

Labour
Representation
Committee



**Programme for a Real
Labour Government**

Time for Real Labour

The Party of public ownership, committed to the ethos of the free and universal provision of public services, is now represented by a Government that has privatised more jobs and services than even Thatcher, introduced fees for education, built less housing than any Government since 1945, and has extended the use of means-testing to pensioners on a scale unprecedented in the history of the welfare state.

The Party committed to peace and to the UN Charter has seen its Government sidelining the United Nations and launching an aggressive war based upon lies, whilst increasing arms sales and military expenditure.

The Party that championed equality, diversity and social cohesion has presided over an ever widening gap between rich and poor, attacked the right to asylum, criminalised young people through ASBOs, and has presided over the highest prison population in UK history despite falling crime rates.

The Party that owes its very existence to protest and had liberty as its badge has restricted the right to demonstrate, ignored the largest protest in UK history, introduced legislation to override basic civil liberties and even used anti-terror laws against peace and environmental campaigners.

The Party formed to serve as the democratic voice of the Labour and trade union movement has seen its Government reject demands for basic trade union rights, has expelled one of its founding unions, and continues to ignore the democratic policy decisions of its own party conference.

After eight years of New Labour in office, Labour supporters increasingly want to see a Real Labour Government in power.

This policy synopsis sets out what a Real Labour Government would do.

INEQUALITY

Under the existing tax structure, the poorest 20% pay a higher proportion of their income in tax than the richest 20%. A real Labour Government would seek to use a progressive tax system to redistribute wealth, reduce inequalities and raise revenue for investment in public services by:

- reducing the 10% starting rate of income tax to 5%, costing the Exchequer £2.8bn annually;
- instituting two new rates of income tax of 50% at £60,000, and 60% at £100,000 raising £14bn annually;
- replacing council tax, non-domestic rates and the local government support grant with a Land Value Tax, calculated as a modest percentage of the annual notional rental value.¹

Pensions

The UK faces a pensions crisis but not one of people living too long or an insupportable State Pensions burden. Instead, it is a crisis of too many retired people living in poverty. These are disproportionately women, 69% of whom do not receive the full State Pension, compared with only 15% of men².

A lack of stable investment in pensions over decades and the mismanagement of the funding of pensions by successive Governments and the profiteering private sector has produced a funding gap. The UK spends only 5% of GDP on pensions compared to the EU average of 11%³. Most workers are prepared to pay more to ensure that today's pensioners receive a decent pension, as long as they are confident they will receive the same when they retire.

A real Labour Government would:

- Immediately increase the State Pension to the level of the current Guarantee Credit (£109.45 per week for a single pensioner and £167.05 for a couple)
- Raise the single person pension over the course of a Parliament to 25% of average earnings and restore the link between Pensions and national average earnings
- Give an extra £22 per week for those over 80
- Further tackle women pensioner poverty by changes to the National Insurance system or a 'Citizen's Pension'
- Protect public sector pensions and right to retire at 60

Welfare & Benefits

The shift away from universal entitlement towards means-testing has continued under New Labour. Take-up rates are low for many means-tested benefits, denying income to those in need and their administrative costs are six times more than universal benefits. The programme of job centre closures and job cuts means a more remote and patchy delivery of benefits to the most vulnerable. UK spending on labour market programmes for disabled people is one-fifth of the EU average⁴. **A real Labour Government would:**

- Introduce a link between average earnings and Unemployment and Incapacity Benefit
- Abandon the programme of job centre closures and job cuts and retrain staff to assist citizens to claim their full entitlements, increasing the provision of face-to-face benefit advice
- Increase support for those on Incapacity Benefit to find employment, without threatening benefit cuts

PUBLIC SERVICES

Essential public services under a real Labour Government would be publicly owned and publicly accountable, including health, rail and postal services.

Health

No previous government has invested as much in the NHS, but due to the accompanying market ideology much of this investment remains unseen, with investment diverted into private hands through wasteful and profiteering PFI schemes, expensive private diagnostic and treatment centres, reliance on agency staff, and outsourced cleaning contracts which have resulted in poor hospital hygiene with high human costs. **A real Labour Government would:**

- Recommit to the founding principles of the NHS, based upon universal access to a free health service
- Stop expensive, wasteful and undemocratic PFI schemes, and terminate existing contracts
- Abolish charges for dentistry, spectacles and prescriptions
- Improve and extend access to NHS provision in areas such as mental health, physiotherapy, osteopathy and complementary medicine
- Extend public ownership into the pharmaceutical and medical research sectors, and reforming intellectual property law to enshrine a right to manufacture generic medication
- Abolish Foundation Hospital status in line with Labour Party conference policy and replace NHS and foundation trusts with democratic local management boards, consisting of NHS staff, patients, the Department of Health, and locally elected councillors
- Return all hospital cleaning and catering services to in house control

Education

Without investment to develop the full potential of all children, the aims of social justice cannot be met. Tests at 22 months reveal that, from this early age, children from poorer families start to follow a divergent path, which is consolidated in adulthood by the pervasive link between educational inequality and income⁵.

