

## LRC Policy: Programme for a Real Labour Government

### Introduction

5 Last year's policy document "Target Labour Government" provided the basis for debate at the 2004 LRC Founding Conference. This revised paper will be presented to the 2<sup>nd</sup> LRC Conference and AGM and circulated within the labour and trade union movement.

10 This 'Programme for a Real Labour Government' is part of a rolling programme showing what needs to be done and what could be achieved. It also demonstrates the vision that the Labour Party will need between now and the next general election if it to remain in power.

15 It especially important that the labour movement meets to debate new progressive policies at this time because there is a vacuum in politics: people yearn for a better world.

20 The LRC National Committee commends this document as the basis for that debate.

*LRC National Committee  
June 2005*

### 25 The Economy

Economic policy is central to any Government's domestic and international programme. It defines competing visions of how society should be organised, for what ends, and in whose interests. A democratic socialist party, Labour stands for a strong, sustainable economy: one run democratically by and for the many not the few, providing a sound basis for delivering high-quality public services, its outlook inspired by the Labour movement's internationalist traditions.

35 A succession of Labour governments stretching back to 1945 brought huge strides forward in economic prosperity. But many of those achievements were eroded by the right-wing economic orthodoxy of the Thatcher years. The country's industrial base was systematically vandalised, replacing a highly-skilled, high-earning and highly organised workforce with short-term, casualised labour in a tertiary economy of consultancy, call centres and financial services. Public services were cut to the bone. Billions of pounds worth of public assets were sold off to the private sector at knock-down prices, robbing the community of what little control it had over major sectors of the economy. By the mid-1990s poverty was on the increase and Britain had become a profoundly unequal society. Much the same right-wing agenda took hold in international economics, entrenching enormous inequalities between as well as within nations.

45 Labour was swept to power in 1997 in the expectation that it would repair the damage and move on. New Labour *has* achieved important reforms since 1997, among them the national minimum wage, measures to reduce child poverty, greater investment in the NHS, and abolition of the reviled Railtrack. But on all the fundamental elements of economic policy, New Labour has adhered to the old Tory model. Shockingly, New Labour has taken some of the Tories' strategies even further. In the process it has undermined even its own modest reforms. Continuing privatisation, for example, means that higher spending on public services has been increasingly diverted into the pockets of private shareholders. Meanwhile the already wide income and wealth gap between rich and poor has grown steadily since 1997,

blunting the impact of measures like the minimum wage, and heightening the pressure on the NHS as economic inequalities take their toll on public health.

5 This paper sets out a radical economic agenda for a Labour Government in a UK, European and global context. It makes a commitment to creating economic structures that tackle poverty and inequality in the UK and internationally, enable  
10 decent incomes, homes and quality of life to be enjoyed by all, that guarantee sustained excellence in public services, and that raise standards of skills and education throughout society. The Annex contains a fuller explanation of the thinking behind the programme.

#### Tackling Poverty And Inequality

15 A Labour Government will adopt integrated industrial, consumer and social security policies designed to lift communities out of poverty, encourage wealth creation at the grass roots, and maintain incomes at levels that guarantee a market for goods and services.

A Labour Government would:

- 20 • Invest heavily in high-skills, high-wage industries, especially in regions devastated by the economic vandalism of the Tory years
- Adopt policies on investment, public procurement, regeneration and skills training that favour the establishment of Small and Medium-Sized Enterprises (SMEs) in areas of deprivation
- 25 • Phase out Working Families' Tax Credit, which gives employers a disincentive to pay anything above the bare minimum, and move towards replacement of means-tested benefits generally with universal entitlement
- Tackle debt among the poorest by establishing loan and savings banks, working alongside credit unions and other mutual aid schemes to rid estates of loan sharks and companies charging extortionate rates for "non status" credit
- 30 • Guarantee decent, affordable housing in the public and private sectors by promoting local authority housing, legislating for security of tenure and affordable rents, and bringing property price inflation to stable levels.

#### 35 Achieving The Best In Public Services

The Public Services section of this document sets out the detailed commitment a radical Labour Government will make to bring public services swiftly up to the highest standards of continental Europe and Scandinavia. Our economic policies will be geared to accelerating the repair the damage done by years of Tory neglect and the failed experiment of privatisation. A Labour Government would:

- 40 • Reverse privatisation and rebuild public services from the bottom up, ensuring the public sector acts as a model of democracy, local accountability, best employment practice, professionalism and commitment
- 45 • Compensate modestly but fairly for the move to democratic public ownership by counting the original under-valuation, plus subsidies paid during privatisation, as a public stake. We will not pay out for speculative gains, but will protect the interests of small investors and pension funds by converting equity into fixed-interest bonds
- 50 • Stop the run-down of Civil Service manpower and pension rights. We will guarantee workplace rights throughout the national and local public sector, ensure pay catches up with private sector equivalents, protect collective bargaining rights and stamp out institutional forms of discrimination

### Jobs, Investment And Ownership

A Labour Government will make investment in real wealth creation a centrepiece of its economic strategy. We will seek a sensible balance between industrial and service sectors, and with it a fair spread of employment, skills and rewards. We will create conditions favourable to economic prosperity, and will strengthen trade union rights so workers can bargain up pay and conditions and ensure the community has purchasing power. Where private capital cannot or will not commit the investment needed, or meet the community's expectations on pay, job security and corporate democracy, we will use public ownership to release the necessary resources.

A Labour Government would:

- Ensure interest rates remain favourable to jobs and investment by making the Bank of England internally democratic and externally accountable to Parliament
- Establish a national investment bank to back, and take a stake in, startup and growing companies in key sectors and regions
- Remove the stranglehold of complex monopolies like the supermarkets over small producers and suppliers by reforming competition law and promoting co-operatives and public trusts to bring goods to consumers cheaply and sustainably
- Reform company law to ensure that undertakings with an annual turnover of £50m operate on democratic lines, with decision-making power extended beyond investors to a range of stakeholders including employees and consumers
- Conduct an economic and democratic audit of the major sectors of economic activity and take a controlling stake in key companies.

Labour will also extend democratic ownership to areas of the economy currently in private hands, seeking to achieve a fair balance between public and private sectors. As in the case of the privatised services, we will compensate fairly but modestly, converting equity into bonds and making payments over a reasonable period. We will conduct an economic and democratic audit of the major areas of economic activity, with a view to taking a controlling stake in companies where doing so would be self-financing (ie. income would equal or exceed costs) over a 5-year term and where it would:

- Enable the community to plan for sustainable growth
- Help establish fair trading relationships between producers and the public and private sectors as consumers
- Provide new opportunities for business, especially SMEs, to succeed in the sector
- Guarantee the exchequer long-term income to offset taxation and borrowing as a source of funding for Labour's social programme
- Secure democratic control over activities of strategic importance
- Spur the adoption of best employment and trading practices throughout the sector, or
- Prevent large corporations from using their muscle to undermine the elected Government's economic strategy

We will insist on the highest standards of democracy and transparency for publicly-owned enterprises. A majority of members of the controlling board will be elected representatives of stakeholder groups -- the users and consumers of the organisation, its workforce, and its suppliers. Democratic structures will extend down to local level, responding to the needs and views of communities.

## Taxation And Public Finance

Socialists support fair taxation. But much of the current debate on rates of tax misses the point. Taxation is just one of several methods for funding a programme of strategic investment and improvements to public services.

5 Borrowing to fund capital investment is non-inflationary and should be allowed at an appropriately high proportion of GDP. More importantly, extension of public ownership will produce an income stream to offset against both borrowing and taxation. The proportion of revenue raised from taxation will continue to fall as public investment continues to repay itself.

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A Labour Government will meanwhile radically restructure the tax system, ensuring that direct and indirect taxation work fairly and replacing regressive taxes with new measures. We will:

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- Shift the burden of taxation away from those who can least afford it by reducing the lowest rates of income and corporation tax and raising rates on the top slices of income and profit:

- The starting rate of income tax will fall from 10% to 5%.

- New higher rates of income tax will apply at 50% on income between £60,000 and £100,000 and 60% on incomes above £100,000

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- The “small companies” rate of corporation tax will fall from 19% to 10% on profits between £10,000 and £25,000

- New “large companies” rates of corporation tax will apply at 50% on profits between £2.5m and £5m and 60% on profits above £5m

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- Over the lifetime of a Parliament, introduce a system of annual Land Value Taxation (LVT). LVT will be calculated as a modest percentage of the annual actual or notional rental value of each piece of land assuming its optimum permitted use.

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- Use LVT to replace Council Tax, non-domestic rates and revenue support grant as the principal source of local government revenue, freeing central government revenue for other purposes. LVT will also enable abolition of regressive forms of land taxation such as stamp duty, and will form the basis of exceptional levies to fund major local investment and infrastructure projects.

