**Case Study :The anatomy of a strike – British Airways and Unite**

The industrial dispute between British Airways (BA) and Unite (the UK general trade union with over two million members) in the spring of 2010 provides a fascinating insight into the anatomy of an industrial dispute involving an employer and its employees, as well as the government, political parties, customers and the media.

BA employs about 13,500 flight attendants of who about 12,000 are members of Unite. In February 2010, 81 per cent of BA cabin crew staff who were members of Unite, voted in favour of industrial action in disagreement over proposed staffing cuts and changes to working conditions. This follows a previous ballot in late-2009, which overwhelmingly supported 12 days of strike action, which British Airways successfully challenged in the high court. This initial ballot was a response to BA unilateral decision to reduce cabin crew on long-haul flights by at least one person to reduce costs in response to a loss of £401m in the previous year. At that time, Unite wrote to cabin crew 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 labour 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. BA responded to the walkout in a number of ways. First, they withdrew discounted travel benefits 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 BA pilots filled in for striking cabin crew). Despite such action, BA reported that bill for the strike action could be as much as £45million and that it carried nearly 400,000 less passengers than in the same month a year ago, representing a 15 per cent decline. Ryanair, a competitor of BA, reported a 13% increase at the same time. During the seven days of industrial action BA operated 79% of its long-haul flight schedule and 58% of short-haul trips by hiring planes and crew from rival airlines.

The wider context of this dispute is BA management’s ongoing struggle to reduce operating costs in the face of declining demand, increased competition and rising non-labour costs, such as fuel. Labour 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 £140m a year, BA management proposes to recruit new crew on less favourable terms and conditions into a separate fleet that would not be as expensive and inflexible as the current crew. 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 workforce. The trade union also fear that the new fleet is an attempt to allow for 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 reduce existing workers hours. 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 illegal. Further proposals made by BA 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 widely reported to pay cabin crew significantly less than BA.

A feature of this industrial dispute has been the claims and counter-claims about the impact of the strike action. For instance, BA claimed that the second of the two strikes saw more cabin crew working and more flights operating which represented weakening support for industrial action. Willie Walsh, the BA 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 McCluskey said: *"This is the great BA con trick… BA is claiming it can function, 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 BA, a 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, BA 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 sensitive information designed to strengthen the position of the parties (for example, leaked information regarding the extent of BA’s losses due to the strike which subsequently caused a fluctuation in BA’s share price).

This strike also has a notable political dimension. Taking place in the run up to a UK general election, the Conservative Party leader, David Cameron, sought to gain political benefits 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 £11m to the Labour party in the previous four years). In response, Brown stated that the industrial action was not in the interest of the public, BA 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.

Unite warned that the dispute was sowing the seeds of long-term internal conflict at BA. Even after the current dispute is settled, Unite suggest that mistrust and ill feeling 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.

**Questions**

1. *Describe the role of a trade union, such as Unite [2 marks]*
2. Analyse the effectiveness of strike action as a method for employees to have their demands met. [6 marks]
3. Recommend a strategy that would help resolve this conflict between BA and the cabin crew. [10 marks]