

Better jobs and better work



This is a critical year for Labour to set out the case for change: for a fairer, greener and more dynamic Britain, where aspiration is rewarded, where working people succeed and where communities control their own destiny.

There can be no doubt that Britain faces serious challenges, nor that 13 years of Conservative government have left our country, our economy and our public services on their knees and vulnerable to those challenges. But there should also be no doubt that we can rise to them.

We believe in our country and our people. What they lack is a government that shares their ambition.

We need to show people that Labour would be that government. Show not just what the Tories have done to Britain but the Britain that Labour can build. A country run in the interests of working people, and where politics is once again a force for good.

This requires a bold and credible policy agenda – and the National Policy Forum plays a critical role in getting us there.

These will be the final NPF consultations before Labour finalises our manifesto for the next election, and they are a vital opportunity for us to hear from voices across the labour movement and country on some of the most pressing policy issues facing an incoming Labour government.

They look at the ways Britain can prosper by ensuring growth in every part of our country, by forging new, ethical trading relationships and by improving our everyday economy. They consider how better public services, focused on prevention and early intervention, can make us happier, healthier and safer. They look at how we can support families in all their wonderful diversity, and how by pushing power out of Westminster we can make our neighbourhoods and communities more cohesive and prosperous.

Please do contribute your thoughts and ideas. The strength of our movement is its diversity, and that is nowhere more apparent than in our democratic policymaking process. It is important that we are able to draw on the thoughts and experiences of our members, affiliates, stakeholders and supporters.

Together we can give Britain the fairer, greener future it deserves.

Keir Starmer
Leader of the Labour Party

Anneliese Dodds
National Policy Forum Chair

Thank you for taking part in the Labour Party's 2023 National Policy Forum (NPF) consultation. This is the final of four annual consultations before the next general election and will form a key input to the manifesto-drafting process.

As we further develop our policy platform, it is particularly important that we hear from people across the labour movement, including from local Labour Parties and affiliated trade unions. We also encourage external organisations, such as charities, think tanks, businesses and civil society bodies to submit their ideas.

Members should contribute to discussions and submissions through their constituency or branch party, as the commissions will not be accepting submissions directly from individuals in this final year.

The Labour Party is publishing six consultation documents this year. Each asks a set of seven questions on a specific policy area, followed by detail on the context and the challenges we face.

After the consultation closes on 17 March, all of the submissions from the four years' worth of consultations will be used to develop final year policy documents. Those documents will then be debated, amended and agreed by the NPF representatives in a final meeting on 21-23 July.

You may wish to look at the work of the Labour Party's policy roadmap, Stronger Together, which produced a final report, structured around the same six policy themes, in 2022: www.labour.org.uk/stronger-together.

Alongside Stronger Together, the party commissioned three independent reviews which reported over the last year, which may be helpful to refer back to as you consider your responses:

1. *A New Britain: Renewing our Democracy and Rebuilding our Economy*, the final report of the Commission on the UK's Future, chaired by former Prime Minister Gordon Brown, which made recommendations to reignite Britain's economy, rebuild trust in politics and reunite the country: www.labour.org.uk/page/a-new-britain;

2. *Start-Up, Scale-Up*, the final report of the Start-Up Review led by Lord Jim O'Neill, which explored what is needed to make Britain the best place in the world to start and grow a business: www.labour.org.uk/startupreview; and

3. *Learning and skills for economic recovery, social cohesion and a more equal Britain*, the final report of the Council of Skills Advisers, chaired by former Education Secretary Lord David Blunkett, which detailed how Labour's further education and skills agenda could improve growth, deliver quality jobs and prepare people for the future of work: www.labour.org.uk/skillsreport.

You don't need to answer every one of the questions in this document, nor answer them in a specific way. We suggest using the questions to help structure your response and act as a prompt for your thoughts on the policy area.

You can submit a response on behalf of your local party, at branch or Constituency Labour Party level. You can also respond as an organisation, such as an affiliated trade union, socialist society or external stakeholder.

Once you have drafted your response, please submit it to us through the Labour Policy Forum: www.policyforum.labour.org.uk. For more information on how to make a submission, see www.policyforum.labour.org.uk/consultation-submission-guide.

You can find all six consultation documents on the website, and explore other ways to get involved in the consultation such as online members' events, which you can find at labour.org.uk/npf23/.

Thank you again for taking the time to contribute to the NPF. It is through the contributions of members, supporters and stakeholders that Labour will develop the policy platform that will build a fairer, greener, more dynamic future for Britain.

Want to know more about how Labour makes its policy?

You can learn more about the Labour Party's policy-making processes on our website: www.policyforum.labour.org.uk/resource-hub.

You can also follow us on Twitter [@labpolicyforum](https://twitter.com/labpolicyforum) for policy development news and information on members' events.

Accessible Materials

The Labour Party is an inclusive, member-based organisation that prides itself on being accessible to all who share its values. If you would like an accessible version of these documents, please email us at **policydevelopment@labour.org.uk** to discuss how we can best accommodate your requirements.

