

INFORMAL ECONOMY VICTIMS

I am proud and honoured to be the first General Secretary of a British trade union to participate in a Centesimus Annus Conference. I hope this is the rebirth of a real relationship between the Church, Catholic Social Thought and Free and Independent Trade Unions. It would be a tremendous force for good and a source of much learning for us both.

Pope Francis has inspired so many within the Labour and Trade Union movement including myself to see the clarity of the message of hope and dignity which the Church offers working people.

He said recently that:

“Trade Unions have been an essential force for social change, without which a semblance of a decent and humane society is impossible under capitalism”.

It was wonderful to hear those words. I sent them out to all my organisers as our work is hard and thankless and it was great to be recognised as a force for good.

For some, the old political arguments revolve around the dogma of Right versus Left but the real argument is around Right versus Wrong and in this area the Church has considerable moral knowledge to bring to the debate.

I am the elected General Secretary of the GMB Union with over two thirds of a million dues paying members based within the UK and Ireland. A Union born 125 years ago out of the suffering and degradation of working families in the capital city of the then British Empire.

The GMB are committed to making “a semblance of a decent and humane society” possible through our power of association and a vision of social justice. It would be an incomplete discussion here if trade unions were not part of the dialogue you are having.

In his book of dialogue with Rabbi Abraham Skorka when he was a Cardinal in Argentina called “Of Heaven and Earth” he wrote the following. I am quoting it at length because it expresses what I think too.

“When you pick up a volume of the social teaching of the Church you are amazed at what it condemns. For example, it condemns economic liberalism. Everyone thinks that the Church is against communism, but it is opposed to that system as it is to the savage economic liberalism which exists today. That is not Christian either and we cannot accept it. We have to search for equality of opportunities and rights, to fight for social benefits, a dignified retirement, holidays, rest, and freedom for trade unions. All these issues create social justice. There should be no have-nots and I want to emphasise that the worst wretchedness is not to be able to earn your bread, not to have the dignity of work”.

The dignity of labour and respect for working people. That is what drew me into trade unionism and this is what has brought me here this morning.

In preparation for your conference I have tried to read as much as I could of the Papal Encyclicals, they are inspiring reading. I feel closer to the Church and faith than at any time since my youth. Trade unionists seek a better, fairer world and what I learnt in reading RERUM NOVARUM was that the dignity of work, of the worker and their skills is linked to that of a vocation that is upheld by association, that I am part of a longer and wider tradition that I thought.

I learnt that the free market did not create the world, that human beings and the environment are not commodities to be brought and sold. I learnt that in a civilised society, no one interest should dominate, at the very least a balance of interests between capital and labour should exist. The trade unions have a great deal to contribute towards taming the destructive power of capital and a constructive participation in the politics of the common good in which hostile interests are reconciled through negotiation and mutual recognition.

That is what I learnt but I also came to share with you the realities of what happens in the so called informal economy and the exploitation and fear upon which so much of it relies. It is imperative that we ensure the future of employment resembles the Vision of Pope Leo XIII and Pope Francis rather than what we see around us now masked as contemporary capitalism.

Every day in London and cities around my country, you can see vast numbers of exploited workers standing, almost begging for a casual days work at cut price wages, and they are so reminiscent of the working conditions of dockers who fought for and sometimes against each other for a days wages to feed their families at the time my Union was founded.

The explosion of Zero Hours Contracts where workers have no way of building a life, no holidays, sickness or pension benefits. Millions of people without a route to sustainable dignified work. There are corporations whose executives earn three hundred times the wages paid to their workers. Companies are exploiting migrant workers by wage cutting. Economic migrants desperate for a better life for their families are targeted for exploitation and then attacked by politicians who have presided over the growth of casual employment and restrictions on organising rights. It degrades human life and leads not only to the domination by the rich of the poor but also divides the poor among themselves.

There is no reason that hunger, fear, unemployment and lack of respect have to be part of modern day society, yet today in mainland Europe amongst the richest nations on earth working people are exploited and abused in the name of profit and globalisation. It would be better to call it by its real name, greed over need.

Just over a decade ago twenty three people were drowned whilst being used to collect shell fish on the shores of Morecombe Bay in the UK.

The twenty three were all working illegally, employed by gang masters for a pittance, in order to repay the traffickers in human misery who exploit the desires of so many to seek a better life for them and their families.

Housed in appalling conditions, they were left to die in a totally cynical and cruel way.

That is the impact of the informal economy.

Those twenty three and so many more were effectively killed by exploitation and poverty.

Workers from Poland, Italy, Portugal or China and indeed there are literally thousands of proven cases, where “Agencies” based in those countries have recruited people for work in Britain, with the sole business aim of undercutting established wage levels and eroding levels of industrial benefits achieved by trade unions and socially conscious employers over many years.

Construction, Hotels and Hospitality, Agriculture, Food Production have been major target sectors.

Even provisions designed to assist those on low pay have in effect become the largest impediment towards the adoptions of a Living Wage; a helping economic hand from the State has become a concrete ceiling.

Casual and informal employment competed with low pay propped up even by State intervention when many companies are earning record profits, is seen by too many as good business.

So at a time of strain on resources for social provision the informal economy and exploitation actually worsens tax and social revenues, forcing extra burdens on citizens and good employers.

The impact on productivity and skill levels are almost always negative. Future planning for training, apprenticeships and career development for young people is sacrificed for a short term analysis of cost advantage by available exploitative labour markets with no vision beyond the business year they are in.

At a time when the world’s attention has been on financial banking, little regard is given to the explosion of food banks, which now serve huge numbers in the UK with record numbers of working poor having to rely on charity to exist.

The growth in wage exploitation and informal economic wage setting has seen the dramatic growth in people smuggling and gang masters. In a trend, not seen in modern times, the legal world of political government has become interfaced with illegal and criminal behaviour to traffic economic and social victims into economies where capital has dragged down, wage and work benefits through casualisation and exploitation. A process of understanding and acknowledging the scale of the problem is vital to bring about political and social behavioural changes.

The Conference is important in speaking about these problems and above all in giving hope to so many that the Church hears them and offers solutions.