

2026

# Blackburn and District Trades Union Council -Annual Report of Secretary



Ian Gallagher

Secretary

09/04/2026

A recent leaflet issued by our colleagues on Blackpool, Fylde and Wyre Trades Union Council summed up the dilemma facing our Labour Movement today:

*"There are now many for whom democratic politics and the economic system we have is not working. They feel neglected, ignored, impoverished, reviled, and somewhat mutinous, and demand a response to their anger, suffering and despair, a response other than condemnation.*

*"We feel the same about a system which is not working for the many but is doing very well for the few. The trade union movement has always spoken up for those who feel excluded and abandoned. We point to the mounting levels of inequality, as billionaires increasingly suck wealth from everyone else. We oppose the economic system which is designed to do this for them. We know that you feel hurt. Well so do we!*

*"But our questioning of the global elites and capitalism is being mirrored by others who are using some of our words but with different 'solutions'. They have a narrative of division, even of hate of others".*

The mood of British society can be summed up in one phrase - *"the cost of living"*. But that sits on top of a clutter of other grievances. The difficulty in getting

secure and comfortable housing, with over a million households who want the support of public housing at a social rent being forced into the private rent sector. The feeling that our social infrastructure is decaying and overloaded, from broken roads to jam-packed A&E departments and an overwhelmed criminal justice system. The awareness of how we never seem to be able to make inroads into the distribution of poverty.

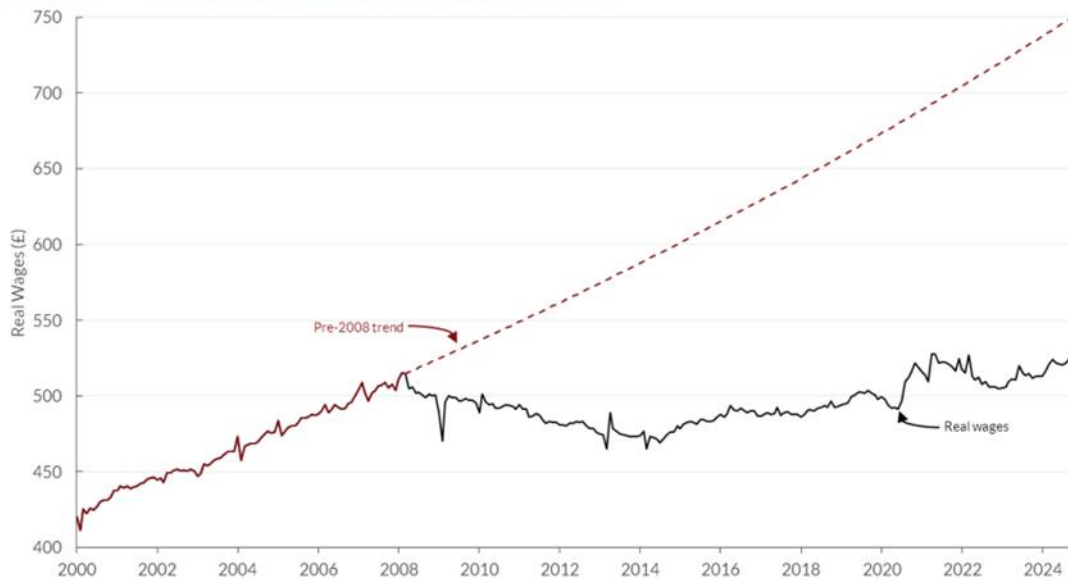
Meanwhile, our politicians continue to see centralisation and "economies of scale" as necessary solutions, taking decision making ever further away from public accountability and involvement.

If I look at the economic indicators given in last year's Annual Report it is difficult to say that there has been significant change, with the merest flickers above or below zero growth being seized upon as cause for either celebration or condemnation. In a sense, analysis by various economists tends to confirm what people basically feel - that we are stuck in a rut.

According to the "Centre for Cities" Report ["Cities Outlook 2026"](#) *"in most places disposable incomes have barely changed in real terms since 2008, and in many places, they have declined"*. Blackburn was one of the few places where they were actually a little bit better, but this is but small comfort when *"on average London residents (£27,200*

### Wage Growth Has Stagnated Since 2008

Figure 3.3 Real Average Weekly Earnings, 2000 to 2024



Notes: Estimates of real earnings are calculated by deflating the nominal earnings estimates by the Consumer Prices Index including owner occupiers' housing costs (CPIH), the ONS-preferred measure of consumer price inflation. All figures are in 2015 terms and seasonally adjusted. Wages defined as total pay and therefore include bonuses.  
Source: NIESR Analysis using Average Weekly Earnings (ONS, 2025)

Figure 1: Source NIESR

*per person) have almost twice the disposable income (before housing costs) than residents of Blackburn (£15,200 per person)" and "in Blackburn, the city with the lowest disposable income per head, the majority of neighbourhoods – 56 per cent – are among the most income deprived in the country".*

One thing this Report highlights is that the British economy, or, at least, the British urban economy, has not been able to regain escape velocity after the 2008 crisis. Between 2008 and 2013, economic growth was low (or even negative) and disposable incomes declined in almost every city. But even when there was some return to growth, the impact on living standards was

markedly subdued: "The average urban resident saw their disposable income after inflation rise just 2.4 per cent over 2013-2023 in a period of slower economic growth, compared to 27 per cent over 1998-2008 when growth was faster".