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- Reform indirect taxation, taking a selective approach to VAT rates to reduce the pressure on lower income earners.

Tax loopholes disproportionately benefit the wealthiest taxpayers at the expense of the majority. To redress the balance a Labour Government would:

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- Introduce a General anti-avoidance rule into UK law to overturn the Duke of Westminster ruling of 1936 and counteract the aggressive tax avoidance strategies of multinational companies.

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- Require all British Overseas Territories and Crown Dependencies to introduce automatic information exchange arrangements with other jurisdictions to help combat tax evasion. These arrangements will relate to all bank accounts operated by and on behalf of individuals, corporations and trusts.

- Abolish the rules on domicile that enable wealthy British residents to avoid paying tax on their worldwide income.

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- Introduce, under the auspices of the Accounting Standards Board, a tax transparency obligation in multinationals’ annual accounts, requiring companies to reveal how much profit is derived from each country in which they trade, where those profits are booked for tax purposes, and what use is made of special purpose vehicles and other tax planning devices.

## Europe

As explained later in this document (“Towards a Democratic Europe”), current EU law and policy – including the rules governing the Euro – reflect the economic dogma of the right. They form a major barrier to the implementation of radical change in individual member states. A Labour Government’s economic programme will take a scrupulously internationalist approach to the EU, promoting its role as guardian of high standards of employment protection and equal opportunities, while working with like-minded Governments to overcome the economic and political obstacles it creates.

## The World Economy: Globalism –V- Internationalism

The huge imbalance between the richest and poorest nations is one of capitalism’s most shameful consequences. The globalisation agenda of tied aid and privatisation has ensnared the governments of developing nations in a web of agreements and institutions that entrench debt and poverty at home and favour the wealthy and powerful abroad. New Labour has admirable aims on international development. But, its economic and trade policies aligned with the right-wing status quo, it has been unable to deliver.

An internationalist Labour Government will acknowledge that economic policy is set on a global stage. We will work to establish a fair and sustainable system of global trade, operating in the mutual interests of workers in the developed and developing nations, enforcing effective international standards of employment protection, environmental regulation and democratic corporate governance.

A Labour Government would:

- Make UK aid work to encourage observance of civil liberties, environmental standards and employment rights
- Progressively withdraw the UK from the international arms trade, shifting jobs and investment from the domestic arms industry to socially useful production
- Amend the law to prevent investment funds from subsidising the exploitative practices of multinationals
- Strengthen the reporting obligations of UK-based multinationals, extending those obligations to environmental and social aspects of overseas activities
- Require firms seeking export credit guarantees to give undertakings against environmental and employment abuses and corrupt practices
- Legislate to enable corrupt activity and environmental crime committed overseas to be prosecuted in the UK
- Bring the Government’s international trade activities within the remit of the House of Commons Trade and Industry Select Committee

Labour will also work bilaterally and in international organisations to change international economic rules. In particular we will:

- Promote “food security” policies that allow countries to protect domestic agriculture from dumping and predatory pricing by multinationals
- Encourage the development of local and regional systems of food distribution that reduce the cost and pollution associated with transport
- Press for funding structures that redistribute revenue from destructive activities to development programmes. UN and World Bank aid and development schemes should be funded by a Tobin tax on speculative movements of capital and an international tax on aviation fuel (as the first in a series of global eco-taxes)
- Define water as the essential natural resource of the 21<sup>st</sup> century, pressing to bring it into common ownership and outside the scope of GATS/WTO

- Ensure MEPs have proper control over the EC Commission's international trade policies and agreements

### Public Services

5 In 1997 the Labour Government swept to power with a landslide majority because the majority of the British people wanted a radical change. Thatcherite free market economic policies had rolled back the gains made under successive Labour Governments since 1945, eroding and destroying public services and widening the gap between rich and poor. Many of our public services had been privatised under 10 the Tories, and billions of pounds worth of public assets sold off to the private sector at knock down prices.

15 Instead of seizing the mandate which it had been given by the people to repair the damage done by eighteen years of Tory government, New Labour took many of the Tories' strategies even further, pushing ahead with new forms of privatization – either blatantly, as in the Private Public Partnership of the London Underground – or piecemeal where wholesale privatisation would be politically unacceptable, particularly in Housing, Health, and Education. Continuing with privatisation has 20 meant that higher spending on public services has been increasingly diverted into the pockets of private shareholders.

25 Meanwhile, the already wide income and wealth gap between rich and poor has grown steadily since 1997, blunting the impact of measures like the minimum wage, and increasing pressure on the NHS as economic inequalities take their toll on public health. None of this makes economic sense, because in almost every case the building of new schools, hospital and houses could be done more cheaply by the public sector, therefore New Labour's strategy must be ideologically driven and, by pouring public money into the pockets of private shareholders, designed to 30 undermine democratic control and reduce the role of the state to that of enabler and regulator, with the private sector increasingly becoming the provider.

35 A radical Labour Government will accelerate the repair of years of Tory neglect. We will aim over a five year period to bring public services up to the highest standards of continental Europe and Scandinavia, rebuilding public services from the bottom up, ensuring the public sector acts as a model of democracy, local accountability, best employment practice, professionalism and commitment. A Labour Government must make a commitment that public services should be delivered wholly in the public sector, provided as an end in themselves, not for profit. 40

Specifically, a Labour Government should:

- Implement a truly integrated public transport network, bringing the rail industry under democratic public ownership, enabling major investment over the lifetime of a Labour Government in electrification of main lines, 45 re-opening and expansion of rural services, new urban tram and light rail schemes, and the long awaited London projects, including Crossrail and a new Chelsea-Hackney tube line.
- Guarantee decent, affordable housing in the public and private sectors by promoting local authority housing, legislating for security of tenure and affordable rents, and bringing property price inflation under control. 50
- End the postcode lottery in health, education and other services, replacing NHS and Foundation Trusts with representative local management boards.

- Increase the share of NHS expenditure going on patient care by extending public ownership into the pharmaceutical and medical research sectors and reforming intellectual property law to enshrine a right to manufacture generic medication for public use.
- 5 • Reverse Post Office closures and reinstate a public sector monopoly for postal services under a democratically run Post Office, accountable to its users and workforce.
- Replace the complicated privatised energy and utilities markets with simple public and mutual ownership structures, favouring renewable sources of energy and reducing waste while enabling local communities to make choices and ensuring fuel rights for those in need.
- 10 • Reverse privatisation in other sectors including telecommunications, National Air Traffic Control and the Prison Service.

### 15 Local Government

The New Labour Government, instead of reversing Tory Government legislation, particularly the 1989 Local Government & Housing Act which radically changed the system of local government financing so as to reduce the control that councils had over what to spend their budgets on (for example the ring fencing of Housing Revenue Account) has continued to erode local democracy at every turn.

25 The Local Government Act 2000 abolished the Council Committee system—which despite some weaknesses did provide for accountability and democratic control—and gave councils only two alternative structures to adopt: either a Mayoral System, as in the Greater London Authority, where the directly elected mayor has enormous power, subject to only minimal control; or a Cabinet system under which the Leader runs the Council with up to 10 other councillors who wield enormous power, while the majority of

30 councillors are consigned to Overview and Scrutiny Committees which supposedly hold the Cabinet to account, but often don't meet more than twice yearly, therefore are toothless tigers.

35 Similarly, the Area Committees, which are meant to be forums for local consultation, have their decisions regularly ignored if the Executive does not approve of them. Councillors who are members of the executive now pay themselves five figure salaries, while backbenchers are paid only minor salaries to do a lot of work. This system distorts the motives of those wishing to become councillors and increases the potential for political corruption.

40 Councillors should be paid expenses only, commensurate with loss of earnings.

45 The New Labour Government has continued with the Tory policies of Rate Capping, the central collection and distribution of Business Rates, compelling councils to outsource their services via PFI and PPP schemes, which can be up to 50% more expensive than traditional borrowing on the open market, or the setting up of “arms length companies” which pave the way for privatisation.

50 A Labour Government would:

- Work to rebuild the infrastructure of Local Government.
- Allow local people the choice as to how their local council is run, whether by a council committee or some other system.

- Restore to councils the power to borrow money on the open market at favourable rates of interest
- Restore the position of Local Authorities as the main providers of public social housing for rent.
- 5 • Allow Local Authorities to keep local business rates for their own use.
- Abolish rate capping and the contracting out of services to private companies; allow in-house departments to bid for contracts for the supply of goods and services to the council.
- 10 • Reform the system of local government finances by the introduction of a local Land Value Tax.

