

## **Socialists win big votes in Usdaw EC elections**

The first two months of 2015 have been a stressful time for retail and distribution workers. Tesco, Morrisons and Sainsbury have all announced job cuts and/or store closures, whilst the Co-op is still reeling from its financial crisis last year.

Taken together, these companies are the 'Big 4' that make up the bulk of Usdaw's membership with almost half the union's 420,000+ membership concentrated in Tesco.

Yet this theoretically well-organised workforce has been kept in the dark about these attacks whilst Tesco merrily announce them to the market and press. It's not easy to think of a better example of what little priority capitalism gives to ordinary workers!

In this context, Socialist Party members standing in these elections put a fighting response to the crisis in the main supermarkets at the fore of their election campaigns. This was a breath of fresh air

union leadership's timid response, which many reps feel equates to Tesco saying jump and the union asking how high.

Socialist Party member Amy Murphy topped the poll to be re-elected in the Southern division with a whopping 2,263 votes, 559 votes more than last time on a turnout that was down by over 1,000. In the presidential election she won 9,529 votes, 45% of the total running the incumbent President, Jeff Broome, incredibly close – indeed much closer than when the late Socialist Party member Robbie Segal stood in 2009.

This increased percentage vote reflects the changed situation the union finds itself in, however, the low turnout (5.5% for the presidential election) is indicative of a certain apathy bred by the union's lack of an ability to deal with some of the fundamental questions facing retail workers at the present time around the cost of living crisis. Yet this result wasn't just around

the outstanding record of Amy on the union's executive, but a broader challenge. Socialist Party member Scott Jones standing for the first time in the South Wales & Western division was just 113 votes short of winning a seat on 871 votes. Fellow Broad Left activist Sue Perridge also won a respectable 617 votes in the Eastern division.

This result should be a call to arms to the left in the union and any Usdaw member who wants to see a fighting union. It is essential that the Broad Left becomes a campaigning body within the union and a further challenge is mounted in the likely general secretary election, as well as efforts built up to mount a full slate of Broad Left candidates in the next executive elections.

There is a growing appetite among Usdaw members for a more militant union with a leadership that isn't attached to pro-big business New Labour and doesn't slavishly follow 'partnership' agreements with the employers.

Activist editorial board

### **A Message from Amy Murphy**

'A tremendous thank you to all comrades for your support in the presidential and executive council elections. I would also like to congratulate Scott and Sue on their fantastic achievements and hope others will follow to build a stronger, pro-active and challenging broad left. I believe the tide is changing and together we can bring about much needed change and make it happen.

**If you agree with Amy - e-mail [usdawactivist@gmail.com](mailto:usdawactivist@gmail.com)**

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## £7 an hour - Joke Submission to Low Pay Commission on Minimum Wage

Usdaw members will have been surprised to read in the November/December 2014 issue of *Network* about the union's submission of evidence to the Low Pay Commission for the forthcoming annual review of the National Minimum Wage.

In the submission, the union fails to call for either the £10 an hour minimum wage it supported at this year's TUC Congress or for a living wage which was supported by the 2013 ADM. Instead the figure of £7 an hour was argued for.

Although £7 an hour would represent a more substantive increase of 50p than the measly 19p offered this year, it still falls well below the £7.85 an hour level of the 'official' living wage, which itself, due to taking into account benefits and other factors, is below a real living wage.

Moreover, instead of arguing for the abolition of youth rates of pay altogether, the submission only calls for the payment of 18 year olds at the top rate of minimum wage. But what about those 17 or younger. However popular the image is of 16-17 year old workers still living at home, this certainly isn't the case for all young workers who have the same rent and bills to pay as all other workers do.

The Usdaw submission falls a long way short of what Usdaw members demand and expect our leadership to be campaigning for. This is a genuine living wage, which through the TUC discussion is now articulated in a figure of £10 an hour (which Usdaw supported!). It is also the abolition of youth rates and exemptions to paying the full minimum wage to



Usdaw members carrying placards calling for a £10 an hour minimum wage

all workers.

This should be combined with a fight to make sure Sundays, overtime and night work are paid supplementary higher rates above this to recompense the inconvenience to workers. Indeed introducing a minimum rate for such allowances would be a step forward as opposed to the erosion of this terms which supermarkets have been in the lead of doing away with them.

At the very least if there are some genuine reasons why the EC (or General Secretary who is accountable to the EC) feel tactically we should argue for something less than our policy then these issues should be spelt out to the membership who then can hold the EC to account. Yet with a tiny article this cannot be done.

Instead it appears that our leadership are once again surrendering our positions before the battle has been fought. This adds even more urgency for the election of left candidates to the EC to resolutely carry out the wishes of the membership.

## Quick News:

*Alright for some at the top*

As workers continue to face a continual squeeze on their pay and working conditions, with the top rate of the minimum wage only increasing by a measly 19p, let compare it to one of those sitting on the Low Pay Commission who suggest the rate.

In the Autumn issue of *Arena* contains the financial statement to members for the year to December 2013. It details the pay and remuneration of Usdaw General Secretary John Hannett.

