

## The Unions and the Party

Party funding has shot up the political agenda with the revelation that twelve wealthy men loaned Labour £14 million before the 2005 election, while the Tories conceal their own dubious sources. Tony Blair justified his actions by campaigners' unprecedented demands for money, but also by the need to challenge accusations that Labour was "in the pocket of the unions". Proposals for state funding of political parties and capping individual donations, and persistent noises off from Stephen Byers, suggest that after a hundred years of shared history, some would like to break the link. So what is the relationship between the party and the unions, and why does it still matter?

First, trade union funding is relatively transparent, clean and democratic. Support comes entirely from individual levy-paying members, freely contributing a few pounds a year from their subscriptions. These members have individual votes in electing the party leader and deputy leader, and union branches have the right to send delegates to local constituency parties and to participate in choosing parliamentary and council candidates. Unions collectively decide their own policies, and elect representatives to take them into Labour's annual conference, where they have half the vote, and into the national policy forum and the national executive committee. Shareholders and employees of private companies have no equivalent involvement in their bosses' donations.

The party continues to rely on the unions for supporting regional conferences, policy forums and other events, as well as practical and organisational help in winning elections. Recently the leadership has been less comfortable with the unions asserting their policy-making role, with conference defeats on privatisation, public services and the fourth option in council housing inflicted by more than 95% of the union vote, but carrying only 40% of the constituency vote. They forget that for most of Labour's history the unions acted as a stabilising (some would say right-wing) force within the party, and as recently as the 1997 conference the unions opposed the abolition of Trident, while the constituencies were in favour. In the national policy forum, established in 1998, the unions have voted against constituency moves to index-link pensions to earnings, reject national missile defence and end the eleven-plus. They only have 30% of the vote in the forum, but that is enough to prevent inconvenient issues going forward to open debate at annual conference. In return it is understandable that they expect the Warwick accords, with fundamental improvements for working people, to be delivered in full.

But the unions have their own problems. Like the party their membership is falling, and those members increasingly question the link with Labour. I am writing this while on strike over the local government pension scheme, and it has been noted that non-affiliated unions – the teachers, the civil servants, the fire-fighters – have had their pensions protected in full, while the affiliated unions are excluded. Locally and nationally too many union members continue to see their jobs outsourced and conditions worsened, with the two-tier workforce ended not out of simple justice, but after eight years of argument. Real gains have been made, but often grudgingly. In most of Europe the minimum 20 days' paid leave was immediately added to bank holidays, but though promised here, British workers are still waiting, and the most exploited get only 12 days plus the statutory days. The low pay commission has recommended repeatedly, most recently under former CBI director Adair Turner, that the minimum wage should be paid at the adult rate from the age of 21, not 22, yet the government will not listen. Policies which should be major selling points for Labour with working people are instead leaving them unsure about whose side the leadership is really on, for all the talk about most help for those at the bottom.

For the party, maintaining good relations with the unions is essential if only for this reason: Labour may not have a majority after the next election, and our fair-weather friends may vanish as quickly as they came. The unions have supported the party in good times and bad, through a belief that we share the same values, and without them Labour would have gone under in the 1980s. Business does not fund losers. And for the

unions the challenge is to mobilise at local level, to find handfults of activists willing to go to constituency meetings once a month, and explain their policies to party members. The split that the leadership seeks to create between union members on the one hand, and constituency representatives on the other, is false, because we are all, overwhelmingly, the same people.

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