

Election 2010

Party Manifesto Summary

15th April 2010

Introduction

The 6th May General Election promises to be the tightest for two decades, with latest opinion polls placing the Conservatives on average seven points ahead of Labour – a margin not likely to secure an outright Parliamentary majority. With the possibility of a Hung Parliament looming on the horizon, all party manifestos are being closely considered and analysed to understand the respective policy directions of the three main political parties.

This week has seen the publication of the manifestos, which set out the headline policy commitments that would shape the strategic direction of a future Labour, Conservative or Liberal Democrat Government. APSCo has prepared this summary document for members, outlining the key highlights for the recruitment sector.

Labour

The first of the main political parties to publish their manifesto on Monday, Labour's campaign document is built on the promise of "a future fair for all". It is the only one of the three manifestos to include specific references to the agency sector, emphasising – unsurprisingly – that the Labour Government is enacting the **Agency Workers Directive**.

The manifesto includes a pledge to "continue to crackdown on exploitative gangmasters and rogue employers", stating that in all sectors the law must be upheld and safety and employment rights enforced. It adds that a Labour Government would **extend licensing** to labour providers in the construction industry "if evidence shows that is the best way to enforce employment rights", and goes on to state that in future HMRC will cooperate more closely with local authorities to enforce **National Minimum Wage** (NMW) legislation. It commits to ensuring the NMW rises at least in line with average earnings over the period to 2015.

The manifesto also highlights the role of the new **Equality Act** in promoting fairness across society, and there's a friendly nod to the **unions**: "Modern trade unions are an important part of our society and economy, providing protection and advice for employees, and working for equality and greater fairness in the workplace."

Finally, while there is no specific mention of Intra-Company Transfer Visas, the **Points Based System for immigration** is referenced with respect to high-skilled workers: "The points-based system will be used to control migration with limits for high-skilled workers and university students. As growth returns we want to see rising levels of employment and wages, not rising immigration."

Conservatives

On Tuesday the Conservatives set out their manifesto, which the party billed as "An Invitation to Join the Government of Britain", promising to give people more power over their own lives and reduce the role of the state.

There had been some speculation that the manifesto would take forward the Tory Business team's recent commitment to review IR35 legislation, but no specific reference was included. It does include a commitment to **create an independent Office of Tax Simplification** to suggest reforms to the tax system, however, as well as committing to **initially cut the headline rate of corporation tax to 25p** and the **small companies' rate to 20p**.

There was also no apparent reference to the comments made last week by Conservative Efficiency Adviser Peter Gershon about efficiency savings in the public sector being realised through a reduction in the number of temporary staff employed by Government Departments.

Much has been made over the past couple of weeks about Labour's proposed one per cent increase in **National Insurance** from April 2011, and the Tories' opposition is elucidated in the manifesto, pledging that a Conservative Government would reverse the increase, funded in part by "a commitment to act immediately to cut government waste".

Other employment-related pledges include a commitment to keep **the minimum wage**, although no further detail is given on this. There would be support for would-be entrepreneurs through a new programme – **Work for Yourself** – giving unemployed people direct access to business mentors and substantial loans. The Tories would also look at how to **abolish the default retirement age** and **force equal pay audits** on any company found to be discriminating on the basis of gender.

On **regulation**, the manifesto states that a Tory Government would introduce "regulatory budgets" forcing any government body wanting to introduce a new regulation to reduce regulation elsewhere by a greater amount – "And we will give the public the opportunity to force the worst regulations to be repealed". There is no further detail on how this might work in practice.

There's no mention of the **Points Based System for immigration**, but it does state "We do not need to attract people to do jobs that could be carried out by British citizens, given the right training and support" and states that access will be restricted "only to those who will bring the most value to the British economy". It adds that an annual limit on the number of non-EU economic migrants admitted into the UK to live and work would be set.

Liberal Democrats

The Liberal Democrats launched their election manifesto on Wednesday, the four main themes of which are fair taxes, more chances for children, a fairer and greener economy, and cleaning up politics.

The Lib Dems pledge to set the **minimum wage** at the same level for all workers over 16 (except for those on apprenticeships), and to extending the **right to request flexible working** to all employees. The manifesto calls Labour's proposed increase in **National Insurance** Contributions a "damaging tax on jobs and an unfair tax on employees" and says that the Lib Dems would reverse it "when resources allow" – stopping short of a full commitment for its removal.

In other employment-related measures, the Lib Dems state that they would require **name-blind job application forms** to reduce sex and race discrimination in employment, initially for every company with over 100 employees, and introduce **fair pay audits** for every company with over 100 employees to combat discrimination in pay, for example against women.

On **regulation**, the Lib Dems pledge to reduce the burden of unnecessary red tape by "properly assessing the cost and effectiveness of regulations before and after they are introduced", **using 'sunset clauses'** to ensure the need for a regulation is regularly reviewed, and working towards the principle of **'one in, one out' for new rules** (echoing similar commitments from the Conservatives).

There's also a mention of EU legislation, pledging **an end to 'gold-plating'** of EU rules, "so that British businesses are not disadvantaged relative to their European competitors". There's no further detail provided on this.

On **immigration**, the Lib Dems would introduce a regional points-based system "to ensure that migrants can work only where they are needed". The document says that "we need to enforce any immigration system through rigorous checks on businesses and a crackdown on rogue employers who profit from illegal labour".