2011: an overview

The UK economy barely grew in 2011, with unemployment rising and inflation stubbornly high. Politically, the coalition government of Conservatives and Liberal Democrats pushed ahead with its policy of reducing public sector expenditure. These developments were both the context and the subject of much of the work of the Labour Research Department (LRD) in 2011. The depressed state of the economy was reflected in the booklet we produced on redundancy, in the commissioned research for the TUC on redundancy consultation and the regular Redundancy Watch column in Labour Research, while every month Fact Service carried the latest statistics. At the same time union efforts to maintain both employment and real pay were among the main topics of both news and features in Workplace Report.

Cuts in the public sector and their impact, both on workers and those receiving services, were central to much of the coverage of Labour Research over the year, and were also the subject of commissioned research, carried out for UNISON and the FBU. Alongside this, LRD maintained its coverage of the ongoing issues of importance to trade unionists. Employment law, health and safety, training and pensions, were all topics for booklets, as well as featuring frequently in both Labour Research and Workplace Report.

The strong demand for many of these more standard topics was one reason for the growth in sales in 2011. Income was up by 8.5% overall, with the law and health and safety booklets selling particularly well. The overall positive financial result in a difficult climate is an encouraging sign for the future as LRD moves into its centenary year in 2012.

Labour Research

Throughout 2011, Labour Research continued to focus on the coalition government’s austerity programme and its attacks on working people and their unions. The year began with the annual look at UK trade unions’ prospects in which government spending cuts featured prominentely. The January issue also examined the worsening employment conditions being imposed on workers across Europe.

The cuts went on to become a significant feature of the magazine throughout the year. There were articles on the huge cuts faced by the publicly-funded arts; the heavy hit likely to be taken by black workers and black communities; the threat to youth services; the impact on disabled people’s quality of life; and the government’s Welfare Reform Bill – condemned by unions as “a cut dressed up as a reform”.

The magazine featured the attacks on institutions of importance to unions and their members – such as the Health and Safety Executive and the Equality and Human Rights Commission – together with union comment on what this would mean.

The March issue marked one of the year’s major trade union responses to the government’s austerity agenda – the TUC’s March for the Alternative – by looking at the tradition of marches and demonstrations organised to reflect public anger at government policy. As 2011 progressed, it was becoming clear that one issue in particular – the government’s attack on public sector pensions – was set to dominate the rest of the year. The row came to the fore in June, with the July edition carrying a feature on union plans to resist the attack.

It was also the year in which the News International phone-hacking scandal intensified and we ran a feature contributed by Michelle Stanistreet, general secretary of the NUJ journalists’ union, on the battle for ethical journalism.

Among other important topics tackled in features during the year were the social and economic impact of the government’s “free schools” flagship education policy; coalition plans to double the length of service requirement for unfair dismissal; the welfare-to-work Work Programme; the care home sector in the light of the collapse of Southern Cross; and unions and community organising.

Labour Research’s circulation at December 2011 was 3,859, a fall of 6.0% on the previous year.

Workplace Report

The survey of union reps’ and officials’ expectations for the bargaining year ahead has become a January staple for Workplace Report, and 2011 was no exception. This time it came as the coalition government and selected business leaders insisted that growth in the private sector would lift the economy and offset the public sector redundancies which were anticipated as a result of the deficit-reduction programme. However, union reps proved to be sceptical about this assertion – even those in the private sector – and overall job security remained their top priority. Sadly, their pessimism was borne out, with unemployment ending the year at its highest level for 17 years.

The drastic public spending cuts had knock-on effects for negotiators throughout the year, as indicated in features and news items in Workplace Report. An article in the February issue found that employees in the voluntary sector, which was facing a loss of up to £5 billion as a result of public spending cuts, were consequently facing redundancy and cuts in pay and conditions.

To help union negotiators in this period, the June 2011 issue ran a double-length survey on redundancy policies, looking at what makes for a good agreement. It found key elements to be high levels of union involvement at an early stage of discussion over anticipated job losses, and the setting out of detailed steps for avoiding compulsory redundancies.