The everyday economy

Introduction

The National Policy Forum (NPF) is entering the final year of the current policy cycle, which will culminate in a full, in-person meeting of the NPF to determine Labour's policy platform. That platform will in turn contribute towards an election-winning manifesto for the next general election.

The Better Jobs and Better Work policy commission and its predecessor commissions have consulted on a range of policy topics over the previous three years:

- In 2020, on Economic recovery and renewal after coronavirus.
- In 2021, on Repairing the foundations for a stronger, fairer economy.
- In 2022, on Guaranteeing good work in the modern workplace.

For this fourth and final year, the Better Jobs and Better Work policy commission has chosen to focus on the everyday economy. We welcome submissions on this issue – and specifically the seven consultation questions set out below – from Constituency and Branch Labour Parties, affiliated trade unions and socialist societies, as well as contributions from expert third party organisations such as charities, think tanks, businesses and civil society. Full details on how to make a submission can be found on www.policyforum.labour.org.uk.

The outcomes of all four consultations will then be taken into account when the commission produces its draft policy document for consideration at the full NPF meeting in July 2023.

Questions

1. How can Labour strengthen sectors that make up the everyday economy?
2. How can Labour ensure its industrial strategy and other policies support creating good, secure work in the everyday economy?
3. How can we support businesses and workers in the everyday economy through skills, technology and competition policy?
4. How can we enable public services in the everyday economy to meet current and future challenges?
5. How can we ensure the Government's buying power supports good jobs, small business and the self-employed?
6. What are the specific implications of policy proposals in this area for (a) women, (b) Black, Asian and minority ethnic people, (c) LGBT+ people, (d) disabled people and (e) all those with other protected characteristics under the Equality Act 2010?
7. What consideration would need to be given to policy proposals in this area when collaborating with devolved administrations and local governments in England, Scotland, Wales and Northern Ireland?

The context

Since the last consultation cycle, a deepening energy crisis and a litany of Conservative policy failures means the UK is facing a bleak economic outlook.

The cost of living crisis also continues unabated with 2023 looking set to be a dire one for living standards as the price of energy and other essentials is expected to stay elevated. Meanwhile, higher interest rates are feeding through into higher borrowing costs for families and businesses, while homeowners face steep rises in monthly mortgage payments.

A series of Conservative economic policy failures have left us uniquely exposed to this crisis, including decisions to wind down gas storage capacity, failure to insulate our ageing housing stock, dither and delay on nuclear and effective bans on cheap renewable energy like onshore wind.

This year's consultation cycle has been framed around the 'everyday economy' which is those parts of the economy which keep our country moving and society functioning. It is made up of the private and public sectors and includes health, social care, retail, utilities, transport, post, child care, construction, education and food.

The everyday economy has been overlooked and undervalued by the Conservatives and this has weakened our country's foundations. Neglect of areas that support the everyday economy, such as skills and enforcement, has led to low pay, low productivity and inadequate progression.

The pandemic showed the importance of key workers and yet still too many jobs are low paid, insecure and the Government has no strategy to address this.

While policymakers are rightly concerned with the immediate energy crisis, the long-term outlook for growth and prosperity, in the everyday economy and beyond, remains grim.

13 years of stagnation and low growth has left our economy wholly unprepared and lacking in resilience. It is no surprise the International Monetary Fund expects the UK to have the lowest growth and lowest inflation of any major advanced economy over the next two years.

The Government has no real plan for growth and has already caved to their own backbenchers on key measures around housebuilding and renewable energy.

The Prime Minister has no vision for capitalising on the opportunities around net zero and seems content to let potential jobs, investment and growth slip away to other countries.

The Government also look set to repeat the failures of the past decade, where some welcome progress in renewable generation has failed to deliver jobs in the UK because of avoidable policy mistakes.

The Conservatives continue to ask working people to foot the bill for their economic failures – picking their pockets first with huge tax hikes, while the mega-rich and energy giants enjoy untargeted tax breaks.

After 13 years of Conservative government our public services are in crisis with many increasingly struggling to provide the service expected of them and meet demand. There are growing recruitment and retention crises among many workforces and the government has repeatedly failed to address this, which has directly contributed to industrial action.

The Conservatives have sought to sow division and stoke political fights instead of trying to find solutions, proposing new unworkable and unfair restrictions on trade union activity that threaten to further undermine workers' rights and living standards instead of negotiating and resolving issues.

The future under Labour

In contrast to the Conservatives' dismal record, Labour has set out bold and credible proposals to grow the economy, ensure good work and break the UK out of our current cycle of stagnation.

Labour's plans for prosperity and growth build on the work of previous policy development cycles and on other work including its New Deal for Working People.

Labour will do things differently, recognising that real and sustained economic growth comes from the bottom-up and middle out and not discredited 'trickle down' approaches.