Inequalities in the distribution of childcare mean that the best performing local authority areas offer six times as many childcare places as the lowest. Sure Start initiatives are targeted mainly to those living in the 20% most deprived wards, reaching only some of the poorest families. UK childcare infrastructure remains weak, lacking investment and fair pay for childcare workers resulting in staff recruitment and retention problems⁶. **A real Labour Government would:**

- Increase universal free nursery education for all 2-5 year olds, over the course of a Parliament, to the EU average of 32 hours per week
- Expand the Sure Start programme to all communities
- Raise the status of childcare professionals by investing in training and significantly raising pay rates

At Primary and Secondary level, the emphasis on testing and targets should shift to creative learning through a widened curriculum. **A real Labour Government would:**

- End selection of pupils by ability, aptitude or parental faith, and abolish tax breaks for private schools
- Remove the distractions of SATS and league tables, following the example of the Welsh Assembly
- Reconstitute Ofsted as a support and advisory service to share best practice and assist in recruitment and retention of staff
- Restructure LEAs so that they are co-governed by a local management board of parents, teachers, pupils and local councillors

Further Education colleges remain underfunded and staff underpaid. New Labour's reforms of A-Levels have failed to integrate vocational and academic skills. Cuts to LEAs have meant that Adult Education has suffered. **A real Labour Government would:**

- Restore funding to LEAs for provision of adult education and return the Careers Service to the public sector
- Integrate the post-16 qualification system to give equal value to academic and vocational study as recognised in the Tomlinson Report⁷

University education has become increasingly marketised, with students now forced into large debts, universities forced to close unprofitable departments, while academic staff suffer low pay. **A real Labour Government would:**

- Abolish tuition fees and restore universal maintenance grants to all higher education students

Housing

A housing crisis has resulted from the decimation of council housing that occurred when the Tories prevented councils from building new stock and introduced 'Right to Buy'. New Labour has also spent £800m to subsidise sell-offs or stock transfers, leading to higher rents and so higher housing benefit costs: Unison estimates these at £249m per year since 1997⁸. For the first time ever the number of families in temporary accommodation has exceeded 100,000, with a total of 116,000 children⁹. Research has shown these families to be at greater risk of ill health, and their children likely to suffer educationally.

A real Labour Government would:

- Implement the 'fourth option' of direct investment in council housing, as agreed at Labour Party conference 2004
- Restore the statutory right to housing for the homeless
- Restore rent controls and Fair Rent tribunals for the private rented sector
- Restrict to two the number of UK residential properties that each person can own, and remove discounts on second homes

Transport

An effective integrated transport policy cannot be achieved whilst profit is placed before service to the public and the sustainability of the environment.

The Railways must be considered as a public service rather than a business. A massive injection of over £10bn of public money into rail has subsidised private profiteering. The example of the South East Trains franchise, run in the public sector since November 2003, has shown the economic and service benefits of public operation.

While the Government has been forced to bring maintenance work in-house on the rail network it has privatised it on the London Underground (LU). The PPP scheme is yet another example of public funds being diverted into the pockets of private sector shareholders.

A real Labour Government would:

- Take rail franchises back in-house as franchises expire, in line with the decision of Labour Party conference 2004
- Bring the railway industry back into public ownership, under a democratic management structure comprising representatives of passengers, railway workers, and Government
- Expand the rail network by reopening rural lines and building new suburban rail links
- End the London Underground PPP and bring all maintenance back under public control, as has been successfully achieved on the national railways.

In London, an integrated package of measures has increased public transport use and reduced congestion. **A real Labour Government would:**

- Give all councils across the country the power to regulate bus services and to run them in-house
- Massively expand cycle networks to encourage cycling as a safe and healthy option
- Divert funds allocated to road-building to fund improvements and fare subsidies to public transport.

