

# **Brexit and Workers**

Anarchist Federation (of Britain)

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We've previously written a few things about the 2016 referendum which led to the process of Britain's exit from the European Union. As the time gets closer we look at what the currently uncertain situation means for workers.

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Before we get on to the specifics, we make some more general points about Brexit. In Organise 97 (Winter 2016) we said:

Much media space is devoted to speculation about what Brexit will mean. There is even some doubt about whether despite May's strong assertions that she will make Brexit work, that it will go ahead. She certainly is taking her time about it. After all, key sections of the British ruling class did not want Britain to leave the EU. They want the cheap labour and the financial sector is concerned that it will lose its central role in international financial markets. Also, the Scottish response to the outcome, which could lead to independence, would be a major blow to UK Ltd. One thing is certain: the working class will continue to suffer from low wages and high housing costs, poor working conditions and job insecurity and cuts in public services and the welfare state.

We don't think the outcome will offer opportunities for a 'socialist Britain' as some leftist supporters of exit from the EU have argued. There may be less trade with the EU but instead it will be others, such as China and India, which will step in. We have already seen May's cosy up to the Chinese [state] and the London Mayor Khan appointing an Indian millionaire to be his advisor on 'opening-up' London. Within days of the referendum, a Japanese company bought up a British one. So we are really just changing one set of bosses for another. What does matter is the reasons why most people voted to leave: immigration. The EU was about free movement of labour for capital, but at least there was free movement. Leaving the EU can only mean that there will be pressure to curtail immigration. The rise in attacks on migrants from Eastern Europe is a sign of the mentality of some far-right and racist elements in the working class. This xenophobia is a major obstacle to building an effective working class revolutionary movement.

If we add the centrality of the Irish border question to the ongoing headache for politicians and a major concern for people living both sides of the border, the situation has not exactly moved on from our initial analysis, in spite of the blow by blow negotiations.

## **Impact Of Brexit On Workers**

Being fought on the basis of sovereignty with a large dose of English nationalism, Leave was always going to legitimise discrimination against foreign workers and act to erode those workers' rights in Britain more than Remain would. This is because European legislation offers some protections to migrant workers from within the EU and also includes some protection of human rights of non-EU people, as well as the 'freedom of movement' afforded by the treaty and in the Schengen area.

Of course, the European Union is a capitalist institution working in favour of the bosses to keep workers exploited efficiently. Capitalism likes free movement of people so that the workforce can go to where the work is at its own expense. Because of obsession with sovereignty and national identity, migration has dominated the discourse of Brexit. However, those in charge of capitalist economies like Britain's, which has moved towards knowledge-based (quaternary) industry, are still going to want to manage the workforce required to support it. So at the same time as putting massive pressures on workers with fewer skills or less education 'at home' bosses will also continue to look globally for workers who can fulfil the needs of the modern economy. Ideally it wants people who will not need too much healthcare, can look after their family with what they are earning, pay taxes, whether they are British or not. Brexit in no way means moving back to a less knowledge-based economy.

As well as in industry, a real crisis will continue to exist in services, especially health and social care because the neo-liberal state and business alike do not really want to pay to support people at home who are ill, have a disability or are older with greater health needs, that means they are less productive. The state (especially under the Conservatives) is not prepared to pay more to local authorities and may be more than prepared to see them cut services further leaving people to fend for themselves, using this as a justification to bring in privatised alternatives. Controlling the workforce overall includes bringing people in from abroad with more precarious positions – tied to the employer for fear of losing residency status or with controlled periods of employments – something Brexit will help make easier. Non-EU workers are already bound to their employer unless they can find another job quickly and easily. This was a major part of the beef at Fawley oil refinery (the 2009 struggle that led to Gordon Brown's oft misquoted 'British Jobs for British workers') as Italian workers were essentially indentured even though they were EU, kept on-site in portacabins earning vastly less.

Even if Britain remains in Europe there would still be the continued threat of multinational (e.g. American-owned) companies being invited to run the NHS and other services. With a suitable Brexit agreement, and even with 'no deal', it may simply mean that EU companies will be able to do this as well, with favourable tax conditions if they play the game and don't insist on workers' rights alongside being allowed to operate in UK. Some of the industries that would no doubt be interested would be in construction, energy, IT, research, education, as well as the health and care providers. This is a gamble though as they will need to make the wages attractive enough so that it is worthwhile for someone to work in UK while having no right to stay outside of the job, relative to opportunities for work in the person's home country or another EU country where they would have the right to settle. A lot of the above speculation will depend on whether Britain stays in the Customs Union as this will influence how goods move around and this in turn will influence where businesses need workers to reside to make profit. It will also depend on how freely the EU will allow its member states to trade with Britain post-Brexit.

On the other hand, multinationals based in Britain and British-owned companies alike will not hesitate to move abroad if more advantageous to them than staying. Even small British-owned companies already operate abroad. When US companies like Motorola abandoned their production lines in Mexico for Asia, British companies quickly moved in to pick up the factory space and the skilled local workforce – such was the flexibility that globalisation allowed. British companies could decide to move some or all of their operations to Europe if profitable and if allowed to do so, with the support of the British state.