At the core of all of Labour's policies is the principle that growth comes from working people and does not trickle-down from the top. The failure of the 'trickle-down' ideology was laid bare in 2022 and has made the need for a clear alternative even more pressing.

Labour is clear Britain's wealth is created by the talents and efforts of millions of working people and businesses across our country.

Labour's plans include the Prosperity Through Partnership framework for industrial strategy announced at Annual Conference 2022 and the Green Prosperity Plan, with a National Wealth Fund to invest in all regions and nations and GB Energy, a publicly owned national energy champion. It also includes plans to overhaul the failing apprenticeships system, with reform to the apprenticeship levy and new Skills England body to oversee local skills provision.

A number of independent economic policy reviews have reported to the Party since the last cycle.

A New Britain: Renewing our democracy and rebuilding our economy, the final report of the Commission on the UK's Future, headed by former Labour Prime Minister Gordon Brown, published a wide-ranging framework for economic devolution in England to drive the growth of new internationally competitive economic clusters.

Start-up, Scale-up, the review led by Lord Jim O'Neill, looked at barriers to finance for new and fast-growing businesses, with a series of detailed proposals to support Labour's ambition to make Britain the high growth, start-up hub of the world. Proposals look at crowding-in more institutional investment, the role of the British Bank, universities and spin-outs, the role of procurement and a number of existing schemes aimed at entrepreneurs.

Labour's Council of Skill Advisors, headed by former Labour Education Secretary Lord Blunkett, published its independent report on the skills system with a number of proposals to overhaul skills provision in the UK.

Prosperity Through Partnership outlines how Labour would work with unions, businesses, local leaders and workers to drive prosperity. The strategy sets a clear direction for Labour's Industrial policy including how Labour will work across sectors to boost economic growth, investment, resilience, and employment rights.

The industrial strategy also looks at the wider regulatory landscape for the everyday economy and other sectors, discussing levers such as competition policy, corporate governance and procurement. These frameworks will ensure dynamic, competitive markets that reward innovation and long-termism while protecting rights and standards.

The strategy looks not only to the technological frontier, but to the everyday economy sectors that make up the bulk of the UK workforce and are too often overlooked in economic strategies.

Evidence suggests the UK's everyday economy underperforms internationally, due to a combination of low investment, low uptake of technology and an overly precarious labour market that works against progression, productivity and higher pay.

Labour's New Deal for Working People provides some of the groundwork to support the everyday economy, such as Fair Pay Agreements, ending one-sided flexibility and beefing up enforcement.

These proposals will ensure businesses compete on innovation and quality rather than driving down standards and operating a poorly managed, precarious, low-paid workforce.

This year's consultation will look in further detail at some of the policy issues affecting businesses and workers in the everyday economy.

In the previous cycle, the commission also looked at issues relating to technology and automation in the workforce, exploring ways to ensure these trends benefit workers and do not lead to a further erosion of standards and conditions. This year's consultation will seek to build on some of these areas in more detail.

Previous cycles have also looked at some of the problems and unfairness in our tax system that allow some to get away without paying their fair share, including profit shifting by multinationals, online giants and loopholes enjoyed by private equity fund managers and non-doms. The cycle will look to build on this work and build out an evidence base, looking at how can make Britain's taxation system fairer for everyone whether they are employed, self employed in a challenging economic climate.

At Annual Conference 2022, Labour made new pledges to ensure investment is used to create good jobs in all parts of the UK, with proposals on using public buying power to promote best practice, high pay, progression, skills, opportunities for business benefits and trade union representation.

Labour also set out plans to ensure smaller firms and the self-employed are not locked out of public contracts, cutting red tape and making the process simpler, calling time on a series of scandals propagated by outsourced giants.

The pandemic showed us that a decade of Conservative government had shattered the resilience of British businesses, services and our local economies. Instead of trusting decent British firms to deliver services, jobs and a better future, big contracts were given to Conservative cronies and unqualified providers. The Conservatives eroded standards at work, encouraging a race to the bottom.

From the Welsh Government, to Metro Mayors and local government across the country, Labour in power is showing how things can be done better. Labour is unleashing the power of procurement to rebuild local economies and create more and better jobs.

People want good jobs, investment in their communities and a system that will put their interests first. A public procurement policy that the public can trust will make the awarding of contracts a force for good, while backing the British businesses and workers who are creating this country's wealth.

Labour in government is ready to take on this mantle, utilising what the Labour Party has learnt in power regionally and locally to build a new guarantee for the British public. This consultation cycle will look in more detail about how the UK can stop lurching from crisis to crisis to boost the resilience of our everyday economy and make procurement deliver for Britain. The consultation will also look at the everyday economy in the public sector and the specific levers that are relevant there, including skills provisions, insourcing and procurement.

These policies are particularly important in light of Labour's Green Prosperity Plan, with investment in domestic renewables, nuclear, hydrogen and green industries. Avoidable mistakes and policy failures from the Conservatives have seen increased renewable energy generation not drive a similar rise in good jobs based here in the UK.