Britain as an island nation is dependent on having a successful maritime industry, contributing to an environmentally sustainable transport system. **A real Labour Government would:**

- Immediately link the existing and new tonnage tax breaks given to shipping companies directly to the provision of employment and training of seafarers
- Remove current exemptions to race relations legislation which allows employers to discriminate in pay and conditions on grounds of nationality
- Enforce the minimum wage on all ships in UK waters and UK flagged ships

ENVIRONMENT

Environment policy, even at the local level, has global impact. New Labour has failed to integrate environmental issues into the heart of Government policy. **A real Labour Government would:**

- Invest in research and set a target of 50% of energy from renewable sources by 2025, making the UK a world leader and enabling the UK's nuclear power stations to be decommissioned by 2020
- Discontinue GM testing and aim to have 30% of the UK's agricultural land farmed organically by 2015 and increase VAT on pollutants such as inorganic pesticides, and champion sustainable agricultural and forestry methods internationally
- Remove the stranglehold of supermarkets by reforming competition law and supporting co-operatives and farmers' markets to bring goods to consumers cheaply and sustainably
- Develop a genuinely environmentally sustainable aviation strategy, including investment in research on less polluting forms of air travel and promote sustainable alternatives to air travel

INTERNATIONAL

Trade & Aid

The WTO, World Bank and IMF form an unholy trinity of anti-democratic economic power over the global economy, strengthening transnational corporations (TNCs). Unilaterally, the UK could only ameliorate this situation, and therefore **a real Labour Government would:**

- Raise overseas aid expenditure to 1% of GDP, and end the linking of UK aid to policies of economic liberalisation and privatisation
- Campaign to fund UN and World Bank aid and development schemes by a Tobin tax on speculative movements of capital
- Demand the exclusion of water, electricity, healthcare and education from the WTO agreement on GATS, and from EU bilateral and regional trade agreements
- Lead in establishing an international tax regime for corporation tax

Europe

Our approach to Europe should be based upon Labour's principles of democracy, internationalism, human rights and a commitment to public services. Our aim is a people's Europe. Therefore **a real Labour Government would:**

- Create a People's Europe by democratising the structures of the European Union so that parliaments and voters throughout Europe have direct democratic control
- Work co-operatively with European neighbour countries to cut trade barriers such as the common agriculture and fisheries policies, to promote environmental protection, and to promote human rights
- Oppose the enshrining of neo conservative economics in any EU Constitution
- Oppose the European Single Currency as the embodiment of the neo conservative policies of the unaccountable European Central Bank

Peace & Disarmament

New Labour has gone to war at the behest of an imperialist US regime, ignoring popular domestic opposition and the United Nations. The UK continues to supply arms across the world and maintains its own weapons of mass destruction. **A real Labour Government would:**

- Withdraw troops from the occupation of Iraq and promote an international peacekeeping force acceptable to the Iraqi people
- Support a resolution of the Middle East conflict based on recognition of the right of the Palestinian people to self determination and a right of return for refugees
- Negotiate the closure of all foreign military bases on UK soil, and withdraw from joint military projects such as US missile defence
- Progressively withdraw the UK from the international arms trade, in conjunction with industry and the trade unions to develop alternative production using the skills and plant currently devoted to arms manufacture
- Campaign for an International Arms Trade Treaty to control the proliferation of small arms, and for an absolute ban on cluster bombs and depleted uranium weapons
- Divert 'Defence' spending and research into public services and international aid and scrap the Trident nuclear project
- Appoint a UK Minister for Peace to co-ordinate the promotion of peace across Government Departments, both domestically and internationally

RIGHTS & LIBERTIES

Democracy

Local democracy has been undermined over two decades by the centralisation of powers and financial controls by successive Conservative and New Labour governments. Centralised and undemocratic structures of decision making have been imposed upon local councils, stifling local policy making, participation and accountability.

A real Labour Government would:

- In the short term end all council tax capping and restore control of business rates to local authorities
- In the longer term replace the council tax with land value tax
- Restore the right of local authorities to determine their own democratic decision making structures
- End the ban on council employees participating in political activities and in standing for office in another authority

Trade Union Rights

Economic success depends on a skilled, motivated and well-rewarded workforce. **A real Labour Government would:**

- Increase the national minimum wage to the current European decency threshold of £7.40 per hour, regardless of age, over a Parliament
- Adopt a full employment policy embodying a progressive reduction in working hours
- Repeal the Tory anti-union laws and legislate for an express statement of collective rights in accordance with ILO Conventions, including recognition of trade unions, the right to strike and to take secondary and sympathetic action
- Make Employment Tribunal reinstatement orders legally enforceable

Equalities

A commitment to equality requires the active promotion of human rights into every sphere of Government and society. **A real Labour Government would:**

- Introduce a Single Equality Act to consolidate, extend and harmonise the law to cover gender, race, disability, homophobic and transgender discrimination
- Introduce a positive duty on the public and private sector to promote equality, including mandatory pay audits to close the gender and race pay gap