## Migrant Workers

Overall European migrants make up 5% of the population in England and an estimated 3.5-3.8 million EU citizens in the UK will be required to apply for settled status post-Brexit. For EU workers in Britain now, there is massive uncertainty about residency status as it's not clear how and if they will be allowed to stay after Brexit. Again the situation for non-EU migrants is instructive. Non-EU workers can generally get a visa to stay in UK for up to 6 months. However people from non-EU countries are already making difficult choices if they are allowed to stay and work longer, some working overtime to hit the required wage threshold to be able to work in UK on their own or with family (which is a higher threshold). Also, it is probably not common knowledge to many British people that the minimum annual earning threshold for non-EU workers was raised pretty well overnight in 2016 from £25k to £35k leading to many US and Australian workers having to leave (as reported in the media at the time), which was subsequently lowered back to £30k in 2017. It is very likely that the government will fiddle with the rules a lot like this after Brexit making relocating to UK very risky for lower paid workers.

The body that has made the most detailed recommendations about European Economic Area workers coming to UK post-Brexit, the Migration Advisory Committee (MAC), published a report in September 2018 – recommendations from which are not substantially affected by May's most recent Brexit 'deal'. The headline from the MAC was 'No preferential access' for EEA citizens after Brexit (something lovingly rephrased by Theresa May in November 2018 as stopping EU migrants "jumping the queue" versus workers from Australia or India). It also lumped workers of different occupations or skill level into the same scheme except possibly a separate seasonal agricultural workers scheme. Any low-skill gap would apparently be filled by family migration linked to other workers (e.g. spouses) and an expanded Youth Mobility Scheme (allowing younger people to come to UK for 2 years 'working holiday' from named countries) which seems unlikely to be fulfilled in practice since it is known that many YMS migrants take higher skilled posts albeit on a temporary basis. So the main change after Brexit is for the category of 'Tier 2' sponsored workers to include European in addition to non-European workers with the removal of a cap on the annual number of visas which is currently 20,700 people at the £30k level mentioned above (rising to £60k above the threshold), plus some other amendments. These are precisely the practically indentured workers mentioned above and this recommendation would put most skilled migrant workers in the same boat, once freedom of movement in the EEA is lost. However, in order to placate the anti-immigration lobby, May subsequently suggested that visas for lower skilled workers could be limited to 11 months and have restrictions on families, which would act to prevent or discourage settlement.

Yet Another recent development was a pilot project in November 2018 that the government launched, focussed on universities, health and social care, which they are using to work out the scale of the task, how to administer the scheme, and to fast-track some key workers the state does not want to lose. These are already workplaces with considerable casualised and/or mobile workers. 16% of university researchers are from other EU states and 23% of academic staff in biology, mathematics and physics are EU nationals. Furthermore, EU immigrants make up about 5% of English NHS staff overall, 10% of registered doctors and 4% of registered nurses. However, a major criticism was that the pilot scheme started with the worker only and not family members, leading to criticism from both Wales and Scotland health secretaries, plus trade unions criticised

the £65 fee and are demanding that employers pay this on behalf of the individual, such that the fee has already been covered by some institutions.

## **‘British Workers’**

Workers who are British citizens will face ongoing economic pressures due to austerity as now, worse if the economy takes a dive. And there are a good number of gender-related workplace issues that are created by Brexit. Although incorporated into the 2010 Equalities Act, equal pay for women arises from the 1957 Treaty of Rome. Rights of part-time workers (pensions, parental leave entitlements) and protections for pregnant women at work also come from the EU. Imposition of employment tribunal fees was fought using EU law by Unison in 2013 on the grounds of it being discriminatory because the majority of low paid workers are women. After Brexit, it is quite possible the UK government could try and amend the law in the interest of the economy. Furthermore, the government has already indicated that women might need to choose home over work in order to look after elderly relatives post-Brexit if there is a social care staffing shortage! This kind of statement, from the Department of Health in August 2018, only shows how controlling the state is prepared to be if necessary.

While we don't yet know what will happen, it's clear that Brexit has serious consequences for workers. The situation for lower paid workers who might consider coming to UK after a break with the EU looks particularly grim with a constant eye having to be kept on wage levels and time worked. Even higher paid workers are likely to have jobs that are tied to their employer, and risk losing residency if their employment ends, so taking industrial action will be riskier. At home, women are likely to be adversely affected and equality legislation could well be put to the test.

Although quite speculative, it seems hard to see how the state will control migration to such a fine degree (such as work visas of less than a year) without additional checks by NHS and other bodies, which could end up making introducing national identity cards for the whole population more likely. The last time a national ID scheme was proposed and defeated (by No2ID and the anarchist campaign Defy-ID in 2005-9), it was migrants (notably asylum seekers) who ended up with biometric ID cards - and biometrics were added to passports around the same time. Furthermore, the move to more electronic record keeping in the NHS and e-Gov means they are more able to track individual entitlements, although not without some opposition to the 'hostile environment', against workers becoming 'border police.'

## **Opportunities**

On the brighter side there may be opportunities to fight for better pay, if workers stick together. In our workplaces and political organisations we need to keep alert and see how we can support each other. Workplace meetings are a good start, especially so that migrant workers are not isolated. While we cannot do much about the process of Brexit as this is in the hands of the politicians, we can get ready for its consequences. This should include being ready defend co-workers and comrades who may face leaving the UK if they fail a yet to be determined residency test, mounting anti-deportation campaigns it comes to that (anarchists who have prior experience with No Borders and migrant solidarity have a lot to give here). We also need to keep an eye

on what is happening in other countries. Whilst workers have experienced relative freedom of movement in the EEA, and with more countries being part of the EU, it should have been easier to point out common class interests, although the British Left has failed to make much of this recently, being focussed on domestic politics and the far right. On a practical level, having the EU has arguably made direct resistance easier – coordinated action against borders and in support of migrants (within and from without the EU) and against international economic summits of the political class. Anarchists have been at the forefront of this transnationalism and our own international blossomed in this period to include the Balkans, for example, so we hopefully have something to build upon.

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