



**the party that
stands up for the
working class**

conference of workers and trade unionists

Sept 20th 2003

poverty pay - privatisation - political representation

**STATEMENTS FOR DISCUSSION: presented by
Scottish Socialist Party trade union committee**

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**21st CENTURY POLITICAL
REPRESENTATION OF THE
WORKING CLASS**

Trade unionists and workers in general have entered the 21st century without a mass political party that independently represents their interests.

New Labour has abandoned all pretence of representing basic trade union principles, let alone socialism. New Labour is the party of rampant privatisation; continued poverty pay; anti-union laws that Tony Blair admits are "the most restrictive in Europe"; and of imperialist war in the interests of oil and empire.

New Labour is now nakedly a party of capitalism, pursuing policies in the interests of big business and globalised capitalism, and is increasingly funded by big business, who in turn have hordes of company chief executives in every arm of government.

It has demolished any remaining democratic channels for influence over New Labour policies by the unions, with a rigged system of 'policy forums' replacing any democratic national conference, and with tight restrictions on the right of unions to submit resolutions to national conference, making alternative policies virtually impossible to even raise. On the rare occasions

when the unions win a vote at New Labour's 'conference' against the party leadership (such as on PPP/PFI in 2002), the New Labour leadership blatantly ignore and contradict the decisions.

New Labour has increasingly distanced itself from the trade union movement, with the probability of state funding completing that process at some stage, particularly if the unions were to attempt a concerted opposition to the dominant party leadership. They only retain financial links with the unions to bail them out as the party itself loses membership hand-over-fist, but primarily to try and use compliant union leaders as barriers to struggle by union members against the government's measures. They especially do so through the false, deceitful concept of 'social partnership' between the unions, employers and government.

The election of a series of more left union leaders reflects mass rejection of New Labour's programme of privatisation, pay restraint for workers, anti-union laws - and of those right-wing union leaders who actively collaborated with the Blairite leadership in quelling any resistance from the unions. We welcome the election of these more representative union leaders, demonized in the media as the 'Awkward Squad'.

The debate raging in the unions about political



representation and the unions' political funds is of fundamental importance to every worker. Political decisions determine the wage levels; working conditions; legal rights; public services; job security and livelihoods of working people. So unions and un-unionised workers need a political voice; a party that fights for their interests in opposition to the profiteering and exploitation that is inherent in the system of capitalism.

Those trade union leaders who persist on calling on their members to 'reclaim the Labour party' are grossly mistaken. There is little or no prospect of getting enough trade unionists to join the party of privatisation, poverty, inequality and anti-union laws in order to seize control of it. And seeking to replace Tony Blair with another devotee of so-called free-market capitalism, such as Gordon Brown, is an exercise in swapping deckchairs on the Titanic. It would do nothing to fundamentally alter the course and ideology of New Labour, which would remain anti-working class.

This conference of workers and trade unionists welcomes and salutes the courage of the historic decision at the 2003 Rail, Maritime and Transport workers' union (RMT) annual conference. This allows the democratization of the RMT's political fund, specifically allowing branches and the national union to affiliate to the one party in Scotland which stands shoulder-to-shoulder with workers in struggle and which shares the socialist aspirations of the RMT and most other unions - the Scottish Socialist Party.

This conference appeals to all workers, trade unionists and trade unions to vigorously fight on the following principles:

- Yes to political funds - workers need a political arm to their industrial and community struggles.
- No to New Labour's totally undemocratic monopoly control over union members' political funds - why fund the party that fights workers? - why feed the hand that bites you?!
- Campaign within union branches and national unions for rule book changes that allow a democratic choice of pro-trade union parties which trade unionists can fund and that unions can affiliate to.
- Campaign within the unions for Scottish autonomy on the allocation of the unions' political funds, to make allowance for the very different choice of parties available in Scotland and the consequences of devolution.
- Campaign within the unions to convince workers that just as our predecessors were right to break with the pro-business Liberal party 100 years ago, they should break from the pro-business New Labour party in the 21st century. Where tactically appropriate this should include demands for union disaffiliation from New Labour.