Far from the average wage of a warehouse worker at a little under £20k a year, our John receives £95,514 in salary alone, plus a whopping £42,408 in benefits. It's alright for some!

### *Shoppers Buying Cheaper Lines as Belts Tighten*

The latest results from Nielsen's Consumer Confidence Index show that 60% of shoppers are buying cheaper grocery brands to save money.

This is perhaps unsurprising given the squeeze on the wages of all workers during this recession. But the survey also found that 37% of shoppers intended on keeping buying cheaper products even as the economy recovers.

This just highlights how little of a recovery there is for ordinary people.

## Scotland - After the Independence Referendum Labour Party Pay The Price for Supporting Tories

*This article was originally written just after the result of the Scottish Independence Referendum last year. Although those leaving the union appears to be a lower figure of 600 leaving the union over the issue (1%) its still a worrying figure.*

*However, some of the issues this referendum unleashed will not go away, as was showed by the crisis in the Labour Party, the supposed victors of the referendum. Both the party's leader and deputy resigned, as the gap between many working class people and the party the purports to represent them turned into a chasm.*

*In the subsequent leadership election Usdaw unfortunately was one of only two unions to support the right-wing Blairite candidate, Jim Murphy. This has disgusted even more members in Scotland, including those who argued for a No vote.*

*Jim Muprhy's record is terrible. He has helped 'modernise' (read cut) public services whilst in the cabinet office during the last Labour government. He was also amongst the worst offenders in the expenses scandal and led the attack on Unite the Union during the Falkirk East saga last year. Whilst President of NUS he broke conference policy to support the ending of student grants.*

*Yet this is a person who John Hannett can wholeheartedly back in the November/December issue of Network. This speaks volumes about the mis-leadership of the union. Muprhy's election will lead to a further crises in the Scottish Labour Party.*

Friday morning's result from the

Scottish Independence Referendum will have verberations around Usdaw for some time, and not just as a result of how near the Yes vote seemed to come to triumphing.

A last minute e-mail/letter, signed by John Hannett, urging a No vote, has led to a wave of resignations from Usdaw across Scotland. According to reps, one of the union's offices reported 6,000 members left in the last week before the referendum. This is out of a membership, which was reported as of December 2013 as 45,683 in the union's most recent Annual Report. A loss of membership from Usdaw of this scale (13%) should give pause for thought for every member as to why this has happened.

Whilst some criticising Hannett's letter argue on the grounds that the union shouldn't be advising members on how to vote, the Activist believes trade unionists should have the right to debate and discuss the best way forward on any issue affecting us. However, this must be done in an engaging manner that engages the widest possible layers of the membership before coming to a decision.

To our knowledge, there have only been two times this issue has been discussed officially by the union – both of which were deeply flawed. The first was at ADM in 2010 – where the only contributions on the subject were the mover (who incorrectly stated that Wales joined the union after Scotland – actually it was annexed by England long before), and Hannett himself replying to the discussion. Although also mentioned in Executive Statements in 2013 and 2014, this cannot seriously be taken as being debated as

there are no facilities to amend or oppose such statements at ADM.

The second time was at a Scottish divisional conference in early 2014 where, as we commented at the time in the Activist, the only speaker was Alistair Darling on behalf of Better Together. Whilst that led to an 82% vote in favour, many members abstained in protest at a procedure that was hardly a model of democracy.

An indication of how unrepresentative this was of at least a proportion of members was shown by a debate reported on newsnetscotland.com. A branch representing IKEA workers in Glasgow held a debate with speakers from within the union on both sides – after a democratic debate the meeting took a vote. Not a single person voted No, with 82.5% favouring Yes and the rest being Don't Knows. This however, was the only debate we are aware of taking place – in these circumstances we have to ask if such debates of these had been organised in the union prior to an official stance taking place would we be seeing such large numbers of members leaving?

It's all very good for John Hannett in press comments on the result 'We must now move on together to focus on campaigning to improve workers lives across the whole of the United Kingdom.' If he really wanted workers to move forward together then its was incumbent upon him and the rest of the union's leadership to have ensured a democratic debate on this crucial issue throughout Usdaw – if we fail to move forward together then the fault can be put at the feet of Hannett and his clique.

## Tesco Crisis: Making Workers Pay for Bosses Mistakes

2014 has been a year of gloom for Tesco. Share prices have fallen to a 14-year low on Tuesday 6<sup>th</sup> January 2015, coming after falling profits, corruption in the board room and an overhaul of Tesco's leadership.

Scott Jones, candidate for Usdaw EC South Wales & Western division

Tesco's first trading statement of 2015 brought further warnings, news of cuts and further attacks on workers. The supermarket giant is set to close 43 'unprofitable' stores, mostly smaller expresses, reduce and relocate its head office and do away with the final salary pension scheme for all staff.

It says everything about the bankruptcy of capitalism that this brutal downsizing was met with a sharp rise in the share price!

However, Tesco's own profit predictions remain in the billions at £1.4 billion and their market share remains a little under three times that of discounters Lidl & Aldi combined.

Even when Moody's announced on Friday a reduction to junk status of Tesco's short-term debt, it stated that its profit margin would only be reduced to 3-4%.

