing a hood is stigmatized as a potential mass murderer, the violent crime and murder taking place in the workplace everyday is never reported. Moreover, while Labour responds to every Daily Mail hang-and-flog-them headline by throwing yet more people into already overcrowded jails the perpetrators of crime in the

workplace get off virtually scot-free. The trend towards 'light touch' regulation of business has in effect 'decriminalised' death and injury at work. While sentences for violent crime rocket, the Health and Safety Executive's enforcement notices fell by 40% and prosecutions fell by 49% between 2001/02 and 2005/06. The collapse in HSE enforcement and prosecution sends a clear message that the government is prepared to let employers kill and maim with impunity.

No better example of this occurred at North West Aerosols Ltd where an accident killed one worker and seriously injured several others. Though the judge described conditions in the factory as "an accident waiting to happen" the directors of the company, who didn't even bother to show up at any of the hearings, were fined £2 and £1 costs as the company had conveniently been put into receivership

after the accident occurred. The HSE expressed satisfaction at the outcome stating that the trial "would act as a deterrent to other companies." The sister of the dead man stated "It's just a joke. There is no justice. I will not let this rest and I intend to fight on, not just for the sake of Christopher but for all the other employees who are put at risk by results like this."

The reality is that you're far safer walking alone at night than you are going to work. As hundreds of thousands of workers and their families know, it is the violence associated with working for a living that is most likely to kill and hospitalise. But you will never hear that mentioned in the media or by politicians; it's far more important to concentrate on the crime committed by working class youth and leave the bosses to quietly get on with maiming and killing their workers in the quest for ever higher profits.