Not only did the private sector fail to provide a massive jobs boost over the year, it also failed to provide the improved pay deals that might have boosted consumer spending power.

The annual analysis of the payound, published both in the October issue and in a special supplement to the magazine, found that earnings and pay settlements lagged well behind price inflation – and the squeeze was getting worse as the year progressed. While there had been a recovery in parts of the private sector, this was largely confined to inflation-linked and long-term deals.

As well as reflecting the tough bargaining climate, Workplace Report continued to cover the bread and butter issues that negotiators deal with year by year out including relocation agreements, regional allowances, shift pay, meal allowances and call out and standby pay.

The magazine’s circulation in December stood at 1,510, which was the same total as a year earlier.
improve workplace health and safety, and was a new version a booklet we had published before. The same was also true of our September booklet, Redundancy, and our December booklet, Using financial information, which is a practical guide for reps on interpreting accounts.

However, two of the 2011 booklets were new titles, giving guidance on current developments. One was The Agency Workers Regulations — a legal guide, which was published in October and covered these workers’ new rights. The other was Workplace pensions reform, which detailed the changes to be introduced to pensions through auto-enrolment.

A total of 82,952 booklets were sold in 2011, up 10.5% on 2010 which is very encouraging in the current economic climate. We had a number of 100-plus bulk orders for different titles and continued to produce customised versions of our booklets for affiliated unions. In 2011, these customised versions, which are generated in the union’s own covers, included 2,000 copies of Stress and mental health for Unite and 1,800 copies of Learning and skills at work for PCS.

Booklet subscriptions also increased over the year, rising by 1.4% to total 1,704 in December 2011.

Research publications
As in 2010, the LRD only published one research publication in 2011. This was Health, safety and the environment — a guide for union reps, which we produced for the union Community, which operates in a wide range of industries. However, during the year there was significant union interest in the employment rights guide in Polish, Prawo w pracy: Twoje uprawnienia, which came out at the end of 2010. In total, some 2,200 copies were sold over the year.

Commissioned research
The LRD completed another equality audit for the TUC in 2011, the fifth time we have undertaken this work since the TUC agreed new rules for its annual equality audit in 2001 requiring them to report every two years on what they were doing to advance equality. It was one of the major projects we carried out for the TUC in 2011 but by no means the only one.

Other work included: updating the material on employment law and health and safety, used in the TUC’s workSMART website; producing a report on redundancy consultation; carrying out a survey of the TUC’s own staff; and initial work on union reps and climate change, which will result in a research publication in 2012.

We have also undertaken a range of research projects for individual unions. These included, an examination on top pay in banks for the general union Unite, a survey of local authority job losses for the public services union UNISON, a report on pensions for the civil service union PCS, compiling university pay rates for the University and College Union, collecting material on job cuts for the Fire Brigades’ Union, a training survey for the Chartered Society of Physiotherapy, negotiating briefs for the entertainment union BECTU and an analysis of women members for the rail union ASLEF.

As in the past, we have undertaken research for unions outside the UK, including a major survey of precarious work in the public sector for Public Services International, the global grouping of public service unions. For EPSU, its European equivalent, we examined the gender impact of pay cuts in the public sector and surveyed public employment in the area of culture. We also worked with the Spanish union-linked body Labour Asociados on a study of transnational collective agreements for the European Commission.

Electronic services
LRD continues to offer two electronic services — LRD Payline, the pay and conditions database, and LRD Publications Online — which allows subscribers to read and search the text of LRD’s publications electronically.

Payline includes data from some 2,300 bargaining units, and a number of unions provide their members with access to this database, allowing them, for example, to compile up-to-date comparisons of pay rates and pay increases in their industries or regions. During 2011 there was an ongoing effort to ensure that the material was as extensive and current as possible, with a particular emphasis on pay, as well as redundancy policies, subsistence allowances, stand-by and call-out arrangements and relocation payments.

LRD also provides information for the TUC’s Union Reps website.

