

ECONOMY

DEMOCRATIC CONTROL OF THE BANKS AND FINANCIAL INSTITUTIONS

The United Kingdom & Eastern region contains the globally influential financial centre of the City of London. We feel it important to put forward the following proposals for the democratic control of the banking system.

We are entering the second phase of a double dip recession, and the UK and European working class is being forced to pay out a second time (this time with our jobs, welfare states and public services) for the trillions of debt created by greedy and irresponsible "casino" bankers in the global banking system.

Obscene bonuses to the casino bankers whose actions created the debt in 2008, the sacking of thousands of United Kingdom bank employees, and the undermining of even minimum regulation of the banking industry expose the moral, economic and political bankruptcy of deregulation and free market's. Casino bankers have also embarked on a lending strike, a major factor in preventing the restarting of the economy. Compare the silence of the press on this failure to invest with the attacks on union members fighting to preserve their jobs, conditions and pensions.

In the UK two banks remain substantially state-owned (Royal Bank of Scotland 84 per cent owned, Lloyds Banking Group 43 per cent), after their bailout with public money during the Credit Crisis.

United therefore agrees to prioritise a campaign for: **democratic control of the banks and financial institutions**

The campaign to be a **joint public campaign** with as many other unions as possible to demand (in the first instance) that the state-owned banks:

1. Increase their lending to viable businesses
2. Lend to local councils to fund a mass council house building programme
3. Lend funds for a significant investment in green infrastructure such as rail and green energy
4. Stop compulsory redundancies of low paid bank workers
5. Stop the payment of irresponsible bonuses to those engaged in "casino banking"
6. Completely separate their retail and investment (casino) aspects so there are no links whatsoever between them, and a crisis in the investment bank can have no effect on the retail bank
7. Nationalisation of privately owned banks.

The campaign to also be directed at the non-state owned banks.

London & Eastern Regional Committee

FAILURE BY BANKING EXECUTIVES

This conference believes that United should organise a campaign to identify, publish and expose the names and culpability of the executive and CEOs who were responsible for the financial collapse that has caused devastation across our communities, industry and economy.

This conference also urges United to campaign for changes to legislation that would enable the future prosecution of any failure in corporate responsibility.

FERAL CAPITALISM

This conference notes that there is a wealth of research to show that large differences in income at the top and bottom of society – beyond ‘proportional rewards’- are damaging to our economy and society, not just for those at the bottom, but right the way up. Data shows that societies with a narrower gap between rich and poor are more cohesive, healthier, suffer fewer social problems and are more environmentally sustainable.

Conference believes that the gap between rich and poor needs to be addresses as a matter of urgency, but that the empowerment of shareholders to tackle excessive remuneration is a misguided policy. The vast majority of share are held via investment management companies or pension schemes, which typically either do not vote on remuneration, or automatically vote in line with management recommendations. Additionally managers of such investment firms are likely to be the recipients of large pay packages so would perhaps be unlikely to vote in favour of measures to control executive pay. It would be more useful to make such voting records publicly available.

Placing the responsibility on shareholders also assumes that they would be sufficiently informed to hold companies to account, whereas in reality many of them only hold shares for a short period and consequently have little interest in executive pay. Conference asserts that a more useful course of action would be to compel companies to report on pay-ratios as part of their annual report, so that it is more transparent and can be considered as part of whole-company performance. Such information would help to increase focus on pay fairness in the workplace.

This conference believes that investors should publish their votes on remuneration issues, and companies should annually report the ratio between pay of directors and employees. Conference therefore instructs the NEC to immediately use all means and influence available to achieve the ends outlined above.

FINANCE AND LEGAL RISC - NEY&H

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Finance & Legal RISC – North West

CAMPAIGN TO AMEND THE CREDIT INSTITUTIONS (STABILISATION) ACT 2010

Conference notes that In December 2010, the then Fianna Fail led Government enacted the Credit Institutions (Stabilisation) Act 2010. This act seriously undermines the employment rights of workers employed in the covered institutions in Ireland and their ability to have issues resolved with independent third parties and the dispute resolutions mechanisms applying in the Republic of Ireland.