- Campaign for affiliation by union organisations - at local and Scottish level - to the growing, united, pro-working class Scottish Socialist Party.
- Campaign for a Scottish Socialist Party speaker at the 2004 STUC conference and at the next national conference of individual unions.

We appeal to workers - both unionized and in not-yet-unionised workplaces - to join the Scottish Socialist Party as individuals, to help build a genuinely socialist mass party that will represent the interests and aspirations of working people and their families in the 21st century.



PRIVATISATION - DRIVE OUT THE PIRATES OF PROFIT

Privatisation of public services has reached new heights since the election of Blair's government.

Following in the footsteps of Thatcher and Major, New Labour have used PFI and PPP schemes to offload public services and assets to private profiteers. Sectors that New Labour denounced Tory privatisation plans for whilst they were still in opposition have been privatised since 1997.

Other sectors of the economy - such as rail network, gas, electricity and telecoms - which there is massive popular support for returning to the public sector, have remained privatised. New Labour Ministers - including Tony Blair and Gordon Brown - have recently made it plain that further privatisation (under the smokescreen of 'modernisation') is to be a central plank of their second term of government.

Privatisation in all its various guises is worst value. On

average for every £1 borrowed through PFI/PPP, the taxpayer has to fork out about £3.50. It mortgages the health, education, housing and other services of future generations - without even the public gaining ownership of the service after 20-30 years of exorbitant payouts to the private 'partners'. It guarantees massive dividends and guaranteed profits for the private shareholders, whilst leading to poorer health and safety; reduced public services; job losses; increased red tape; and cuts in wages and conditions (including frequently two-tier workforces).

The government's privatisation crusade has no financial, economic or social justification; it is ideologically driven, aimed at maximization of private profit at public expense. It is driven by international institutions such as the World Trade Organisation, World Bank, GATS agreements and the capitalist European Union. It is avidly implemented by a New Labour government that is the craven servant of big business.

This conference of workers and trade unionists declares implacable opposition to privatisation, PFI, PPP or any other forms of ripping off the public sector for private profit. We appeal to all trade unionists, local and national unions and the STUC to conduct a vigorous campaign in defence of the public sector, building on the existing policies of most trade unions with united action. These to include:

- support for local anti-cuts, anti-closures, anti-privatisation campaigns by local parents, communities, trade unionists and political parties
- support for the Scottish Socialist Party's planned Bill in the Scottish parliament for public ownership and democratic control of Scotland's railways, ferries and buses. Call on unions and individual workers to lobby MSPs of all parties to support this measure
- organise solidarity for any workforce or union which takes industrial action against the consequences of privatisation. Seek to initiate such resistance where possible.
- campaign in the unions for coordinated action - in defiance of anti-union laws - in opposition to the whole principle of privatisation, tying this to practical cases of its threat.
- support and mobilize workers and their unions for the European Social Forum in Paris 12th-15th November, and other similar anti-capitalist, anti-privatisation mobilizations in the future
- move resolutions to national union conferences and the STUC conference calling for coordinated days of action against privatisation, with rallies and demonstrations to popularize the case for democratic public ownership and proper public funding of public services, demanding taxation of the stinking rich minority to help fund them.



FIGHT POVERTY PAY - for a £7.50 national minimum wage for all over 16

Poverty pay is the curse of Scottish working people.

The gap between rich and poor is at its widest since 1886. The poorest 50% of the population now owns only 1% of the country's wealth; in 1976 they owned 12%. The employed, working poor is the biggest single group in poverty, a condemnation of the low wages suffered by hundreds of thousands of workers rather than being any indication of satisfactory benefits or pensions levels.

Wages have been systematically driven down as a share of national wealth, particularly since the reign of Thatcher. Anti-union laws have been used to terrorise and restrict workers' resistance to low pay. Casualisation, short-term contracts and general job insecurity have been weapons to boost profits at the expense of wages. Privatisation frequently involves wage reductions, including through two-tier workforces. In addition, pensions - the deferred wages of workers - have been thrown into chaos as Final Salary Pension Schemes are abandoned in favour of the law of the capitalist jungle, as pensions are at the mercy of Stock Market fluctuations.