#### Education: Early Years Development

15 Tory government funding formulae for local government education services meant that local councils were forced to choose whether to make cuts in secondary, primary or nursery education; invariably this meant that the latter lost out and was cut disproportionately.

20 When New Labour came to power it started to invest in some initiatives that were targeted at children and families in the most disadvantaged areas of the country. Investment of £14 billion since 1998 has provided free nursery education for 3-5 year olds, new childcare places, local Sure Start programmes, and Children's Centres. In conjunction with Family Tax Credits, these measures have begun to ease the burden of childcare among the most disadvantaged. However, Sure Start is mainly available only to those living in the 20% most deprived wards, tax credits are only available if one or more parents are working. Childcare is often unaffordable, particularly in London where costs are well in excess of £100 per week. The National Audit reports that 90,000 childcare places have been lost since 1998. The only universal childcare component is 12.5 hours per week of nursery education for 3-5 year olds, compared with an average of 32 hours in other European countries.

A Labour Government would:

- Increase universal free nursery education to 20 hours per week for 3-5 year olds
- 35 • For children under 3 years old, free provision should be available which could be used for respite, learning or occupational purposes
- Invest considerably more resources into childcare in order to improve training and to combat low pay, lack of morale and recruitment and retention problems.

#### Primary and Secondary Education

45 New Labour has barely tinkered with previous Tory policies such as Local Management of Schools, which removed central control of the distribution of resources and led to inequality across the board, the National Curriculum, which stifles individual learning needs and emphasises literacy and numeracy skills at the expense of broader sciences and humanities and enshrines narrow faith based world views, the Ofsted inspection system, which poses central control against local individual learning needs, and Standard Attainment Tests, which stigmatises pupils who fail to meet prescribed standards and skews teaching towards learning for tests and, through league tables, forcing schools to compete as if they were commercial businesses.



Under New Labour, Local Education Authorities (LEAs) have become increasingly sidelined. City Academies, operated and part funded by private foundations, are not scrutinised by LEAs and have been allowed to select some pupils, further undermining the comprehensive ethos. Furthermore some City Academies have been teaching fundamentalist religious ideas such as creationism. New Labour has also bypassed LEAs by allowing private companies to run so-called “failing schools”.

A Labour Government would:

- Abolish SATS and league tables
- Remove the rigid elements of the National Curriculum to allow more flexibility to adapt to local needs.
- Reverse LMS and return management of money and resources centrally to LEAs to be apportioned according to local school needs
- Reform Ofsted into an Inspection and Advice service geared towards supporting local schools rather than forcing them to conform
- Bring an end to all selection within state schools, in favour of a system of comprehensive public education run by LEAs, and discourage narrow faith based schools
- Abolish tax breaks for private education by removing charitable status from private schools
- Fund special needs education properly within mainstream schools
- Restructure LEAS so that they are co-governed by a panel of local Councillors, parents, teachers, and pupil’s representatives
- Phase out the allocation of school places on the basis of parental faith

Post 16 and Further Education

New Labour’s “reform” of the “A” level system failed to integrate academic and vocational qualifications into a common system. Further Education Colleges are under funded and overworked. A plethora of private sector agencies now deliver bite sized training packages under different funding regimes, and the voluntary sector is encouraged to deliver similar packages. Adult Education –or Lifelong Learning—has almost disappeared as a result of LEA cuts. The Careers Service has been privatised.

A Labour Government would:

- Integration of the post 16 qualification system with equal value given to academic and vocational qualifications
- Bring the Careers Service into the public sector
- Post 16 Education to be exclusively delivered by sixth forms, sixth form colleges, and FE colleges, which should be properly funded
- Restore funding to LEAs for the provision of adult education

Higher Education

Under the Tory Government, student maintenance grants had been gradually eroded, but in 1998 New Labour went further and abolished grants altogether, and replaced them with student loans and means tested tuition fees. In 2004, in spite of a manifesto promise not to do so, New Labour introduced universal variable rate tuition fees of up to £3,000 per annum. This will not solve the funding crisis of universities – as seen by recent decisions by Newcastle and Hull universities to close chemistry and maths departments, but it will impact heavily on students from working class families who will have to choose to study at universities near to home, or having to

take jobs at night, risking academic failure and breakdown in their health, in order to avoid massive debts.

A Labour Government should:

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- Abolish tuition fees
  - Restore universal maintenance grants
  - Tax the rich, not the educated, to fund higher education properly

### Health

10 The Tory Government 's NHS "reforms" of the early 1990s introduced for the first time the principle of market forces into the health service, with the internal market signalling the break up of the NHS into hospital trusts which operated like business units competing with each other for money and patients. Expensive layers of bureaucracy soaked up scarce resources

15 needed for patient care. New Labour not only failed to grasp the opportunity to reverse these reforms, it pushed ahead with Private Finance Initiative (PFI) hospital – a Tory idea, whereby new hospitals were built by private companies such as Jarvis (even though it would have been much cheaper to build them using public money) – who then leased them back to the NHS at enormous cost, resulting in up to 30% cut in bed numbers, job losses, worsening of wage rates and terms and conditions of service for NHS workers who were transferred over to private companies, and substandard buildings. New Labour abolished fundholding for GPs, but replaced it with Primary Care Trusts. Not content with outdoing the Tories, New Labour went

20 further when it set up Foundation Hospitals, which will operate independently of the NHS and behave like private hospitals, and will poach staff and take away funding from NHS hospitals. The result will be further fragmentation of the NHS and even greater inequalities in the delivery of health care. New Labour has embarked on a strategy of piecemeal privatisation of the NHS by contracting out whole tranches of services to private foreign and British firms, to perform routine surgery in order to reduce waiting lists, as well as lucrative contracts to run diagnostic and treatment centres to carry out fast track operations – even though these operations are as much as 40% more expensive than in the NHS; in other words, New Labour is pouring

25 public money into the pockets of private shareholders rather than the cheaper option of increasing NHS capacity. Much of the £40bn promised for the NHS by 2007/08 will never reach the users of the NHS, because it will go into the pockets of private healthcare companies, the financing costs of PFI schemes, the use of expensive agency staff such as nurses, historical budget deficits, and soaked up by layers of bureaucracy created by the internal market.

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A Labour Government would:

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- Return to the founding principles of the NHS, of a health service free at the point use, irrespective of ability to pay, delivered wholly in the public sector
  - Abolish the internal market and return to needs based service planning and fair resource planning formulae
  - Restore accountability of the NHS under local democratic control by establishing local management boards, which are representative of the local community
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- Reverse the policy of Foundation Hospitals in line with the decision of 2003 Labour Party conference
  - Put a moratorium on any further PFI schemes, and investigate ways of terminating all existing PFI contracts as soon as possible

- Abolish charges for dentistry, spectacles and prescriptions
- Injection of a substantial amount of extra funding into the NHS, in line with the Wanless Report recommendations of 2002, within the lifetime of a Labour Government

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### Housing

Under the Tory Governments, council housing came under attack, firstly by the Right to Buy legislation of the early 1980s which decimated the public housing stock, then by the financial ring-fencing of the Housing Revenue Account under the Local Government & Housing Act of the late 1980s, which meant that the building of new council houses and the repair of existing council stock could no longer be paid for out of the council general fund (in other words, council housing had to be self financing). This led to spiralling council rents, housing stock falling into serious disrepair, and a virtual halt to any new council house building. New Labour tinkered with the right to buy legislation by making it more difficult, but failed to reverse any of the other legislation. New Labour's draconian funding regime has gone much further than previous Tory Governments, with their intention to remove landlord function from local authorities (in order to remove accumulated housing debt from the public sector accounts) and instead of allowing councils to borrow cheaply on the open market in order to bring their properties up to decent standard, has pressurised them into PFI schemes, Arms Length Management Organisations, or Stock Transfers to Registered Social Landlords (RSLs). The result is that homelessness is now spiralling, (60,000 families in London alone) and millions of people are living in substandard housing. The shortage of affordable council and housing association housing has in turn pushed up rents in the private sector and artificially inflated house prices, making both of these options unaffordable to most ordinary people.

