

Case study about industrial disputes in public sector

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In February 2010, 81 per cent of BAA cabin crew staff (on a turnout of 79 per cent of employees eligible to vote) who were members of Unite, the cabin crew branch of Unite, voted in favor of industrial action in a row over proposed staffing cuts and changes to working conditions.

This follows a previous ballot in late-2009 in which overwhelmingly supported 12 days of strike action which British Airways successfully challenged in the high court (who then granted Unite's request for an injunction against the strike on the basis of a balloting error that breached the 1992 Trade Union Act).

This initial ballot was a response to BAA unilateral decision to reduce cabin crew on long-haul flights by at least one person to reduce costs in response to pre-tax loss of £100 million in the previous year. At that time, Unite wrote to BAA claiming that the ruling 'underlines once again the extent to which the law is tilted against the rights of the ordinary person at work, and how a determined employer with effectively unlimited resources can frustrate your fundamental right to withdraw [Your labor as a last resort to ensure your voice is heard]'.
[Our labor as a last resort to ensure your voice is heard']

The ballot in February 2010 followed no further progress to resolve the dispute despite extensive negotiation. Seven days of strike action subsequently took place on two separate occasions in March 2010.

BAA responded to the walkout in a number of ways. First, they withdrew discounted travel perks for air stewards, a significant and valued benefit. Second, they 'borrowed' cabin crew from other airlines, chartered jets and

used volunteer crew (for example, some BAA pilots filled in for striking cabin crew).

Despite such action, BAA reported that bill for the strike action could be as much as Million and that it carried nearly 400, 000 less passengers than in the same month a year ago, representing a 15 per cent decline. Urinary, meanwhile, reported a 13% increase. During the seven days of industrial action BAA operated 79% of its long-haul flight schedule and 58% of short-haul trips by hiring planes and crew from rival carriers.

Ere wider context of this dispute is BAA management's ongoing struggle to reduce operating costs in the face of declining demand, increased competition and rising non-labor costs, such as fuel.

Labor costs represent a significant cost to the airline industry and represent one of the only means by which airlines can make efficiency gains. Cabin crew represents the largest part of an airlines' workforce. In order to reduce cabin crew costs by Emma a year, BAA management proposes to recruit new crew on less favorable terms and conditions into a separate fleet that would not be subject to the expensive and inflexible demarcation that currently exists between cabin crew dedicated to long-haul and short-haul services.

Unite are reported as being fearful that new workers, whilst being allowed to Join a union, would be barred from collective bargaining with the existing workers, effectively dividing the Norfolk. The union also fear that the new fleet represents a ' Trojan horse' to allow or the introduction of lower-paid

workers, the intensification of work and a plan for this fleet to take over the most lucrative routes in order to marginality existing Norse.

Despite the significance of these plans for employees, Unite will not discuss the new fleet proposal because pre-emptive strike action against it could be injected and a basis for legal action by BAA. Further proposals made by BAA to reduce costs include the dismantling of its seniority system of promotion, the restructuring of cabin crew operations and plans to bring pay in line with competitors who are Needle reported to pay cabin crew significantly less than BAA.

A feature of this industrial dispute has been the claims and counter-claims about the impact of the strike action. For instance, BAA claimed that the second of the two strikes saw more cabin crew working and more flights operating which represented engaging support for industrial action. Willie Walsh, the BAA chief executive, said the airline flew more than 60,000 passengers on 470 flights on the Saturday of the second strike, compared with 43,000 on 350 flights on the previous Saturday.

In response to such claims, Len McCauley said: "This is the great BAA con trick.

.. BAA is claiming it can uncton, but it is doing so by throwing away millions of pounds every day as it dumps its passengers on other carriers. Passengers who turn up expecting to fly BAA, brand they trust and have paid a premium for, will now be shipped on to carriers they've never heard of...

And instead of fully trained professional crew, they'll be attended to by a ragbag bunch of pilots, managers and strike-breakers masquerading as crew.

In its desperation to break its workforce, BAA is inflicting another trashing on this brand'. The media has also played its part in the dispute both in shaping public opinion and as an outlet for these claims and leaks of insensitive information designed to strengthen the position of the parties (for example, leaked information regarding the extent of Bag's losses due to the strike which subsequently caused a fluctuation in Bag's share price).

This strike also has a notable political dimension. Taking place in the run up to UK general election, the Conservative Party leader, David Cameron, sought to gain political capital out of the strike suggesting that the prime minister, Gordon Brown, had shown a 'certain weakness' in his attitude to the dispute, a failure to support non-strikers and of being in hock to the unions (Unite are reported to have donated £1 mm to the Labor party in the previous four years).

In response, Brown stated that the industrial action was not in the interest of the public, BAA or the workers, called it unjustifiable and deplorable' and urged that the proposed strike action be called off.

Reports also suggested that the government feared the political consequences of industrial action and its impact on their chances at the election, particularly in a climate of high unemployment where the threat of job losses hanging over much of the public sector in the coming months.

For this reason, Gordon Brown is reported to have desperately sought to intervene in order to resolve the dispute. A further interesting development in the dispute was claims from some commentators (for example, more than 100 industrial relations academics in a letter to the Guardian) that BAA management's plans for a second fleet, their response to the strike and approach to negotiations amounted to a concerted effort to 'break Unite through 'macho management' and to seek to diminish the union power which has long been a feature of a fraught history of industrial relations at BAA.

In particular, BAA is accused of being deliberately obstructive in refusing to bring back a pre-strike offer which Unite subsequently claimed could form the basis for a deal to end the dispute and for subsequently tabling a worse offer (partly, it claims, to recoup the money lost in the dispute through a revised deal). BAA refutes these claims and believes that Unite and its cabin crew branches had several chances to reach agreement over the cost-cutting programme and have chosen to pursue unnecessary strike action.

Unite warned that the dispute was sowing the seeds of long-term internal conflict at .

Even after the current dispute is settled, Unite suggests that mistrust and ill-will will perpetuate not only between management and Unite members taking industrial action but also among employees themselves, not least between the strikers and those who chose to cross the picket lines and pilots who filled in as cabin crew during the strike.

At the time of writing, no new dates had been set for industrial action, although Unite refused to rule out the possibility of further strikes, and negotiations were ongoing. Questions 1 . At the time of the dispute, the coverage of the dispute in certain parts of the media and in reported public opinion tended to side with management. Why do you think that was the case? 2.

BAA management has been accused of engaging in classic ' union-busting activity.

NH might Bag's action during this industrial dispute be interpreted in this way? Why might it be in management's interests to ' break the union despite the financial costs it might incur in doing so? 3. Conduct some internet-based research on this industrial dispute and present evidence which: a. Supports the union's decision to taken prolonged industrial b. Supports the position of management both in respect of the disputed action? Proposals and in subsequent negotiations? C.

Indicates the potential for resolution?