Enquiry service
The enquiry service is exclusively available to affiliates and individual members. The majority of the enquiries received continue to be on employment law, with others covering pay and conditions, health and safety, and smaller numbers on other work-related issues.

We continued to refer many enquirers on pay and conditions issues to the Payline database which members of many major unions can access. As previously, the majority of enquiries are both received and answered by e-mail.

Promotion
The LRD’s promotional work has four main aims: to maintain and, if possible, increase the number of affiliates and subscribers to our regular publications, to build the sales of individual LRD Booklets, to generate additional income through advertising, and to support the LRD’s broader work.

Getting LRD material to potential new subscribers and affiliates is crucial in maintaining our affiliation and subscriber base and this was done regularly in 2011, primarily through mailings to branches distributed by national unions and to affiliates.

We also encourage our existing subscribers and affiliates to take additional services, and in 2011 there were several mailings along these lines. Finally, to ensure we do not lose those already getting our material, we now e-mail all those who are about to lapse, as well as writing to them.

Building the sales of individual booklets involves approaches to national unions, where unions are now regularly offered the option of customised versions of the booklets in their own covers, and work with local affiliates. In 2011, pre-publication sales offices to national unions and some regions were made in respect of all 12 booklets. In addition, there were a
number of specific booklet offers, sent out by post and email, aimed at increasing sales. These included the Employment law package which consisted of Law at work 2011 and seven editions of Case law.

In advertising, the overall economic context is still difficult, but we were able to increase income from this source by 18.3% compared with 2010, although, at £23,030, it is still below the 2009 figure. More general promotion of LRD services included work on LRD Payline, as well as on the booklet in Polish on workers’ rights.

These specific areas of work are supported by some activities which relate to all four promotional aims, in particular the LRD e-newsletter and attendance at conferences. The number of subscribers to the e-newsletter again increased over the year, rising from 6,900 at the end of 2010 to 7,950 at the end of 2011.

In 2011, LRD staff attended three union conferences, the Unite sectoral conferences, the UNISON National Delegate Conference, and the GMB Annual Congress. They all provided an opportunity to increase the awareness of LRD among union members and to promote and sell our publications and services. LRD staff also attended the TUC Congress, but as this was a more restricted event than normal there was no opportunity to have a stall.

Affiliation

There were 1,358 affiliated organisations and individual members at the end of 2011, down from 1,412 at the end of 2010. The fall of 54 represented a 3.8% decrease.

Most of the lost affiliations were among union branches while the number of individual members declined by 19. Branch affiliations were lost because past union mergers in turn led to branch mergers, but in some cases the losses were the result of workplace closures.

The number of national unions and regions affiliated remained unchanged in 2011, with mergers being offset by new affiliations. In particular, we were very pleased that the major teaching union, the Association of Teachers and Lecturers affiliated during the year. This means that all TUC unions with more than 5,000 members are now LRD affiliates.

Finance

There was an after tax surplus of £65,797 in 2011. This is an encouraging result, particularly after the £26,333 post-tax deficit recorded in 2010, and reflects a major effort both to increase income and to cut costs over the year. Total income was up by 8.5% at £1,065,146, with all major items, with the exception of bank interest, showing growth.

The largest increase in money terms was in sales of publications, where income was £51,511 higher in 2011 than 2010, a 9.4% increase. The principal reason for this is increased sales income from LRD booklets – up £47,982 or 15.5%. However, income from Workplace Report, Research Publications and advertising also increased, while that from Labour Research and Safety Rep fell. The income from Fact Service and LRD Publications Online was almost unchanged.

In other areas, income from commissioned research LRD Payline and affiliations all went up, with commissioned research showing the largest growth – growing by 10.4% to £146,792. The increase in affiliation income is entirely the result of more money coming from national unions, partially as a consequence of the affiliation of a major teaching union, the Association of Teachers and Lecturers.

Looking at expenditure, this was down slightly in 2011, falling by 0.8% from £1,007,500 in 2010 to £999,601 in 2011. A number of larger items of expenditure were lower than a year previously, with a business rates rebate and more use of in-house rather than freelance contributions among the changes helping to save money. The largest area of expenditure, on salaries, national insurance and pensions, rose by 2.4%, reflecting changes in staff levels, but at £679,032 it is still lower than 2009.