For example, it contains novel provisions in Irish Law. It allows for the appointment of a special manager who can fire a director or employee without notice and the ability to apply for re-engagement or reinstatement is removed. Injunctive relief is severely curtailed.

S51 of the Act allows the Minister to impose conditions on a bank if it receives financial support. It is not lawful for an institution to make a payment that would amount to a breach of a term or condition. In effect, the employees' right to challenge their contractual rights are removed.

The Act was passed following a brief guillotined debate. Joan Burton, the Labour Party spokesperson on Finance (then in opposition) expressed very strong reservations about the scope of the Act, and stated in the Dail *"This Bill could probably teach the North Koreans a lesson in ministerial powers."*

The Labour Party and the Fine Gael Party, who are both now involved in Coalition Government, voted against this Act.

The covered institutions through their gross derogation of prudential lending standards has lead to the destruction of employment security, adverse impact on terms and conditions and pension certainty, horrendous liability to the exchequer, and the damage to the reputation if the Irish Nation.

It must be recognised that the workers at the counter or in back offices were victims of these policies, and certainly not perpetrators, and have borne the brunt of the backlash from the public outrage against the conduct of these Financial Institutions.

We call on conference to formally endorse a policy to campaign to amend and reinstate normal protections to this Act and until such time as that happens we will not permit the relevant employers and the Irish Government to utilise the terms of this legislation to deny front line workers access to normal employment rights and entitlements.

Finance & Legal RISC – Ireland

ROBIN HOOD TAX

This Conference notes that Britain's economic crisis was caused by an unregulated finance sector which created ever more exotic financial products; and by gross and widening inequality between the rich and ordinary working people. The current Government is adding to these problems by putting austerity measures ahead of social justice, quality public services and rights for working people. Our members, their families and communities are being made to pay for a crisis we did not cause.

The solution to these problems will involve the provision of collective rights; especially the right to organise and take industrial action, strategic government investment and other actions to grow our economy, strategies to address fair taxation, action on tax evasion and avoidance and the rebalancing of our economy away from a reliance upon the financial sector and towards manufacturing excellence.

Conference supports demands to ensure that our finance sector is restructured in a way that it is supporting the real economy rather than speculation; protecting the jobs of Unite members not only in manufacturing and public services, but also in the finance sector.

Conference believes that a central element of any fair taxation policy must be a Robin Hood Tax on financial transactions, building in the UK on Stamp Duty which raises £3 billion a year from share transactions.

A Robin Hood Tax would generate funds to fight poverty at home and abroad, help tackle climate change, and save public services from cuts. It would also redistribute wealth, constrain the excesses in the City, and provide an incentive for long-term investment in our economy's future.

Conference welcomes the leading role played by Unite and the TUC in the Robin Hood Tax campaign, and calls on the Union to work with the Labour Party and the wider Labour movement to gain support for the introduction of a Robin Hood Tax domestically while supporting and arguing politically for its introduction at an EU and global level.

Conference confirms its support for the Robin Hood Tax campaign and commits the Union to a wider campaign aimed at promoting its aim and objectives across the Union; encouraging members to become more involved while urging Branches to offer financial and other support.

South East Regional Committee

ROBIN HOOD TAX

This conference welcomes the leading role played by Unite & the wider trade union movement in the Robin Hood Tax Campaign and calls on Unite to gain support for the introduction of the financial transaction tax. This campaign should include education for our members on the merits of the Robin Hood Tax.

Finance & Legal RISC - Scotland

FINANCIAL TRANSACTIONS TAX

Conference deplores the austerity policies being pursued by the Coalition Government and notes that these are bringing about financial hardship for large numbers of our members.

Conference believes that the financial institutions that are to blame for creating the on-going economic crisis should be required to pay for their irresponsibility.

Conference therefore supports the levying of a Financial Transactions Tax and condemns the Government's failure to support other European Union governments in pursuing this objective.

Conference notes that a Financial Transactions Tax levied at 0.1% could raise £4.2b per annum, which could and should be used to alleviate the relentless cuts in public services and the attacks on pensions being carried out by the Government.

SCOTTISH PROFESSIONAL EXECUTIVE STAFFS

ALTERNATIVE ECONOMIC STRATEGY

Conference recognises that the present Neo-Liberal economic policies of the Tory led Coalition government will be disastrous for the British people.

