**4: THE PRIVATE SECTOR – how can Labour support good employers while working with trade unions to expose those who do not pay taxes or exploit their labour?**

For the foreseeable future most employment will be in the private sector. So LABOUR has to support good employers, small firms, start-ups, firms based on new technologies whether in manufacturing or service sectors – and (probably) staying in the European Union.

At the same time it has to work closely with trade unions to attack poor quality employers, “cowboys”, tax avoiders, corrupt banks, and exploitative energy and transport companies.

It also needs to recognise publicly that private markets will not always deliver the best solutions, and that the state should at times be directly involved (as with the East Coast Mainline franchise successfully run for a time by its workforce) or the banks which had to be nationalised to prevent them going bust.

We have many examples of irresponsible employers such as Amazon and Starbucks that use the country’s roads and facilities but pay no tax. While this makes people angry, there is still a communications problem, one of perception, where it is now the norm to be exploited. One of our challenges is to tackle this norm especially on social media where Alan Sugar and his like perpetuate the acceptability of employee exploitation.

“Responsible capitalism” is about equality and respect but the global dimension means we ourselves engage with irresponsible capitalism when we buy goods from a system that is driving down wages and exploiting child labour to produce and make profits. We must fight for higher wages to stimulate growth and ensure the local £ is invested in local economies.

The key for us is to promote fairness and a higher minimum wage and support more Government-led education and training courses (NB apprenticeship courses being run by Unite – now being cut).

State ownership and nationalisation must be seen as a way forward to tackle irresponsible capitalism as well as alternative models of employee ownership such as co-operatives, where higher employee participation can also stimulate growth. Some German companies have 10% state ownership and there is resentment in the UK that taxpayers bailed out Northern Rock, which then got floated back on the stock market as soon as it became profitable again.

The Tories perpetuate the myth that the private sector is diametrically opposed to the public sector but the reality is the private sector could not function without public services such as transport and health and we shouldn’t play the Tories ‘either/or’ game. We should be engaging with SMEs and championing them and looking towards investment in R&D particularly in digital and computer engineering.

In the past trades unions have been portrayed in continual conflict with management but most responsible employers see the benefits to productivity if they have good relations with TUs. The example of Longbridge when British Aerospace was looking to take over the plant demonstrated the potential for a progressive and enlightened relationship between management and TU where their goals for the future were shared.

There is a need to replace the regional structures that were stripped out by the Tories and city regions are welcomed. Nevertheless the main improvement in the role of regional agency must be an increase in democratic accountability and clear democratic links with local authorities.

It is difficult to feel we can do anything in opposition to stem the tide of Tory cuts and ideology but with different weapons such as local newsletters, Twitter and Facebook we can create alternative dialogues to the dominant norms portrayed on social media; with different methods of working class organisation such as TU Community Branches, TU representatives on Boards and working class parents on PTAs as well as high profile campaigns in partnership with local people we can build the kind of support that the SNP engendered particularly amongst women and young people.