

# the cost of living: it's time to act!

A mere 22% of a typical household's monthly income is left after tax and essential bills, down from 28% since 2003. The situation is getting worse. Costs have gone up across the board:

Increase of	18%	for Electricity
Increase of	28%	for Gas
Increase of	14.5%	for Food
Increase of	20.2%	for Petrol
Increase of	6.5%	for Water

The government says wages must be kept down to stop inflation – but it is not wages that are to blame. In May, over 90% of workers got wage rises beneath inflation. In fact the share of the overall economy going to wages has gone down every year since 1995. Wages are nowhere near enough to meet the rising costs. To make it worse, unemployment, which has never gone away, is rising fast.

## Double Standards

On the other hand, profits have reached new heights – up 17.5% in 2006 and 20.5% in 2007. The combined profits of the six energy companies doubled last year. Why do patronising politicians tell us we need to tighten our belts? Whilst the government blames the 'global credit crunch' there is an additional aspect - this year the rate of profits has fallen by 13% and it is still falling, with share prices falling even faster. To protect their profit rates the capitalists and their government will continue to adopt measures such as raising prices, job cuts and intensifying exploitation. **If they can get away with it.**

## We need a counter-crisis policy

A job is the most basic need of every worker; the only way we can provide for our needs is by selling our capacity to work to an employer. The policies of the TUC and Labour Party have failed. Some union leaders demand a 'windfall tax'. Whilst communists are in favour of this, we know that on its own this is not an adequate remedy. Nor can we trust the TUC to co-ordinate action based on its Congress policies.

Communists say the labour movement needs to develop counter-crisis policy that including immediate ameliorative reforms, such as a real living wage, and a freeze on prices on essential goods and services. However, to measure up to the scale of the problems the labour movement requires a total renovation.

The official movement is so closely tied up to the system the prospects of it taking forward such a programme without it being forced to is remote. We cannot wait. Communists call for the building of a **united workers' front from below** to defend our interests and help rebuild our movement. On key problems we pose the following:

## Job cuts and redundancies

Fighting job cuts is not the responsibility of individual workers but of the movement. They threaten the living standard of whole sections of the working class. It is not unrealistic to fight; the movement needs to draw a line on cuts whether voluntary or compulsory.

## Unemployment

The unemployed are part of the working class. It is the responsibility and in the interests of organised workers to defend their rights to decent benefits rates. The movement needs to end its abdication from fighting reactionary welfare reforms.

## Rebuild workplace strength

Workplace organization and union membership needs to be re-built in the new conditions of 21<sup>st</sup> century capitalism. If the officials will not fight then we need to take control, to combine and gain the confidence to act independently. The familiar methods of the 'broad lefts' of machine politics and intrigue rather than rank and file action have had their day.

## Break free from the captive unions

We need a movement that is independent and accountable to its members, not managers and politicians. The current movement is living in the past, and has no vision except a "return" to the state-welfarism of thirty years ago. We need organisations that can cope with the problems of today. If there is no prospect of reforming suffocating unions – then we need to consider splitting the TUC and creating a new body with those unions prepared to truly defend the interests of labour.

## No common interests

Communists start from the recognition that we have no responsibility for the profitability of employers. Our solutions are **not** in their interests but in defence of the living standards and jobs of our class. In calling for a fight, Communists point out that we cannot afford to address the problems of society separately and rely on piecemeal changes to rely on piecemeal changes. All these problems are products of the system. They cannot be solved by any means short of the abolition of capitalism. The working class possesses within itself the capacity and ability to take control of industry and establish a free communist society fit for human beings. We need a movement from below that can transform the unions into organisations that are directly in the hands of the workers themselves and into vehicles for class struggle and the communist transformation of society.

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