

**VOTE
PCS INDEPENDENT LEFT**

**Emergency Budget
September 2010**

WORKERS TO PAY FOR THE CRISIS

The coalition government announced its budget on 22 June. This is the most viciously anti-working class budget in living memory, with cuts more prolonged, over a period of 5 years, and deeper than any other time since at least the World War II. The Con-Dems have effectively declared class war. They are determined that the poor pay for the global financial crisis created by the spivs and speculators.

Included in the budget are measures to:

- Increase VAT from 17.5% to 20% from January next year;
- Benefits, apart from Retirement Pension and Income Support for pensioners, to be linked to the Consumer Price Index, rather than the Retail Price Index which is usually higher. This will slash £5.8 billion from benefits over the next 4 years;
- Child Benefit frozen for three years
- Tax credits withdrawn from those with one child and a family income of over £26,000 from 2012. Currently if you have one child and a joint family income of £58,000 you could be entitled to tax credits.
- All in all, £11 billion slashed from the benefits bill this parliament.
- A two year freeze (a cut in real terms) in salaries for public sector workers earning more than £21,000 pa, full time equivalent (those earning less than this will get £250 pa pay rise). Anyone still in a multi year pay deal will have their pay frozen for two years once they finish their multi year pay deal
- Departmental budgets to be cut in real terms by 25% by the end of this Parliament. Due to NHS and overseas aid budgets being protected, this figure is likely to increase.

The cuts in public services will hit the poorest hardest.

Is it needed?

Mr Osborne claims the cuts are needed to reduce the deficit which currently stands at £149 billion. He proposes to reduce this by a mixture of spending cuts and net increased taxation. Yet tax avoidance, evasion and debt in the UK is estimated to exceed £120 billion, according to tax expert Richard Murphy. Replacing the Trident nuclear weapon will cost an estimated £76 billion. The Sunday Times rich list said that the 1,000 wealthiest individuals increased their personal wealth from £258 billion to £333.5 billion in 2010. So even if we let them keep everything they had up to 2009 and just took the excess for 2010 that would generate another £77 billion. Therefore it is clear to see that these cuts are ideologically driven.

Global economy – global cuts

Anyway the budget deficit operated in the UK is the lowest in relation to Gross Domestic Product of the G7 countries. However, this hasn't stopped these countries, and others in Europe, from pushing through similar austerity measures. Germany has introduced similar cuts, cuts have already been pushed through in Ireland and General Strikes have taken place in Spain and Greece against austerity measures. The British labour movement should be seeking to link up with these campaigns. A great opportunity to do this will be the day of action against cuts called by the European TUC on 29 September.

What about PCS?

The most immediate issues facing PCS members are the attacks on the Compensation Scheme, the pay freeze, job cuts, the coming attacks on pensions and on Tax Credits and Child Benefit.

In trying to get an acceptable settlement to the CSCS dispute it is essential that we get NUVOS members on the same terms as those members in the Classic and Premium scheme. NUVOS members currently only get the statutory redundancy minimum.

In relation to pensions we should not oppose capping the pensions of Senior Civil Servants. A handful of fat cats getting £40,000 or £50,000 a year give the rest of us a bad name. They can live very comfortably on a lesser pension.

What about Equality?

Britain is now one of the most unequal countries in the developed world, when the official and scientific evidence shows that the more unequal a society the greater the social ills, such as sickness levels, mental illness, low life expectancy, low levels of social trust, lower and more unequal levels of educational attainment, and a higher crime rate. This budget will increase that inequality. Research has shown that women will bear the brunt of the cuts. They will shoulder 70% of the savings through increased taxes and reduced benefits. It speaks volumes about the British trade union movement that this is being challenged by the Fawcett Society, on the basis that the government has a legal duty to assess the impact of their proposals to ensure there is no discrimination. So far they have failed to do this.

What is needed?

We need to start agitating for action. This work should have been started by the NEC. The years of misleadership that we have had has not exactly prepared the membership for the task in front of us. Stop/start campaigns that end in 'significant achievements' that don't exist aren't helpful. We must tell the members the truth. We need to be honest about the scale of action that will be needed just to defend the status quo. Of course we should try to go beyond that and fight for decent pay, conditions, jobs and services. The NEC should have in its mind a notion of what constitutes a victory.

In short the Union needs to be put on a war footing. This means pumping out the propaganda, carefully explaining our case. This means building a war chest. A national levy should've been started years ago. This means preparing the membership for big national strikes, but also identifying key strategic areas to take action as in-filling between the big national strikes. One NEC member at a recent members meeting said that the union will be launching a national levy and is considering selective action. This is to be welcomed - even if it is a little late. Independent Left has been advocating for years a levy and selective action for years, alongside as much national action as we can get.

Clearly we need to be linking up with other Unions, not only in the UK but across Europe too, to co-ordinate strike and other actions. PCS branches need to be making contacts with other union branches and anti-cuts community campaigns, whether this be via trades councils, town committees or whatever is appropriate. PCS needs a strategy that seeks the maximum unity in action, including strike action but a strategy that is not reliant on what the likes of Dave Prentis does. We need a strategy that doesn't rely on sporadic one, two or even three day strikes. We need a strategy that includes all elements from the industrial action toolkit, overtime bans, as much national strike action as we can deliver and selective industrial action in key strategic areas.

This is going to be the biggest battle our class has faced since the miners strike and the poll tax. It's going to be a hard fight but it is a fight we can win. Remember, this is a coalition government, which, by its very nature is weak and unstable.

We need a workers government!

This is a government of the rich for the rich. 23 of the 29 cabinet members are millionaires, including Lib Dems. They can afford a 5% pay cut. We can't afford to have our pay and benefits frozen. We need to fight for a positive alternative for working class people. Tax the rich to pay for services, and bring the banks under democratic control. We need a government that will represent us and act in the best interest of our class.

Please join us

The Independent Left, on the big issues such as the need for national pay, fighting for equal rights for members in the NUVOS scheme, the need to change our industrial action tactics and warning that the pension deal could not last has been right and the current leadership of the union has been wrong.

We actually welcome debate. We don't think that someone with a different view to the majority is a "problem" and should shut up.

If you are looking to join a democratic organisation that is not dominated by one view, that is not afraid to think about the issues then please join with us. To do so please return the tear-off below to 15, Routemaster Close, Plaistow, London E13 0BE:

Name: _____
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