Starmer grovels to DP World after one Labour MP denounces its 2022 sacking of 800 P&O ferry workers

Robert Stevens 13 October 2024

Ahead of its International Investment Summit to be held on Monday in London, Labour Prime Minister Sir Keir Starmer personally intervened to ensure the presence at the conference of Dubai-based ports company DP World.

DP World is the parent company of P&O Ferries which fired almost 800 workers on the spot in March 2022. Starmer intervened after Transport Secretary Louise Haigh, went off-message earlier this week, as the government prepared to release its new employment law package, including making some changes to the "fire and rehire" practices utilised at P&O, without banning them outright.

On Wednesday, Haigh and Deputy Prime Minister Angela Rayner put their name to a Department for Transport statement saying that new legislation would "better protect seafarers against rogue employers." Under the Employment Rights Bill, seafarers were "to gain tough new protections as government closes legal loophole exploited by P&O Ferries and ends unscrupulous fire and rehire practices."

It added, "This package of seafarer protections is aimed at preventing another P&O Ferries scandal from happening, after hundreds of seafarers were fired and replaced with lower paid agency workers by the company in March 2022 – prompting outrage up and down the country."

Haigh said, "The mass sacking by P&O Ferries was a national scandal which can never be allowed to happen again. These measures will make sure it doesn't."

She followed up in a series of media interviews stating, "I've instructed my department to have absolutely no contact with P&O Ferries or DP World unless it is literally on safety grounds. The department is not to have anything to do with them, and certainly not engaging with them."

Despite Haigh's bluster there is no banning of fire and rehire, with the Department of Transport statement making clear that the move will "end 'fire and rehire' practices except where employers genuinely have no alternative."

In what the statement says is "toughening the collective

redundancy notification requirements for operators of foreign vessels", "operators planning to dismiss 20 or more employees" will only "first be legally required to notify the government and face potential prosecution or an unlimited fine."

Despite this, Haigh's and Rayner's intervention prompted DP World to announce that it no longer planned to attend the government's inward investment conference, and would also not invest a planned further £1 billion in its London Gateway container port in Essex. DP World also operates Southampton port.

The investment had been due for announcement during the conference as part of a series of similar announcements by some of the up to 300 companies set to attend.

DP World was critical to the previous Conservative government's "Freeport" agenda, with major conglomerates receiving tax breaks and other incentives to invest in free trade zones in Britain. As the *Financial Times* notes, "DP World's investments into the UK have formed a major part of the large deployment of capital into the country from the United Arab Emirates, which in 2021 signed a £10bn strategic bilateral investment partnership."

DP World's threat would have upended Monday's event and put Starmer on his marching orders. Within hours a Downing Street official made it known that "Louise Haigh's comments were her own personal view and don't represent the view of the government."

Speaking to the BBC Newscast podcast, Starmer opposed Haigh's statement that P&O was a rogue operator, saying, "Look, that's not the view of the government... What matters to me is keeping our focus on that inward investment because it's the, you know, it's the jobs of the future that matter."

Within 48 hours, after much grovelling from the highest levels of government, DP World reversed its decision, with a commitment to attend the conference and invest, and were given a clean bill of health for anything done in the recent past.

The *Financial Times* noted in a report Saturday, "One Dubai-based executive said Number 10 was wise to distance itself from Haigh's comments..." As opposed "to a media report earlier on Friday" that "had suggested he was going to cancel the trip," "Sultan Ahmed bin Sulayem, the chief executive of the conglomerate, was still planning to attend the conference on Monday, two people familiar with his plans said."

The summit feting big business is going ahead at a time when even the low levels of support for Labour that brought it to office are collapsing. Starmer's personal approval ratings continue to nose-dive after his enacting of austerity measures such as cutting fuel allowances for 10 million pensioners, including 2 million of the poorest, even as he and other leading government figures—including Rayner—were exposed for trousering hundreds of thousands of pounds in clothes and gifts from super-rich doner Lord Waheed Alli and various corporations.

In a *Sunday Times* op-ed, Chancellor Rachel Reeves hailed the upcoming business gathering to be attended by King Charles, by stressing, "I worked as an economist at the Bank of England and in financial services. I know we cannot tax and spend our way to prosperity.

"Instead, we must create the conditions to untap and unlock private sector investment by working hand-in-hand with business. We ran as a pro-business party and I am determined that we lead as a pro-business government."

This was why "hundreds of the world's largest investors" were arriving "in Britain for this government's first International Investment Summit. Those arriving have combined assets worth £40 trillion and I'm proud to announce they will be pledging new investments in the UK worth tens of billions of pounds over the coming days."

The union bureaucracy is fully behind Labour's fawning before big business, including those whose inaction allowed P&O to sack its workforce in a brutal operation. The *Guardian* cited the comments of Rail Maritime and Transport (RMT) General Secretary Mick Lynch—hailed as a fighter for the working class by the pseudo-left groups despite his leading role in the betrayal of a 2022-23 strike wave.

Lynch claimed Labour's Employment Right's legislation showed the government was "serious about protecting seafarer jobs" and that action was "long overdue". Martyn Gray, the Director of Organising at the professional seafarers union Nautilus International said: "We have confidence that the government is committed, they've made a really strong start and we think that where they can do more, they will."

Lynch is an unapologetic lackey of Starmer's, leading the call for workers to "grow up a bit" and vote him into

government as the only alternative to the Tories during the general election campaign.

Predictably, Lynch and his Nautilus counterpart said nothing as Starmer gave P&O Ferries his fulsome support in ensuring their further investment in the economy as the basis for reaping even greater profits to come.

With Lynch and Nautilus fully on board, all the pseudoleft Socialist Workers Party had left to advance as a critical voice from within the trade union bureaucracy was Fire Brigades Union General Secretary Matt Wrack, who left the Socialist Party after securing his lucrative post. As quoted by the *Socialist Worker*, Wrack told the *Independent* on Saturday, "Louise Haigh has the full support and solidarity of the Fire Brigades Union in setting out clear opposition to P&O and other rogue employers sacking workers and imposing diabolical sweat shop conditions on employees.

"Any backlash or briefing against Labour politicians and trade unionists who challenge or clamp down on firms that have been exploiting and abusing workers in that way is completely unacceptable, wherever it comes from."

Whatever comments Wrack makes now will not bring him into conflict with the Starmer government. Wrack has just served in the rotating position of Trades Union Congress President for the last year. In this position he did everything possible to get Starmer elected. Once Starmer was in Downing Street, with his every move showing him to be even worse than the Tories he replaced, Wrack moved to protect the prime minister's exposed backside, stating at the TUC's annual conference, "We already hear some saying there is no difference between politicians. That is a mistake as serious as complacency." With Labour in government, "We have a huge opportunity... Let's use that opportunity to build in new areas and to win improvements."



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