A Labour Government should adopt a strategy of increasing the supply of public affordable housing, which together with the restoration of private sector rent control will bring about a dramatic fall in house prices. Specifically it would:

- Remove the requirement and incentives for Councils to dispose of housing stock under any of the current three options. Introduce funding for Councils to improve housing stock in terms described in the "Fourth Option" agreed by 2004 Labour Party Conference.
- Provide funding for a massive programme of council house building
- Councils to be the main providers of social housing, with a smaller role for housing co-operatives, the voluntary sector and housing associations
- Extend the statutory right to establish Tenant Management Organisation across the public housing sector
- Give councils the powers to compulsory purchase land and empty properties
- Restore the statutory right to housing for all homeless
- Remove housing finance from the Public Sector Net Cash Requirement (previously PSBR)
- Restore rent control and Fair Rent tribunals for the private rented sector
- Eliminate tax subsidies on second and subsequent homes as well as council tax discounts on empty properties
- Restore the statutory right to establish Tenant Management Organisation across the public housing sector

### Transport

New Labour has failed to reverse the deregulation and break up of the Railway Industry, even when it had the opportunity to do so when the Train Operating Companies franchises expired, which would have allowed renationalisation of much of the network at no cost, but chose instead to renew the franchises. They reluctantly decided to bring rail maintenance back in-house only after a series of disastrous rail crashes. They pushed ahead with the PPP of the London Underground despite evidence that Ken Livingstone's Public Bonds strategy was going to be a cheaper and safer option, and was supported by a majority of Londoners. Exerting far greater public control over our rail, underground and bus networks would offer far better value for money because all of these modes of transport already depend on public subsidy and the public sector can borrow money at a cheaper rate than the private sector, and does not have to pay dividends to shareholders. Much of public transport is so dirty, inefficient and expensive that millions of commuters are being driven to car use, with the result that both road congestion and environmental pollution levels are soaring.

### Railways

Despite record levels of investment and subsidy far exceeding the days of British Rail, performance is far worse than under BR, with an average of one in five trains running late. The cost of investment in the railways is now three times as much in real terms compared to BR, while the private companies have banked profits of over £10bn.

A Labour Government would:

- Take the railways back under public control, in line with the decision of the 2004 Labour Party conference, by bringing all rail renewals in-house and return the freight franchises and infrastructure to public sector control
- Bring rail franchises back under public control as the franchises expire, and establish a new publicly owned and accountable railway agency, accountable to parliament and governed by a board of stakeholder representatives in the following proportions: one third passengers, one third management and one third workforce
- Embark on a major expansion of the rail network, including the long awaited high-speed intercity rail links, in order to move towards a sustainable transport system and reduce private car use

### London Underground

The tube carries as many passengers as the national railway, yet New Labour has repeated the mistake of the previous Tory Government on the mainline railway by privatising and fragmenting the Tube's infrastructure. The PPP has so far proved to be all that its critics feared: less safe, more expensive and a deteriorating service. It is contradictory nonsense for Network Rail to have taken all maintenance on the mainline railway back in house on a not for dividend basis, while the New Labour Government still allows the same private companies, such as Jarvis and Balfour Beatty to continue to profit from declining safety standards of Underground maintenance. Despite the promise by the 1945 Labour Government to build seven new tube lines, there has been no major expansion of the network in the past sixty years.

A Labour Government would:

- Legislate to bring all maintenance and renewals back in house under the direct responsibility of the London Mayor. It should negotiate to end the

PPP and restore the Tube as a fully public service under the control of the London Mayor

- Embark on a major expansion of the underground network, including Crossrail, the Chelsea-Hackney line, and the East London Line extension

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### Buses

Deregulation and privatisation have also failed the bus industry. Bus use continues to stagnate, except in London, where the Mayor's regulatory powers over the bus industry have increased bus use dramatically.

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A Labour Government should give Local Authorities the power to regulate bus services as a first step towards regional public ownership of the industry

### Roads

The central London Congestion Charge, which was a brainchild of the London Mayor, has significantly reduced road congestion in inner London. A Labour Government should embark on further initiatives to reduce road congestion, such as a massive expansion of the cycle network, an expansion of tram schemes, and the introduction of toll schemes on major roads – which will also generate income which can be invested in renewing transport infrastructures. There must be a moratorium on all new road-building schemes.

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### Maritime Industry

Shortly after coming into power in 1997, New Labour, in association with the RMT and other social partners, attempted to combat the decline of the UK shipping industry. Ninety five per cent of all UK international trade is through the shipping industry, yet the number of UK ratings declined from 29,000 in 1979 to 10,680 in 1997. This decline represents a significant threat to our future prosperity, trade and security at a time when shipping owners benefited from millions of pounds of public subsidy through the tonnage tax.

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A Labour Government should state publicly that the experience and expertise of British seafarers is respected world-wide and it will prevent any further erosion of this skills base or any further decline in this traditional industry. In particular it should:

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- Link payments under the tonnage tax to the creation of employment for UK ratings
- Extend all UK employment and equality legislation to cover all seafarers working in the UK
- Negotiate through international bodies to ensure employment and equality legislation of at least equal quality operates in other countries

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### Employment and Trade Union Rights

During the 1980s and 1990s anti-trade union laws introduced by Thatcherite neo-conservative governments shackled workers, undermining their collectivity and allowing employers to slash jobs and cut terms and conditions. In accordance with neo-liberal laissez-faire economic doctrine, Thatcher rolled back the state and market regulation and axed wages councils that protected the low paid. Thatcher undermined the strength of organised labour by using the force of the law and the power of the state apparatus to interfere in internal union affairs, declare solidarity action between workers illegal and weaken union collectivity by encouraging individualism and disunity. In this sense neo-liberalism and anti-trade union

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laws go hand in hand in undermining workers terms and conditions of employment, collectivity and solidarity.

5 The justification that a reduction in trade union power and workers rights  
would enhance economic efficiency has proved to be erroneous<sup>1</sup>. It only  
succeeded in widening the gap between the rich and poor in society. Higher  
levels of unemployment resulted in a dramatic increase in economic inactivity  
and poverty, with the social welfare bill constantly threatening to spiral out of  
10 control<sup>2</sup>. In this context the denial of positive rights and decent employment  
conditions for workers is a misguided approach towards the promotion of  
economic prosperity as it stunts the development of people's skills, co-  
operation and innovation. A recent TUC report identifies stronger  
employment regulation and workers rights with growing employment in the  
15 UK<sup>3</sup>. It is a fact that neo-liberal economics, through labour market flexibility,  
drives down the collective and individual rights of workers while privatisation  
does not reduce prices, or improve performance or productivity, but does  
benefit the wealthy at the expense of the rest of society<sup>4</sup>. It turns out that the  
"trickle down theory" is a misnomer<sup>5</sup>. And that unfortunately inequality under  
20 Labour is growing<sup>6</sup>.

It is true, however, that the Labour government elected in 1997 has  
introduced some changes to employment and trade union rights that have  
benefited workers. However, in a third term Labour will need to do much  
25 more to redress the unhealthy imbalance of power that UK employers  
currently enjoy over their employees in the workplace. Exploitation at work  
must end in order to reduce inequality while enhancing social cohesion,  
inclusivity, collectivity and cooperation. For a socialist society to thrive, we will  
require equality of opportunity in an open democratic setting that provides  
30 excellent education for all and encourages active participation of citizens at  
all levels of government. The maintenance of a master and slave relationship  
at work has no place in a post-modern economy.

Given the austerity measures that workers were subjected to under 18 years of Tory  
government, it is a welcome change that since 1997 the Labour government has  
35 legislated for:

- The reinstatement of trade union rights in GCHQ
- EU Social Chapter employment provisions
- Trade union recognition rights in the workplace
- Information and consultation at work rights from March 2005
- 40 • A minimum wage

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<sup>1</sup> "An international World Bank study concluded: 'Countries with highly co-ordinated collective bargaining tend to be associated with lower and less persistent unemployment, less earnings equality and fewer and shorter strikes...'. Source: TUC, Employers' 'American dream' would be a nightmare for UK workers and economy, October 3<sup>rd</sup> 2004. <http://www.tuc.org.uk/economy/tuc-8927-f0.cfm>

<sup>2</sup>Ewing, K. and Hendy, J (eds.) (2002) *A Charter of Workers' Rights* (London, Institute of Employment Rights) p. 12.

<sup>3</sup>TUC (October 2002) Labour market flexibility building a modern labour market an interim TUC report, p. 15. <http://www.tuc.org.uk/economy/tuc-8926-f0.pdf>

<sup>4</sup> Florio, M. (2004) *The Great Divestiture – Evaluating the Welfare Impact of the British Privatisations* (Cambridge, The MIT Press)

<sup>5</sup> Ewing, K. and Hendy, J (eds.) (2002) *A Charter of Workers' Rights* (London, Institute of Employment Rights) p. 12.

<sup>6</sup> Guardian, 24<sup>th</sup> June 2004, 3<sup>rd</sup> August 2004 and 29<sup>th</sup> October 2004.

- Unfair dismissal protection after one instead of two years employment;
- Parental leave, paternity leave, adoptive leave and improved maternity pay and rights
- Lesbian and gay and religion and belief rights at work
- 5 • Working time regulations with four weeks paid annual leave, rest breaks and night and shift working restrictions
- Workers to be accompanied at discipline and grievance hearings by their trade union representative
- 10 • equal treatment at work of part-time and temporary workers with their full-time and permanent colleagues;
- a trade union learning fund and trade union learning representatives.