Executive committee 2011/12

Chair Helen Donoghue
Hon Treasurer Howard Marchant
Vice-Chair David Ayrton

Members

Sam Apter * 
Ida Clero 
Ron Douglas * 
Dave Gott
Jonathan Jeffries
Dawn Livingston
Mary Nicholas * co-opted
Labour Research Department and L.R.D. Publications Ltd

### Combined Balance Sheet as at 31 December 2011

#### Fixed assets
- Freehold Property, 78 Blackfriars Road, SE1.
  - Land at cost: £8,750
  - Buildings at written down value: £41,570
  - Office equipment at written down value: £212
  - Total: £50,532

#### Current assets
- Stock of publications (note 4): £11,693
- Sundry debtors and prepayments: £87,425
- Cash on deposit at bank: £191,663
- Cash at bank: £92,447
- Cash in hand: £35
  - Total: £383,263

#### Less Current liabilities
- Corporation tax payable (note 6): £329
- Creditors and accruals: £96,433
  - Total: £96,762

#### Net Current assets: £286,501

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#### Combined Revenue Account for the year ended 31 December 2011

##### Income
- Sales of publications (note 1): £599,146
- Affiliation fees (note 3): £214,017
- Commissioned research: £146,792
- LRD Payline: £95,177
- Donations: £552
- Royalties/Rental: £7,839
- Bank interest received: £1,623
  - Total: £1,065,146

##### Expenditure
- Printing and distribution of publications (note 2): £212,083
- Commissioned research costs: £3,488
- Salaries, national insurance and pension costs: £679,032
- Rates, lighting, heating, cleaning and insurance: £28,284
- Printing and stationery: £4,153
- Postage and telephone: £17,886
- Reference material and archiving: £3,633
- Research and travel: £591
- Advertising and promotion expenses: £14,998
- Staff training: £1,313
- Legal and professional: £350
- Bank charges: £2,751
- Annual General Meeting: £51
- Support and maintenance of IT equipment: £9,844
- Decorations and repairs to premises: £3,922
- Miscellaneous expenses: £3,633
- Staff training: £1,313
- Depreciation (note 5b): £3,617
  - Total: £999,601

##### Surplus/(Deficit) before taxation: £65,545

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#### Notes to the accounts

1. **Sales of publications**
   - Labour Research: £62,433
   - Advertising: £23,030
   - Fact Service: £28,450
   - Workplace Report: £60,722
   - LRD Booklets: £357,067
   - Research publications: £7,701
   - LRD Publications Online: £44,673
   - Safety Rep: £15,070
   - Total: £599,146

2. **Printing and distribution of publications**
   - Labour Research: £63,097
   - Fact Service: £17,030
   - Workplace Report: £21,803
   - LRD Booklets: £99,687
   - Research publications: £1,275
   - Safety Rep: £9,191
   - Total: £212,083

3. **Affiliation fees**
   - National trade unions: £97,242
   - Trade union districts: £3,437
   - Trade union branches: £88,714
   - Shop stewards’ committees: £2,170
   - Trades councils: £1,480
   - Miscellaneous: £6,269
   - Individuals: £14,705
   - Total: £214,017

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#### Combined Revenue Account for the year ended 31 December 2011 (continued)

##### Surplus/(Deficit) before taxation: £65,545

##### Taxation
- Taxation has been provided at 21% on bank interest received.

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#### Independent auditors’ statement

We have audited the combined financial statements of both the Labour Research Department and L.R.D. Publications Ltd., in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) and have reported separately.

In our opinion the combined financial statements of Labour Research Department and L.R.D. Publications Ltd. at 31 December 2011, and of the combined surplus for the year then ended.

Hard Dowdy
a trading style of:
Chantrey Vellacott DFK LLP
Chartered Accountants
Statutory Auditor
LONDON
23 March 2012