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CAN THE HIGH STREET BE SAVED?

Iain Dalton, Usdaw Broad Left chair

This year - 2018 - has been a bad year for the retail sector. After almost 6,000 chain shops were reported to have closed in 2017, a net loss of 1,700 according to a survey for PricewaterhouseCooper, This year some of the biggest losses include Poundworld's 350 stores, 100 M&S stores, 90 Carpetright stores and 60 New Look shops to name a few, with Debenhams recently announcing that they plan to close 50 stores.

This collapse has had a knock on effect on shopping centres, with around 200 shopping centres said to be in crisis by the National Retail Research Knowledge Exchange Centre, many of them owned by US private equity firms.

What's behind the slowdown?

Much has been blamed on the rise of online shopping. According to the Office for National Statistics, online retail has grown from 5.2% of sales in September 2008 to 17.1% in September 2018. The online sector has been boosted by lower effective tax rates due to cuts to corporation tax whilst paying less in business rates than companies with tens, or hundreds or even thousands of bricks and mortar stores.

But this isn't the only factor promoting online sales growth. The long working week in Britain, the highest in Europe according to Eurostat at 42 hours and 18 minutes, means people have increasingly less free time. The costs of transport and parking for drivers, adds additional cost to visiting shops as opposed to browsing online.

But retail spending is also slowing, like for like sales dropped 0.2% in September, compared to 1.9% growth last year, with sales growth a miserly 0.7%

in the year to date compared to 2.3% last year according to the British Retail Consortium. This is a product of increasingly squeezed incomes, a product of almost a decade of austerity with wages falling in real terms for many workers who have been pushed into increasingly insecure work.

Tory budget

Therefore it was hardly surprising that Tory Chancellor, Phillip Hammond, made a great play of being the rescuer of the high street in last week's budget, pledging £1.5 billion to aid the retail sector. £900 million is allocated for business rates relief for retailers with a rateable value of less than £51,000. But this will hardly assist the big chains that have been the ones responsible for the bulk of store closures, or the workers out of a job as a result.

The rest is allocated to a 'transformation fund' for the high street - for renovations, 'small scale transport infrastructure'. The likelihood is that this will be disbursed not according to the needs of local communities and retail workers, but to suit the needs of big retailers and commercial property owners.

Usdaw proposals

In contrast to this, the proposals made the recently launched 'Usdaw's industrial strategy for retail' include some welcome measures. These include the key points from Usdaw's 'Time for Better Pay' campaign of a £10 an hour minimum wage, minimum 16-hour contracts and the right to a contract reflecting regular hours worked, alongside other measures such as reducing the gap between the pay of CEO's and ordinary workers and measures to stop corporate tax avoidance.

Also raised questions around transport including Labour's pledge to introduce free bus travel for under-25s as well as other measures to include the power of trade unions in such situations, such as removal of the loophole which allows employers to avoid collective consultations when closing smaller sites with less than 20 employees.

But it falls short of providing an alternative to some of the question of what could effectively

be hand outs to big business contained in a limited form in the Tory budget and demanded in larger measure by groups such as British Retail Consortium which the Usdaw strategy refers to.

What needs to be raised is the question of under whose control the retail industry is to be developed and in whose interested. Usdaw ADM in 2017 passed a proposition calling for failing retail companies not to be allowed to sack workers and close stores, but to be brought into public ownership instead. Usdaw should make this a key cornerstone of its industrial strategy for retail.

Instead of handouts to private equity firms owning shopping centres, why not nationalise them with compensation paid only on the basis of proven need. Instead of the further corporatisation of the high street, why not allow democratically elected committees of retail workers and the local community decide what changes they felt were necessary, if some retail space should be converted to some other use, including community spaces. Rent levels could be decided democratically as well. Such questions could be taken up immediately where Labour controlled local authorities own shopping centres.

Only on the basis of empowering ordinary workers to have control of their communities and workplaces can we avoid the fate of 'ghost malls' or 'ghost towns' that have been seen in the US.

We say:

- Open the books to inspection by workers and trade union representatives to see where the profits have gone.
- Renationalise the public transport system, with cheap, affordable fares
- Fight for a shorter working week, of no more than 35 hours
- Raise the minimum wage to £10 an hour, end zero-hour contracts and other short hour contracts
- Nationalise the key sectors of retail and distribution under democratic workers control and management, linked to a wider plan of public ownership of the key sectors of the economy.



Shop workers hungry for £10 an hour now

'Adam Viteos', shop worker

I work as an assistant manager in a high street retail chain and one of the most regular complaints I get from my staff is that they are hungry.

Working on a four-hour contract, it is impossible for them to budget when they are only guaranteed such low hours each week. Even lower management such as myself are only guaranteed 24 hours a week, with a real-terms pay cut waiting for us upon promotion as we lose our overtime rate. Full-time contracts are only given to store managers and deputy store managers.

More hours

Every member of staff regularly discusses with management about getting more hours. We recently had two people leave, both because they weren't getting enough hours. Instead of raising everybody's hours, the company was quick to recruit two new people which has frustrated all of those who are crying out for more hours.

My company isn't alone, low and zero-hour contracts are rife throughout retail. The result of this is a huge rise in underemployment which is bringing with it a whole range of issues.



Stress, mental health issues and poverty are increasingly becoming the norm in my workplace. Things have become so desperate that we have started to organise communal meals to share the cost of food. It has built camaraderie among staff and we've begun to organise in a union.

Retail union Usdaw voted at its annual conference in April to build a campaign around the demand of a 16-hour minimum contract, except when the employee specifically requests less, coupled with a £10 an hour minimum wage.

This is something that members in my store have welcomed. But the campaign needs to be built if we're to rally the hundreds of thousands of retail workers to organise and push back against such conditions.

The anger bubbling away under the surface is a ticking time bomb. We're hungry for sustainable jobs and by the end of each month we're just plain hungry. We will not tolerate this forever.

We demand:

- The building of a serious campaign for £10 an hour now and to scrap zero-hour contracts
- Coordinated trade union action on pay
- Sustainable full-time jobs

Usdaw at Trade Union Congress

Usdaw's presence at the Trade Union Congress (TUC) this year was different than years gone by. One of the most dramatic impacts was the Usdaw stall at the conference, rather than the drab display of years gone past, instead there was a bold redesign launching the 'time for better pay' campaign - for £10 an hour minimum wage, and end to zero-hour contracts.

The TUC itself didn't have much controversy - there were the usual fudges to try and patch over any disagreements, including a formulation on Brexit that emphasised a general election, while also not ruling out a 'People's Vote' although relegating this to a secondary matter (not that it didn't stop TUC general secretary Frances O'Grady talking up a second referendum!).

What controversy there was, was around fracking. While Usdaw has a clear policy to oppose fracking, an unelected full-time official representing Usdaw on the TUC

general council argued that we should support the Unison/GMB amendment to weaken the proposed ban on fracking to a moratorium. Iain Dalton, a Broad Left member in the delegation, argued against this, backed up by another delegate in the Broad Left, but the vote was lost in the delegation a couple of votes. Broad Left members Amy Murphy, Dave McCrossen and Iain Dalton all spoke, with Dave and Amy moving some of the union's motions and amendments, whilst Iain spoke in the debate on the far right, putting across the need for a class-based approach to tackle the far right. A number of Usdaw delegates also attended the National Shop Stewards Network rally ahead of the TUC, where Amy was one of the platform speakers alongside other leading trade unionists such as RMT and Unite general secretaries Mick Cash and Len McLuskey as well as lay activists involved in ongoing disputes such as the Birmingham Care Workers.

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