15 However, when Tony Blair came to power in 1997 he emphasised that: *“The essential elements of the trade union legislation of the 1980s will remain... The changes that we do propose would leave British law the most restrictive on trade unions in the western world”*. So is there a socialist alternative? The 2004 Warwick National Policy Forum (NPF) and Labour Party conference provide us with some signs of optimism. At Warwick the trade unions and other NPF representatives achieved 54 pledges from Labour that included:

- 20 • Extending protection for the two-tier workforce into the whole of public service
- Review and reform of the private finance initiative (PFI)
- A commitment to full employment
- A new *Women at work commission*, reporting in 12 months, to include mandatory equal pay audits and equality reps
- 25 • Draft legislation on corporate manslaughter to save lives at work
- Improved training and skills at work
- Pensions – TUPE protection, bargaining as part of union recognition, improved benefits and security in relation to occupational pensions
- Bank holidays in addition to four weeks statutory holidays<sup>7</sup>

30 However, a socialist solution to UK employment and trade union rights can only be achieved by the replacement of the present anti-union laws with a charter of positive workers’ rights enforceable under UK law<sup>8</sup>. This year’s TUC re-affirmed its commitment to the repeal of the anti-union laws and called for the implementation of a charter for individual employment rights<sup>9</sup>. However, individual rights at work depend on effective collective bargaining by strong trade unions. Unions need to be involved in workplace economic planning at sector and enterprise levels, whether at home or abroad, in order to provide a check to the power of multi-national corporations who have the ability to move capital and production globally. Any charter must embrace

40 “internationalism”, with international trade union and worker liaison and solidarity to counter adverse effects of globalisation, remote sourcing, etc., that undermine workers jobs and conditions of employment.

In addition to the above this workers’ charter should include:

- 45 • A framework of workers’ rights based on International Labour Organisation (ILO) standards

<sup>7</sup> Full employment and working in Modern Britain – TULO Guide to pledges National Policy Forum 25<sup>th</sup> July 2004.

<sup>8</sup> Ewing, K. and Hendy, J (eds.) (2002) *A Charter of Workers’ Rights* (London, Institute of Employment Rights) p. 9.

<sup>9</sup> Labour Research, October 2004, Vol. 93, No. 10, *Union call for further rights* (London, LRD Publications Ltd).

- Full compliance with the employment and labour rights provisions of the EU Charter of Fundamental Rights
- Right of trade unions to determine and enforce union rule books
- An absolute and positive right to strike in law without dismissal
- 5 • Broadening the definition of a trade dispute to include the right to take secondary industrial action in support of other workers and political action on issues such as remote sourcing, PFI or privatisation
- Contract compliance of employers with labour standards and equality discrimination laws
- 10 • An enforceable legal right to reinstatement for workers who win Employment Tribunal claims
- extension of trade union recognition rights into workplaces where unions have members
- Full employment rights from day one of employment
- 15 • A full employment objective linked to shorter working hours
- Increase the National Minimum Wage (NMW) to £7.40 per hour (in line with the current European “decency threshold”), payable to all workers, regardless of age<sup>10</sup>
- 20 • Increase the NMW annually in line with earnings and introduce effective legal enforcement of its payment
- Abolition of zero hours contracts
- Measures to address persistent inequality and discrimination in the workplace
- Improve family leave, maternity leave, equal pay and work-life balance
- Upgrade employment equality laws

25 A consensus on the need for a workers’ charter of positive rights is growing, with the TUC, many pressure groups and the New Left Unions uniting to take a stand on positive rights for workers. The LRC intends to campaign and work with trade unionists, and other progressive political and social movements in society, to build a practical and intellectual case for improved employment and trade union rights in the UK.

### Pensions

35 Under the policies of the New Labour Government, too many of today’s retired people live their lives in poverty and too many of tomorrow’s retired people are set to do the same. The New Labour Government’s approach is based on the extension of means-testing (which brings poor and inefficient coverage, perverse incentives and social division) and greater reliance on voluntary provision through capital markets which have inherent shortcomings that make them an unsuitable foundation of pension provision. Workers’ confidence in private pension provision has been shaken

40 with the cumulative effect of the personal pension mis-selling scandal; the Maxwell disaster; the mis-selling of free-standings AVCs; the closure of Equitable Life; and schemes being wound-up with significant deficits.

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<sup>10</sup> Article 4 of the Council of Europe's 1961 [European Social Charter](http://www.eiro.eurofound.eu.int/2003/12/feature/pl0312105f.html) provides for a right to 'the right to a fair remuneration', referring in Article 4.1 to 'the right of workers to a remuneration such as will give them and their families a decent standard of living'. On this basis, the committee of independent experts which advises on the implementation of the Charter recommended in 1977 a minimum 'decency threshold' of 68% of the average national wage, thus defining fair remuneration in relation to average remuneration. <http://www.eiro.eurofound.eu.int/2003/12/feature/pl0312105f.html>



5 A Labour Government should commit itself to radical change in how pensions are provided and give a much greater role to state rather than private pensions – a move in line with public opinion polls which consistently show that the majority of people would prefer a universal state benefit to being forced to make their own private arrangements. A Labour Government would acknowledge that the concept of social solidarity between those at work and those in retirement, while seldom articulated, has wide public acceptance.

- 10 In particular, a Labour Government would:
- Immediately increase the state basic pension to the level of the current Guarantee Credit (i.e. £109.45 per week for a single pensioner and £167.05 per week for a couple) as a first step to a target level of 25% of average earnings and thereafter link the level of pensions to national average earnings
  - 15 • Change the state second pension, so that when taken with the state basic pension it provides half pay on normal retirement at 60 for those on average earnings, with a higher proportion for those on lower levels of pay
  - Improve the system of credits for family responsibilities and for those on low pay and/or with broken employment
  - 20 • Return to a National Insurance Scheme with autonomous finances derived from broadly equal contributions from employees and employers, supplemented by payments from the Treasury in recognition of the cost for those members who are being credited with benefits
  - Legislate to ensure greater protection for members' accrued rights in the state pension scheme including an annual statement of benefits
  - 25 • Ensure that childcarers – traditionally women – are not disadvantaged in their pensions by loss of qualifying years through childrearing and caring

### Welfare and Benefits

30 The last Conservative Governments operated a sanctions regime – cutting or reducing benefits in order to “make work pay” and relying on means-tested benefits to alleviate severe poverty. New Labour – under the Brown/Smith mantra of “work for those who can, and help for those who can’t” – has retained this approach. Partly because so many people believe that unemployment is no longer a problem, there has been little opposition to New Labour policies which have failed to address

35 poverty, particularly child poverty, or social exclusion.

Means tested benefits fail in general because:

- 40 • The most needy do not take up the benefits because they do not know what is available
- Access to services which are supposed to help people claim becomes ever more complex, particularly for those who do not speak English as a first language
- There is a stigma attached to claiming
- Those with savings are penalised
- 45 • Fraud and dishonesty are encouraged
- They are more expensive to deliver

50 New Labour's specific attempts to help the most vulnerable with means tested benefits and targeted measures such as tax and pension credits and the New Deal programmes have failed because:

- The administration of these systems is governed by strict treasury spending limits on the DWP and Inland Revenue
- Job cuts (30,000 jobs in the DWP and a further 10,000 jobs when the Inland Revenue is merged with the Customs service) announced in Gordon Brown's last

Budget will inevitably result in even more difficulty for people to claim and access services.

5 New Labour's housing benefit system continues to line the pockets of private landlords. People on benefit are hit by increased demands for rent contributions which they must pay out of their benefits and by tighter administrative procedures, such as annual reapplications and restricted times for and grounds of appeal. People on low pay are hit by a steep contributions curve and limited right to benefit review when rents increase. Housing benefit can be capped on the grounds of a notional market rent, penalising those in housing need rather than limiting the landlord's charges.

15 A Labour Government should declare a war on poverty and social exclusion. It should remove Treasury spending limits and base benefit and welfare policies on meeting need. In particular it would:

- Use universal benefits, such as Child Benefit and the State Pension, to address universal need, recouping payments of universal benefits to the wealthy through income tax
- Restore a system of fair rent controls in the private sector to cap the amount of housing benefit going to largescale private landlords
- Revise housing benefit to ensure that all rent charged is covered and more housing benefit is available to those on low pay
- Budget to meet need and not use intimidating measures to deter genuine claimants
- Increase the provision of face to face benefit advice service by the DWP rather than increasing use of call centres as a means of seeking advice and claiming benefits
- Change the ethos in the DWP to allow staff in the benefits and welfare service to make sure all claimants are assisted to claim their full entitlements

30

### Environment

35 Under the New Labour Government the modest Kyoto targets have been met, but the Government failed to meet its self-imposed more ambitious target. New Labour has made progress in some other areas, on illegal logging, local recycling schemes, energy efficiency, encouraging organic farming, and by introducing the first 'Green Tax', the Landfill Tax. However these policies have been marginal and partial; not representing the radical change required.