Fury at low wages is inflamed even further at the arrogant greed of company fatcats, who have awarded themselves an 84% rise in incomes over the past 3 years. Last year the average company executives' salary rose by 23% when workers wages only went up 3.2%. The average income of the chief executives of the FTSE-100 companies last year was £1.68million. To add insult to injury, the average company director enjoys a pension income 27 times that of the average worker's pension.

These outrageous facts illustrate the case for a decent

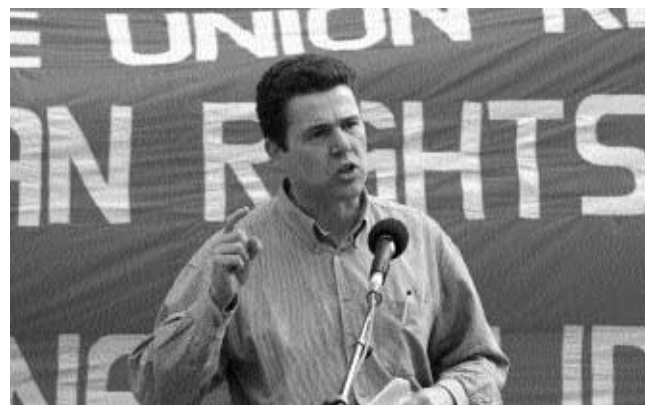
level of guaranteed national minimum wage. Workers - including those in the Scottish Socialist Party - campaigned for years for minimum wage legislation, and welcomed the introduction of a minimum wage by the government. However, as implemented by the New Labour government, the minimum wage is fatally flawed. The complete exemption of 16-18 year olds is a charter for youth exploitation. That and the lower rate for 18-22 year olds is a blatant piece of age discrimination. The pitiful level of the minimum wage under New Labour - set at 38% of male median earnings - reinforces poverty pay, making it 'respectable', and in many sectors of employment has become the norm, rather than the minimum.

The widening chasm between workers' wages and boardroom incomes also justifies the SSP's policy of a maximum income, currently set at a differential of 10:1 compared to the minimum wage. Many would argue that this is far too generous to the rich, but it would be a radical step in the direction of greater equality and justice in society.

The SSP's policy of a national minimum wage set at two-thirds male median earnings (about £7.50 in current figures) is absolutely justified when the cost of living and the need to escape the poverty trap is examined. So too is the SSP's demand that this level should apply to all workers over 16, with no exemptions. This would help scrap youth discrimination, as well the formula of two-thirds male median earnings beginning to erase the rampant wage discrimination against women workers.

This conference of workers and trade unionists, convened by the Scottish Socialist Party, agrees to call for a concerted campaign throughout the workplaces and trade unions of Scotland for a decent level of national minimum wage, including the following:

- raise resolutions in union branches and stewards committees demanding the government introduce a £7.50 minimum wage for all over 16 - two-thirds male median earnings.
- campaign within unions and workplaces for pay claims to include guaranteed minimum pay at this level



for the workforces concerned

- Raise resolutions at all levels of the local and national trade unions calling for abolition of youth wage discrimination, by scrapping the lower youth minimum wage, and by extending minimum wage legislation to 16-18 year olds
- move resolutions at the same union bodies calling for the national union to initiate - and then approach the STUC for support for - a Scottish demonstration demanding a decent minimum wage for all over 16, with abolition of the lower youth rate and the exclusion of 16-18 year olds. The aim being to get this agreed at the 2004 STUC conference.
- agree the SSP should approach national unions and the STUC for collaboration on building such a demonstration and preparatory campaigning on the minimum wage at workplace level.
- argue for support in the unions for the SSP's Public Sector Workers Bill in the Scottish parliament, which will demand a £7.50 minimum wage for all 490,000 public sector workers. The Scottish parliament only has jurisdiction over the public sector, but if passed such a Bill would then have massive repercussions in the private sector, forcing employers and the government into extending that level of minimum wage to avoid a loss of staff to the public sector. Unions should also be asked to lobby MSPs of all parties for support for the Bill.
- gain support in union branches for the call at the TUC by the Public and Commercial Services (PCS) union for a day of action in defence of workers' pensions.

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