Despite this Tesco is attempt-

ing to balance the books and return to super-profitable ways on the backs of its already low-paid workers.

The only ways for a commercial retailer like Tesco to boost profits is to increase sales or cut costs and new CEO Dave Lewis has chosen the latter, with unprecedented store closures and the final nail in the coffin that is a Tesco pension.

Scandalously, Usdaw, our union released a statement which immediately 'recognises that change is inevitable' and 'noting the difficulties facing Tesco' when it should be immediately pledging to fight against any job losses and attacks on terms and conditions and demanding that Tesco open the books to prove the 'unprofitability' of the 43 stores set to close.

In contrast, Unite, which represents many Tesco drivers, demands that Tesco workers should not be made to pay for the failure in the boardroom.

However, it is Usdaw that represents the overwhelming majority of Tesco and other supermarket workers and it's these workers who also need a fighting leadership prepared to take on the bosses now more than ever.

## Mailbag

Dear Activist

I was one of the Usdaw members on the TUC demo, *Britain Needs a Pay Rise* and Arena tells me that our 'members took to the streets of London in October to demand a pay rise for Britain's workers.'

Our General Secretary clearly took the message of the demo to heart. While Usdaw negotiated 1.4% for me, Hannett has offered 3% to his staff.

I am told he earns nearly £100,000, so he gets a £3,000 increase while I get a pittance. Am I the only one that thinks this is wrong?

Comradely  
Jack, London

### The General Secretary and spot the difference

#### Quote 1: Arena Autumn 2013.

'In the year ended 31 December 2012, . . .

'the salary paid to the post of General Secretary of £93,508 and employers' contributions in respect of National Insurance and Superannuation of £11,885 and £18,984 respectively. The value placed by the Inland Revenue on the car supplied to the General Secretary amounts to £9,511.'

#### Quote 2: Arena Autumn 2014.

'For the period ended 31 December 2013, . . .

The General Secretary of the Union was paid £94,514 in respect of salary and £42,408 in respect of benefits including employer National Insurance contributions, employer pension contributions and the provision of the Union car.

Answers on a postcard...

## Hannett's Revealing Interview in Progress

Trade union leaders don't often give interviews to Progress, a right-wing grouping in the Labour party. The fact that John Hannett has done so in an interview published on their website on 10th February says much about the man and his leadership of our union.

Yet this isn't the only thing Usdaw members should take note of from this interview. Hannett makes a number of revealing comments in the course of the interview.

Most striking are the comments about his role on the Low Pay Commission (LPC), the article states

"Hannett is keen to keep the commission above the political fray: 'It's the one body that has

been able to keep a consensus since 1999, despite the individual pressures on those constituents, whether it's the economists, business, small business leaders or trade unionists. It's proved its value'. But, he says, 'The challenge now is that, against the background of the living wage campaign that's out there, the fact that pay has fallen behind or not kept pace with wages, the commission's work will become even more important in the years ahead.'"

In essence this is saying the LPC has been able to help Hannett resist the pressures of low paid workers in Usdaw and other unions demanding a living wage.

If "the union's financially sound", then members may wonder why he keeps coming to ADM for a

subs increase when the last few years Annual Reports have shown an increasing surplus in the union's funds?

Furthermore, Hannett goes on to state about attending Progress events "That's really how you inform the decision-makers, the opinion-formers. " So for him the collective actions and voice of the membership are not how we influence the big supermarkets or the government, it's individuals cleverly putting across their view. Yet that has clearly worked out well with the Tesco partnership...

This just goes to show how necessary it is for the left in Usdaw to build upon the 45% won by Amy Murphy in the recent presidential elections.

## Scandalous Removal of £10 an hour proposition from ADM agenda

The Activist has been made aware of the blocking of a proposition from East of Scotland Morrisons that would have been due to go before the 2015 ADM.

The proposition read

"This ADM calls upon the Executive Council to follow the BFAWU and the GMB and adopt as policy the £10 an hour minimum wage campaign. Conference also calls upon the Executive Council to support and encourage any and all member of Usdaw to become involved in any grassroots/trade council activity that supports this campaign."

Yet scandalously this has been ruled off the conference agenda under Standing Order No.1 on the

basis that it will be debating a topic that has been at ADM in the last two years.

Yet this issue hasn't been debated, it had been smuggled into another 5 propositions which all were about youth rates of the minimum wage - something which actually had been debated at last year's ADM.

We assume whatever official was responsible for presenting these motions to the Executive Council, hoped that the EC and other members wouldn't notice.

This is the second year in a row that procedure hasn't been correctly followed around Standing Order No.1. Last year a whole slew of rule change and other propositions

were thrown out on the grounds they were misleading, despite the rulebook saying branches should be given a chance to fix such errors.

Thankfully, after a backlash about this issue, highlighted in the Activist, this has been successfully challenged. We urge East of Scotland Morrisons to do the same this year and challenge this decision.

However, if the union's leadership think demands around increasing the minimum wage will go away they are sadly mistaken. Despite their attempts to water down ADM policy (see page 2), Activist supporters will make sure £10 an hour minimum wage is on the order paper of ADM 2016.