Civil Liberties

The UK is the only country to have derogated from the European Convention on Human Rights (ECHR). A climate of fear has been created and used to justify repressive measures. The number of people of Asian origin targeted by 'stop-and-search' is up 300% since 2001¹⁰. **A real Labour Government would:**

- Repeal the Prevention of Terrorism Acts 2004, 2005 and Part IV of the Anti-Terrorism, Crime and Security Act 2001, and recommit to the ECHR
- Scrap proposals for identity cards
- End racial profiling in stop-and-search, and only stop citizens when there is a reasonable suspicion of criminal activity
- Fully restore the right to trial by jury and increase the Legal Aid resources to make the courts more accessible for all, including investment in the establishment of a national network of community law centres
- Scrap the extradition treaty with the US, which allows UK citizens to be deported without any evidence provided

HOME AFFAIRS

Criminal Justice

New Labour came to power pledging to be "tough on crime and tough on the causes of crime". Only the first part of this pledge has been realised: the UK has more people in prison than at any time in its history – despite falling crime rates – and the highest incarceration rate in Europe.

Tough-sounding and populist measures such as child curfews, electronic tagging, ASBOs, drug abstinence orders and compulsory parenting classes have proved ineffective. Research shows that drug users are responsible for half of all acquisitive crime. Therefore, **a real Labour Government would:**

- Develop criminal justice initiatives in which there are high levels of victim and community confidence, including restorative justice and mediation
- Initiate a review into drug decriminalisation and increase funding for offenders' drug rehabilitation services and mental healthcare
- Strengthen police accountability structures to Local Authorities and residents, and rationalise Home Office targets
- Directly relate fines imposed by police and courts to the disposable income of the offender
- Set up an independent enquiry into why the number of convictions for rape has collapsed to an all-time low of 6%
- End privatisation within our criminal justice system

Asylum & Immigration

The UK has benefited from immigration economically, socially and culturally, yet a Labour Government has retained the perspective of an "immigration problem" that needs to be dealt with. Fear of terrorism, made more real by our unethical foreign policy, has created a climate of hostility and suspicion, which has trickled down from the Government through the media and to the people. **A real Labour Government would:**

- Reaffirm the right to asylum and restore the right of asylum seekers to appeal in the UK courts
- Ensure a fair level of support for asylum seekers while their claims are considered
- End the detention of child asylum seekers and lift the reservation to the UN Convention on the Rights of the Child
- Train UK residents in health and educational skills rather than taking skilled and needed workers from developing countries
- Ensure a fair non-discriminatory system for all applicants

1 As advocated by the Labour Land Campaign, see <http://www.labourland.org>

2 Lynes, T. January 2005. Pensions: Challenges and Choices. National Pensioners Convention, London

3 PCS. 2004. Defending Jobs, Pensions & Services. PCS, London

4 TUC. October 2004. Defending Incapacity Benefit. TUC, London

5 Feinstein L. 2003. Inequality in the Early Cognitive Development of British Children in the 1970 Cohort. LSE, London.

6 NAO. 27/02/2004. Progress in developing high

quality childcare and early education accessible to all

7 See Working Group on 14-19 Reform. 2004. 14-19 Curriculum and Qualifications Reform: Final Report of the Working Group on 14-19 Reform. DfES, London

8 Unison's submission to the ODPM's Communities Plan

9 Figures from the Office of the Deputy Prime Minister (ODPM) in December 2004 show that 100,810 homeless families now live in temporary accommodation

10 Figures from the Home Office 2004.

Join the LRC

The original Labour Representation Committee was formed in 1900 to fight for political representation for the Labour Movement. In Britain today we face a similar crisis of representation. The LRC has been re-formed to secure a voice for socialists within the Labour Party, the unions, and Parliament.

Never in the history of the Labour Party has the need been so great to make the case for peace and socialism. The advocates of global capitalism and war have taken control of the political agenda. The task for today's LRC, founded on 3rd July 2004, is to fight for power within the Labour Party and trade unions and to appeal to the tens of thousands who have turned away from Labour in disillusion and despair. Therefore we are calling upon all socialists, Labour Party and trade union members, constituency Labour parties and union branches to join our campaign and affiliate to the LRC.

The LRC Key Demands for Labour's 3rd Term include:

- An End to the Occupation of Iraq
- Basic State Pension of £109 per week
- Public Ownership of Rail & Postal Services and an End to Privatisation
- Abolition of Tuition Fees and Selection in Education
- Direct Investment in Council Housing
- Defence of Civil Liberties & the Rights of Asylum Seekers
- Restoration of Full Trade Union Rights