40 The New Labour Government, once a critic of the Tory Government's plans for spending £23bn on new roads, developed its own road-building programme costing £29bn in the Ten Year Transport Plan, which will lead to increased environmental degradation and pollution.

45 Despite massive public pressure, the New Labour Government has refused to ban GM crops, and is the strongest advocate for GM food in the EU.

50 At a regional level, despite central Government caution, the GLA under Ken Livingstone has made some progress by introducing congestion charging, improving public transport, and by expanding the London cycle network.

In making environmental concerns central to Transport, Industrial and Energy, and Agricultural policy, a Labour Government would:

- Invest in renewable energy research and set a target of 50% energy production from renewable sources by 2025, to make the UK a world leader

- 5 • Advance progressive environmental taxations: for example, extending the existing car tax system so that owners of cars with larger engines pay more and those with smaller engines less, and expanding the use of Landfill Tax on Industry, offsetting the costs against Corporation Tax where improvements are evident
- 10 • Extend the use of doorstep recycling schemes to include such things as composting of kitchen and garden waste, and nappy laundry services, to reduce incineration and landfill use, and promote forms of residual waste management such as Mechanical Biological Treatment (MBT)
- 15 • Amend company law to make environmental reporting a statutory duty
- 20 • Set a target that 30% of the UK's agricultural land should be farmed organically by 2010 (with the aim of making all farming organic), and introduce taxes on environmentally damaging pesticides, herbicides, fungicides and fertilisers
- 25 • Assist farmers to sell their produce at fair rates of return through support for farming co-operatives and farmers' markets
- 30 • Institute a moratorium on GM field trials so that more research can be undertaken into the effects of transgenic modification
- Make a commitment to decommission all nuclear power stations by 2020, replacing their output with renewable energy production, such as wind and wave technologies
- Divert monies from road-building into the public transport system to ease congestion and reduce pollution, while simultaneously investing in less polluting public transport modes
- Encourage freight traffic off of the roads and on to rail by expanding rail freight routes and offering subsidies to companies transferring freight from road to rail; and restore the transport of mail on rail
- Devolve power for setting 20mph speed limits to the residents of residential roads
- Invest in research for less polluting forms of air travel and promote sustainable alternatives to air travel

### Civil Liberties

35 New Labour's record on the protection of civil liberties has been extremely poor. It has introduced new criminal offences in a range of different areas and encouraged heavier custodial sentencing to deter offenders. As a consequence prisons are seriously over-crowded and conditions in many of them have deteriorated.

40 Under the Terrorism Act 2000, the Government extended its special powers, broadened the definition of "terrorism" and banned 21 organisations, in effect criminalising people for holding or organising around their political ideas. It has permitted British nationals to be detained by the United States Government at Guantanamo Bay without charge or trial in conditions which amounted to inhuman and degrading treatment and where they were subjected to torture.

45 The 2003 Anti-Social Behaviour Act criminalised activities that are not specific offences and targets the whole community, especially the young. Its powers have also been used to prevent protesters attending anti-war demonstrations, arms fairs and anti-capitalist protests.

50 The Government has undermined the protection of refugees, choosing not to apply the Convention on the Rights of the Child in immigration and asylum cases, proposing to end a right to permanent protection, curtailing rights to appeal decisions and eroding health care for foreign nationals.

Other proposed measures will increase public order powers exercised by the police and enable the Government to track individuals through a National Identity Register.

- 5 A Labour Government would:
- Use the Human Rights Act 1998 to extend, not limit, the rights of nationals and non-nationals who are presently in the United Kingdom
  - Introduce an efficient and fair system of asylum determination which will ensure that all those entitled to international protection do receive it
- 10
- Ensure that every asylum seeker has a right to appeal to a court before he or she is removed from the United Kingdom
  - End the detention of asylum seekers
  - Repeal Part IV of the Anti-Terrorism, Crime and Security Act
  - Restore fully the right to trial by jury
- 15
- Adopt the principle that everyone should have access to the courts, with recourse to adequate public funding
  - Lift its reservation to the Convention on the Rights of the Child
  - Dismantle all legislation placing unreasonable limitation on trade union action and peaceful protest
- 20
- Scrap the proposed identity card scheme
  - Abandon control order proposals that contravene the principles of due process

### Criminal Justice

25 Since 1997, the New Labour Government has modelled the criminal justice system on retribution and punishment. So far it has created over 700 new criminal offences, the prison population is at an all time high, and a greater proportion of all defendants are sentenced to custody than ever before. The Government has tried to solve structural problems with endless bureaucratic reorganisation and it has tended to centralise services rather than enhance local accountability. It has introduced a

30 range of tough-sounding but ineffective populist measures such as child curfews, anti social behaviour orders, drug abstinence orders, electronic tagging and compulsory parenting classes. In addition, it has failed to set the agenda on drug-related crime and now half of all prisoners admit to stealing during the previous 12 months before sentence in order to feed an addiction.

35 The Labour Government should reorganise the whole of the criminal justice system on the basis of local visible and accountable democratic structures which reflect local needs. It should open up a national debate on whether drug use should be decriminalised and whether resources should be diverted away from the criminal

40 justice system and enforcement, and towards health and social services. The whole of the criminal justice system should be based on rehabilitation and preventing re-offending not retribution.

- 45 A Labour Government would:
- Ensure all persons charged with more serious offences have an automatic right to jury trial
  - Abandon the notion of national ID cards, which are likely to increase confrontation between the police and ethnic groups through an extension of stop and search
  - Ensure that sentences are commensurate with the seriousness of the crime and that fines directly relate to the disposable income of the defendant
- 50
- Ensure that there are sufficient publicly funded community programmes and sentences that have a direct impact on rehabilitation, re-offending, and public protection

- Ensure that custody is reserved for the most serious crimes where there is a risk to the public and as a last resort

A Labour Government would invest in and develop:

- 5
- Restorative justice and mediation services, where there is a proven level of victim and community satisfaction
  - Multi-agency public protection initiatives between the Police, Prosecution, Courts, Prisons and Probation
- 10
- A comprehensive strategy for victims that places them at the centre of the criminal justice system
  - Ensure that in future the criminal justice system is adequately publicly funded and does not rely on ineffective privatisation or private finance initiative strategies
  - Invest in Housing, Education and the Environment of the most deprived areas of Britain which produce disproportionate numbers of offenders and socially excluded children
- 15

### Equality rights - the time is now

The New Labour Government has:

- 20
- Extended the period of maternity and paternity leave
  - Introduced parental leave rights
  - Given employees the right to claim flexible working
  - Provided nursery places for 3 and 4 year olds
  - Encouraged voluntary pay audits to show up the gender pay gap
  - Brought in a positive duty on public sector bodies to promote race equality
- 25
- Funded some Sure Start projects
  - Improved the rights for disabled people
  - Introduced gender reassignment rights
  - Equalised the age of consent
  - Outlawed discrimination on the basis of sexuality and religion in employment
- 30
- Introduced a Civil Partnership scheme giving same sex couples the same rights as married people
  - Abolished Section 28

A Labour Government would go further and:

- 35
- Introduce a Single Equality Act that will harmonise, consolidate and extend all equality legislation, including outlawing discrimination in goods and services for all groups
  - A single Equality Act should include a positive duty to promote equality for both public bodies and private employers
- 40
- End the exemption of religious organisations from equality laws
  - Ensure proper resourcing for the CEHRC to effectively monitor and enforce all strands of equality legislation
  - Consult on proposals for a single Equality and Human Rights Commission
  - Introduce compulsory pay audits for gender and race
- 45
- Amend the Sex Discrimination Act so class actions can be taken by trade unions
  - Create a national childcare system that is comprehensive, accessible and affordable
  - Level up maternity and paternity provision to the best European standards
- 50
- Give employees the right to flexible working for caring responsibilities, not just the right to claim and be rejected
  - Tackle gender stereotyping in schools and in vocational training
  - Take positive action to promote women and minority groups in public life