Policies based on manufacturing growth and the expansions of living standards that generate a more equal society are essential. Such expansion must include the promotion of society's basic needs. This, as a minimum, calls for a living minimum wage, decent social housing, a fully funded publically owned health service, affordable and efficient transport system, a free at the point of use, universal education, and vocational training system, and the provision of comprehensive welfare benefits.

Conference acknowledges the work done by Compass (a progressive group within the Labour Party) and calls on the Executive to utilise this as the basis of an economic alternative that will deliver the social change required as a step towards a more co-operative, sustainable and equal society. These policies to be pursued vigorously within the TUC and the Labour Party.

VBA RISC NORTH WEST

APPRENTICES

In difficult economic times, many companies are cutting back and leaving the training of apprentices to others which in turn creates a shortage of skilled workers, leading to an increase in the employment of foreign nationals. Youth unemployment now exceeds 1,000,000 and university is not always the best option for all school leavers.

This conference therefore calls on the Executive Council to lobby Government to bring about a scaled levy/grant system on companies, to fund the training of apprentices unless such companies already have apprentices in place and continue to do so. This centralised fund can then be used to help companies with the cost of training apprentices thereby acting as an incentive to encourage more participants.

This would be a simplified version of the Industrial Training Act 1964 and concentrate on a simple compulsory levy for all companies of a certain size to go towards the training of apprentices employed by other companies. Exemption from this levy would be applied where apprenticeships already exist.

Metals (inc Foundry) RISC – North West

APPRENTICES AND APPRENTICESHIPS

The Welsh Regional Industrial Sector Committee for Local Authorities calls upon conference to support a move to investigate apprenticeships currently in operation, both to highlight good practice and to name and shame bad practice. Clear guidance from the Union would be of benefit to all sectors, not just local authorities.

The Government has announced its intention to increase the number apprenticeships, however the Wales Region has noticed that some schemes are being poorly run which has led to apprentices being used as a cheaper alternative to employing unskilled or semi skilled workers.

This Region has also noticed with alarm the increase of “internships for experience”. This blatant abuse of increasing unemployment that should neither be accepted or ignored.

Whilst we welcome more apprenticeships all new and existing schemes should be of benefit to all parties, and not just a fiscal alternative to full time employment.

Local Authorities RISC – Wales

APPRENTICESHIPS

That this Conference wishes to have stated the Unite policy on Apprenticeships and, if such a policy does not exist, a policy should be defined and Unite's position on Apprenticeships made clear to members. The policy should be reported back to members not later than 31st December 2012 or sooner if the policy is implemented before that date.

LE 651 Branch

PRACTICAL SKILLS TRAINING

This Unite Policy Conference urges our General Secretary and Full Time Officers to campaign to bring pressure on Government to increase Practical Skills Training to the same level as Academic Qualification to give us a home grown practical skills base, rather than having to employ skills from abroad. We are becoming a nation of those talking about how to do things rather than actually being able to do the work. This would help stop the flow of unnecessary immigration of practical skills and reduce the level of unemployment.

Unite LHR Aviation Engineers Branch LE/0443

OFFSHORE SKILLING

This conference calls on UNITE to draw up a strategy to challenge the outsourcing of skilled UK jobs to overseas contractors, to engage in a dialogue with the relevant government agencies to ensure that Immigration and Employment law are being complied with and to campaign to retain the skills and experience of UK workers to benefit the UK economy.

Scottish Widows 444 Branch

RE-NATIONALISATION

This conference believes that our Union must adopt the Policy and Principle of Nationalisation and Public ownership of key Industries. The first Industries to be brought back into public ownership should be the Public Utilities and All Public Transport Systems in this Country.

Conference believes that this policy would reverse the course of the recession, help to create thousands of jobs and generate public profits to be reinvested in Public Services instead of being used to pay vast unearned bonuses to faceless Company Executives or paid into Directors Bank Accounts.

Conference instructs our Union Executive Council to campaign and promote this policy to be adopted by the Trades Union Congress and commit the Labour Party to including this policy in their manifesto as a priority for implementation in their first two years of Government when next they win a General Election.

Wales/Ebbw Vale Branch 0351