

Funding the Future

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The Strikes (Minimum Service Levels) Bill gets its third reading in the House of Lords today.

The [Trade Union Congress estimates](#) about 5.5 million public sector workers will lose the right to strike as a result of this bill. They include nurses, teachers and a whole range of other public servants who will, under the terms of the bill, be capable of being ordered to work or to face the sack.

I suspect this law will pass. After all, Labour likes draconian laws these days. Even if it opposes it will make sure it has not got enough members in the House to defeat the government. That's easy to do.

And then around 20% of all workers in the UK will have lost the right to strike. Their ability to force their employer to take their pay claims seriously will have gone.

What is the inevitable outcome of this? It will be that yet more people will want to stop working in our essential public services. After all, why work for an employer who wants to institutionally abuse you when you might go somewhere else? It will become increasingly hard to persuade anyone to work in the public sector when it is organised on the basis of contempt for those who do so.

The knock on effects are obvious. Our public sector services will get worse. And then the Tories - and no doubt Labour too - will say that they need to privatised, or simply not be delivered. That is their plan, after all. Ever smaller government is their aim. And the result is the overwhelming sense that nothing in this country works any more.

That sense is well justified. After thirteen years of austerity and a narrative from government that there is no alternative to the failure that this has delivered of course people see the consequences. And they feel the contempt from politicians who have deliberately created this situation.

But it need not be like this.

There is no financial constraint on government that requires austerity. In fact there is the exact opposite. It would be entirely possible for the government to use its power to

spend not to provide banks with capital or to boost house prices, as it has done, but to instead to boost people's well being.

Government deficits are, after all, private wealth. There is no action by government that does not have a reaction and the creation of private wealth is the inevitable reaction to a government deficit. It has to be. The deficit means there is more money in the economy. That means there could be more income for some - like essential public workers - and more spending power to benefit others through the power of the multiplier.

What this Bill wants to do is to reduce that private wealth creation for the benefit of those who meet some of our most essential needs by restricting the right of many state employees to demand fair pay. It wants that power reserved solely to benefit financial institutions. That is a choice the government - and I suspect our official opposition - are making.

We don't need to run the country like this. We could pay those who work appropriately. We could encourage good work. We could foster good industrial relations. We could build trust. We could make things work, in other words.

They don't work because the government has chosen not to do these things and the Opposition won't hold them to account for their failings because they plan to follow the same path.

That's why we're in a mess.