- Keep Women Only shortlists and promote further positive action within the Labour Party for minority groups
- Restore the democratic rights of the women's organisations within the Party, including the National Conference of Labour Women and create new structures for minority groups; BME, LGBT, Disabled people.
- Bring in free personal care for disabled people
- Monitor conformity to 'reasonable adjustments' by employers to give access to employment for disabled people
- Tackle homophobic bullying in schools
- Extend hate crimes legislation to include homophobic hate crimes
- End the anomaly whereby transgendered people have to divorce to obtain their rights
- Give funding and support for local projects that encourage grassroots campaigning against discrimination and inequality
- Ratify Protocol 12 to the European Convention on Human Rights which commits governments to extend the equal protection of their laws to everyone
- Improve benefit levels for severely disabled people
- Legislate against age discrimination

20 Fighting Racism

The New Labour Government has introduced a welcome statutory duty on public bodies to combat racism, but a Labour Government should go much further, and would:

- Extend the duty of public bodies to combat racism to the private sector (possibly within the framework of a Single Equality Act);
- Make auditing and monitoring of pay compulsory and then address the race pay gap
- Work toward rooting out institutional racism throughout society, both by using the criminal justice system and by promoting and resourcing political campaigns and community initiatives to tackle racism from the grassroots of society to the top echelons of public services (the use of third party hate crime reporting by local authorities is an example of the kind of work we need);

35 Asylum and Immigration

The New Labour Government has made some positive improvements to the laws on immigration:

- The Primary Purpose rule has been scrapped
- People in same sex relationships now find it easier to get recognition from the Home Office
- Women who have been the victims of domestic violence, but have yet to be granted indefinite leave to remain when they leave the marital home, are less likely to be threatened with removal from the UK
- The work permit system has been opened up, making it easier for both skilled and unskilled workers to come to the UK for work (although part of this agenda of "managed migration" is also to be seen to be tough on asylum, as if that was the only way it could be justified, and the number of migrants held in detention centres around the UK has increased massively).

50 However, the New Labour Government has encouraged and collaborated with the Sun/Daily Mail agenda of hysteria over asylum seekers in a way which has demonised asylum seekers, migrants and immigrants alike and stoked racism towards all Black and Asian people in the UK:

- The measure of success of asylum policy has become how few people manage to reach Britain to claim asylum.

- It has made irresponsible boasts about planning to deport 30,000 refused asylum seekers per year (which it subsequently abandoned).
- It has failed to point out that the UK shelters far fewer refugees than poor countries in the developing world and that fewer refugees are coming to the EU now than a decade ago.
- Senior figures in the New Labour Government have made outrageous and unjustifiable remarks about “swamping” and how female asylum seekers who take their children with them while begging are “vile”.
- The Prime Minister, at the July 1999 Labour National Executive Committee, claimed that the asylum system was “fraudulent and corrupt”.

The New Labour Government has also introduced some truly illiberal and repressive measures:

- Asylum seekers’ appeal rights have been cut back and many are now left entirely without support.
- Those asylum seekers who do claim asylum here have been forcibly dispersed, taking them away from London and the south east where their friends or families or people who speak their languages may live and into communities not familiar with people from other countries.
- The number of hours lawyers can devote to asylum cases has been drastically cut, forcing many lawyers to withdraw from asylum work, leaving asylum seekers without adequate advice.
- Many countries (the ‘white list’) have been designated as safe, despite ongoing repression.
- ‘Failed’ asylum seekers awaiting deportation are to be forced to work for no pay – effectively slave labour.

A Labour Government should take a principled stand in favour of the right of people to migrate and to claim asylum when they are forced to flee persecution, poverty, oppression or war. It would sweep away all the restrictive measures enacted by previous governments and enact a set of positive rights for migrants and refugees, including rights to family life, to social support, and access to healthcare.

A Labour Government should challenge the claims of the right wing press, not collude with them. In particular a Labour Government should take the following steps:

- Adopt a socialist, internationalist foreign policy to reduce the factors that cause people to flee their countries and seek safety elsewhere
- Confirm its commitment to the right to asylum under the Geneva Convention and the right for each individual asylum claim to be considered on its merits
- Create an independent body to make decisions on claims for asylum and make proper, independent legal representation available to asylum seekers
- Raise the standard of decision making at all levels of the immigration and asylum system with the presumption that any application not decided within six months should be granted in favour of the applicant
- Establish parity of welfare benefits for asylum seekers with UK citizens and afford asylum seekers the right to take employment while any asylum claim is decided.
- Adopt a charter of rights for migrant workers to include the right of admission to seek and take up offers of employment and the right to a residence permit of definite duration leading to permanent settlement thereafter if desired
- Stop recruiting qualified people, such as health professionals, from developing countries, which cannot afford to lose them

- Restore the right to British citizenship to all children born in the UK and extend the right to family reunification to all protected persons given the right to stay in the UK
- Co-operate with the countries of the European Union and more widely to repudiate all carriers' liability legislation and facilitate legitimate avenues of entry to rich countries

### Constitutional affairs

In 1997 Labour came to power committed to the most radical changes to the constitution in living memory. In office, it has fulfilled its pledge to introduce devolution in Scotland, Wales and Northern Ireland and to incorporate the European Convention on Human Rights into British law, but in other respects it has diluted key Manifesto commitments. The Freedom of Information Act was greatly curtailed in scope and came into force this year – five years after becoming law. Lords reform remains bogged down, with 92 hereditary peers kept on in an otherwise wholly appointed chamber. Britain remains one of the most secretive countries in the democratic world, not least because of the continued existence of the Royal Prerogative powers, whose abolition senior Labour ministers once demanded, but which continue to be used to bypass Parliament and the rule of law, especially on foreign policy issues.

A real Labour Government would:

- Seek the extension of devolution, including a Welsh Parliament with similar powers to that of Scotland, if it were supported by the Welsh people
- Introduce a major Parliamentary reform bill to greatly enhance the scrutiny and legislating powers of the Commons, and create an elected second chamber with clearly defined powers of scrutiny and amendment only
- Develop a more effectively resourced House of Commons, with greater powers for Select Committees to subpoena witnesses and documents
- Introduce a much wider 'right to know' under a strengthened Freedom of Information Act
- Drastically curtail the Official Secrecy Act and abolish the Royal Prerogative powers
- Abolish the monarchy and replace it with an elected figurehead president
- Restore security of voting and public confidence in the electoral process by reforming the law on postal ballots, which are not a solution to low electoral turnout but could be an engine for fraud
- Disestablish the Church of England, ending its anomalous position (which includes its senior clergy sitting *ex officio* as members of the legislature) and promoting the law's equal treatment and protection of religious beliefs

### Towards a Democratic Europe

A Labour Government will work for a people's Europe not a Europe for Business. Our approach to Europe will be entirely internationalist and pro-European, but we recognise that as presently constructed the EU is fundamentally anti-democratic and serves the interests of capital rather than Labour. Europe can be a positive force for progressive change but it needs to be based upon the close cooperation and mutual solidarity of independent democratic states, not the formation of a superpower run by the dictates of an unelected bureaucratic capitalist elite.

A Labour Government will campaign against the EU constitution as proposed because it will centralise even more power into the hands of the Commission and the unaccountable European Central Bank and remove the democratic rights of the people of Europe to determine their own political and economic future.



5 We recognise that the EU constitution would enshrine the principles of neo-liberalism as constitutional obligations for member states and create the legal framework for the Commission to impose privatisation and liberalisation of public services wherever it wishes. The LRC is opposed to the creation of the sort of capitalist super-state that the EU constitution envisages, with its own army, police force, currency, criminal justice system, central bank and unelected Government, with its consequent ambitions of territorial expansion and military intervention.

10 We are also concerned that current proposals within the Constitution threaten basic civil liberties throughout Europe, and we will oppose any moves to allow for the restoration of the death penalty 'in times of imminent danger of war' and to expand the role of Europol into wide-scale surveillance and intelligence gathering operating with complete legal immunity within all member states.

15 We will support moves within the EU to set minimum standards of employment protection, equal opportunities, social provision, civil liberties, environmental protection and commercial regulation. But we will resist those aspects of EU policy that prevent radical European Governments, including a UK Labour Government, 20 from carrying out their democratic mandates and economic programmes designed to favour ordinary members of society rather than trans-national corporations. If that means challenging EU rules, so be it.

25 Much of the programme we propose would put a Labour Government into conflict with the present body of EU legislation on public ownership of utilities and telecommunications, State aid for industry, and free movement of capital. We will work with other progressive governments to challenge and remove such EU legislation and promote constitutional reforms to the EU that address the democratic deficit of its institutions and tilt the balance of power back towards national elected 30 Parliaments. We will build strong alliances with labour movements across Europe to campaign in all of the member states against the neo-con agenda of privatisation, and cuts in jobs and services.

35 We will join forces with progressive organisations such as the European Social Forum to develop internationalist policies for Europe, and campaign against the exclusive trade barriers of 'Fortress Europe' which have done so much damage to the economies of the third world. In particular we will work to oppose the imposition of GATS by the Commission in all trade deals, which compel the liberalisation of 40 markets and public services upon poor countries and enable trans-national penetration of indigenous economies.

45 A Labour Government will not consider joining the Euro without far-reaching and fundamental reform of the rules for the currency and European Central Bank. Whatever the potential benefits of a single currency, we recognise that the euro-zone has become a world economic black spot, with unemployment in Germany reaching five million. This is the result of the extreme monetarist economic policies within single currency rules, enshrined in the Growth and Stability Pact. The sole remit of the unelected European Central Bank is a harsh anti-inflation policy, enforcing cuts in public expenditure and driving down wage demands and punishing member states 50 that do not obey. If Britain joined the Euro it would be like signing up to permanent Thatcherism.

55 Since 2001 the euro has risen in value by 50 per cent against the dollar, making exports vastly more expensive and imports markedly cheaper, leading to low growth, high unemployment and recession. All the various ways to get out of recession, i.e.

cut interest rates and the cost of borrowing, devalue the currency, increase public spending or cut taxes are impossible or forbidden within the rules of the single currency. Within the euro-zone it is illegal for governments to even try to influence decisions of the European Central Bank, deliberately insulating it from democratic pressures in setting interest rates.

Unless the Growth and Stability Pact is completely re-written to focus upon support for job creation, economic growth and investment in public services, and the Central Bank democratically elected and made accountable to national Governments, a Labour Government can not countenance joining the Euro. But we will campaign with other progressive European governments to re-define the Euro and reconstitute the European Central Bank, so that member States could jointly exercise control over the Euro exchange rate and Euro-zone interest rates. The remit of the Bank could also include investing in EU-wide public sector capital projects.

A Labour Government will argue for a return to the 2001 Laeken Declaration, which launched the process of writing a new constitution and talked of popular concerns about too many powers being exercised at EU rather than national level, and to initiate a genuine debate on the kind of Europe people really want.

We will support the idea of a new convention being called on a more democratic basis to consider how to bring about a more democratic Europe, where national parliaments and voters have their democratic rights restored and where democracy and representative government are re-established for the peoples and nations of our continent.

International Policy

World events are dominated by a rapid growth of instability reaching crisis proportions. This crisis has been intensified in the short term by the unilateral doctrine of the United States of launching pre-emptive strikes against 'rogue states' in breach of international law. In the longer term, it has been fuelled by the policies of the International Monetary Fund and the World Bank towards poorer indebted countries, which have driven them into deep poverty, creating food insecurity, conditions for sharp social conflict and a fertile base for anti-western terrorism.

Labour's foreign policy needs to face these realities. This requires a break with Atlanticism, the unswerving support that British governments have given to US Administrations for the last sixty years. In particular, a Labour Government must end the practice of subservience to this neo-conservative Bush Administration. The NATO Alliance, created in the conditions of the Cold war, has outlived its purpose and should be dismantled.

Labour needs a foreign policy that returns to the core principles of our movement – peace, democracy, universal human rights, human solidarity and self-determination for oppressed peoples: a genuinely ethical foreign policy that faces up to and tackles the economic, political and military obstacles to the achievement of this.

To this end, a Minister for Peace would work to abolish war and eliminate the arms trade, by promoting research into understanding conflict and developing expertise in its non-violent resolution. It will work to resolve regional conflicts on the basis of respect for human rights and the rights of national minorities.

A Labour Government should seek an end to unilateral military intervention in foreign policy and work to end the palpable hypocrisy of requiring other countries to renounce their weapons of mass destruction while retaining Britain's own. We seek a

global end to such weapons through a transparent and democratised United Nations. The UK should enthusiastically support the UN protocol on Explosive Remnants of War, working towards a ban on the use of landmines, cluster bombs and depleted uranium weapons. A Labour Government will close US military bases in Britain and pursue the aims of non-proliferation and disarmament for nuclear weapons states. It rejects the policies of pre-emptive war and nuclear first strike, and will withdraw from joint US/UK research into “useable” nuclear weapons that appears to be taking place at Aldermaston. We should more generously support research and development into alternative forms of energy production, reduce our dependence on nuclear energy, and better resource the UK Nuclear Decommissioning Authority, established in 2003.

A Labour Government should end arms sales to brutal regimes and reduce arms sales overall, expanding resources for global conflict prevention and resolution and promoting a defensive defence policy. Working with the trade unions, a Labour Government should significantly increase its investment in research and development for alternative technologies that can use skills developed by arms manufacturers. It will promote public education and information to help dissuade trade unions, local authorities and charities from investing in arms companies. The end-use of arms exports and dual use goods needs to be closely monitored, and the granting of arms export licences and export credits suitably restricted. The activities of the Defence Services Export Organisation, the Government agency that promotes arms exports, should be curtailed, and Government subsidies to arms companies and involvement in Arms Fairs should be withdrawn.

Specifically, a Labour Government should withdraw troops from Iraq, and work for the end of the unlawful Occupation of that country. It will promote an international peacekeeping force acceptable to the Iraqi people and support the right of the Iraqi people to determine their own future, free from international interference and from the debts of the former regime, which should be cancelled.

A Labour Government should support a resolution of the Middle East conflict based on a recognition of the right of the Palestinian people to self-determination and of the right of refugees to return.

A Labour Government should work to secure the return of the Chagos Islanders to their homeland and adequately compensate them for their illegal expulsion. It will discontinue all support for the US Plan Colombia which has led to a sharp deterioration of human rights in that country.

A Labour Government should work for a more equitable international trading system, support the integration of human rights considerations into trade negotiations and work the strengthening of the International Labour Organisation to defend workers’ rights.

A Labour Government should end the linking of overseas aid to policies of economic liberalisation and privatisation by DfID and move immediately to raise aid expenditure to 1% of GDP.

A Labour Government should seek to bring greater democracy, accountability and transparency to the European Union, opening up to the public and media meetings of the EU Commission and establishing the right of MEPs to introduce legislation. We oppose the corporate and exclusionary agenda of the right and promote a social Europe that advances workplace and welfare rights. This means opposition to the current EU constitution and to joining the euro, which would entail a loss of democratic control over key aspects of economic policy.

A Labour Government should work for a binding code of conduct governing the behaviour of international corporations.

- 5 A Labour Government should continue to seek a lasting peace in Northern Ireland, based on the right of the people of Ireland as a whole to determine their future and on the fundamental human rights of all the communities living there.

#### Disarmament

10 Britain is still the world's fourth largest arms exporter. The Defence Export Services Organisation, established within the Ministry of Defence to maximise "legitimate" defence exports, still has a staff of 600, a cosy relationship with Government Ministers, and projected operating costs for 2004/5 of £14.5 million.

15 The Tory Government sold Scorpion tanks and Hawk fighter jets made by Alvis/BAE Systems to the Suharto regime in Indonesia. The bill was never paid by Indonesia, and the DTI's Export Credits Guarantee Department, which underwrites overseas deals by British companies, instead paid out a total of £645 million to UK arms companies for Indonesian bad debts. A more recent £1 billion ECGD guarantee to

20 BAE Systems for aircraft sales to Saudi Arabia has been described by the Chair of the Trade & Industry Select Committee as "foolish".

25 Meanwhile, mercenaries have become big business, with an estimated annual world turn-over of \$100 billion. There are currently up to 40,000 personnel working for US and UK private security companies in Iraq, the majority officially as guards, but increasingly being sucked into combat roles.

30 US military bases in Britain remain a key political concern. The Government has already given the US permission to use British bases such as Fylingdales and Lakenheath for its Star Wars project and nuclear weapons deployments.

A Labour Government would:

- 35 • Close down the Defence Export Services Organisation and ensure that companies requiring arms export licences or export credits should be able to demonstrate robust anti-bribery and corruption procedures
- Push for an international agreement to register and limit the operations of UK brokers operating overseas
- 40 • Mount a vigorous campaign for an International Arms Trade Treaty, which would control the proliferation and misuse of small arms, which in many parts of the world make a major contribution to human rights violations, conflict and poverty. It will also push for an international ban on the use of landmines, cluster bombs and depleted uranium weapons
- Impose tight controls on the activities of "private military companies"
- 45 • Pursue the aims of non-proliferation and disarmament for nuclear weapons states. It will withdraw from the Trident project, oppose the policies of pre-emptive war and nuclear first strike and withdraw from joint US/UK research into "useable" nuclear weapons that is apparently taking place at Aldermaston
- 50 • Provide more generous moral and financial support for research and development into alternative, peaceful technologies and provide public information materials to help dissuade trade unions, local authorities and charities from investing in arms companies