In their 2025 ["UK Living Standards Review"](#) NIESR commented "First ..... average standards of living have grown much more slowly since 2008 than in the previous decades, and .... the standards of living of the poorest 20 per cent of households have stagnated over the past 15 years. Second ..... people's standard of living in the UK is historically regionally dependent, more so than in other comparable countries. Third, in the past 10 years there has been an overall

*slowdown in income growth compared to other countries which will be exacerbating existing regional inequality".*

The "**Cities Outlook 2026**" reported that *"In two thirds of cities, more than 80 per cent of neighbourhoods that were income deprived in 2010 were still income deprived in 2025".* In Burnley and Blackburn, not a single income deprived neighbourhood in 2010 had escaped that status by 2025.

I have not yet had a chance to read the recent publication by the "Resolution Foundation", "["Unsung Britain"](#)", but reviews of it suggest that it provides insights into the growth of "in-work poverty". In their press release they say: *"In the four decades running up to the mid-2000s, the typical disposable incomes of working-age families in the poorest half of Britain doubled – after growing by 1.8 per cent a year in real terms. Since the mid-2000s however, annual income growth for this group has slowed to just 0.5 per cent (and incomes have fallen outright for the very poorest families)".*

Most households below the poverty line today involve someone in work (55 per cent, up from 38 per cent in the mid-90s). Key costs have risen for them alongside weak income growth. 8.6 million people in lower-income families live in homes rented from a private landlord and spend

on average 43 per cent of their total household budget on rent. Rents have regularly risen faster than general inflation, increasing, for instance, by 9% in the 12 months to December 2024.

The very poorest households now spend four times as much as a share of their income on Council Tax compared to the very richest households. Energy and food inflation have hit lower-income households hardest.

In February 2026 the "["Cost of Living Action Campaign"](#)" said that polling undertaken for it by "Survation" showed that:

*"Almost two thirds of people (63%) have cut back on essentials, such as groceries and utilities, as a result of the cost of living.*

*"40% of people have £100 or less left at the end of each month after paying for bills and essentials. 8% are left with no money at all, while 5% are forced into debt after paying for these unavoidable costs.*

*"Almost 80% say that the cost of living has negatively affected their personal wellbeing (79%), and how they're feeling about the next 12 months (78%).*

*"Close to two-fifths (37%) have been impacted a lot by rising energy bills and the cost of food (37%).*

*"Half or more of the public say it is harder to pay their energy bills (51%) or to afford other essentials such as food, water and clothing (50%), than it was five years ago".*

According to the ONS data series ["Public opinions and social trends, Great Britain: February 2026"](#) the most frequently reported issues facing the UK today continued to be:

the cost of living (88%)

the NHS (82%)

the economy (69%)

and among those who reported that their cost of living had increased compared with a month ago, over 9 in 10 (93%) adults reported the price of their food shop as a reason. Other commonly selected reasons for the increase in the cost of living included:

gas or electricity bills (69%)

price of fuel (38%)

rent or mortgage costs (15%)

price of public transport (15%)

The Office for National Statistics estimated in February that GDP per capita had fallen in the last two quarters of 2025, though it had increased on an "on year" basis. The rate of unemployment was 5.2% in the three months to the end of December, its highest since the quarter to January 2021. It was up from 5.1% in the three months to November.

The ["Work Foundation"](#) noted: *"The number of people out of work has risen by 331,000 over the past year to 1.88 million — with data suggesting the UK has the fastest annual increase in unemployment in the G7. While overall employment appears broadly stable and the rise in redundancies has slowed, the pain is not evenly spread. Young people, disabled people and men are bearing the brunt of the rise. Youth unemployment is now at 14.0%, the highest rate for five years. This is particularly concerning as the number of 18–24-year-olds out of work has jumped by 80,000 on the year to 575,000. More young people are actively seeking work, but too many are struggling to secure it".*

Vacancies remain subdued at 726,000, despite a slight uptick on the quarter.

Recent data suggests that British employers have not so far been discouraged by Government promises to curb the deployment of zero-hours contracts. "Work Foundation" analysis

of ONS data in February showed there are now 1.23 million people in this form of precarious work. It looks like:

- A record high of 943,000 zero-hour contract workers are not in full-time education (77%)
- One in eight young workers in the UK are on these contracts in 2025 (12.5%). They are 5.1 times more likely to be on zero-hour contracts than other age groups (12.5% vs 2.44% of those aged 25+)
- Women are 1.2 times more likely be on zero-hour contracts (54% vs 46%)
- A third of zero-hour contract workers – a record high – depend on them for full-time work (32.8%), with many wanting more hours and a new and/or additional job.

Entrenched inequality in Britain means that we have bigger differences than many other countries between our poorer and richer areas. NIESR says: *"While the wealthiest areas of the*

*United Kingdom are comparable to those in other affluent countries like France and Germany, the poorest UK regions fall below the European average, whereas the poorest regions in those countries are above it". It also means that our poorest citizens are not lifted up as well as they have been in other countries: "Some countries, such as Finland and France, continued to see progressive growth in incomes for the poorest 10 per cent of earners, meaning by 2020 they were substantially richer than comparable households in the United Kingdom".*

There are different measures of relative poverty, and making historical comparisons in the UK has become complicated by changes to the

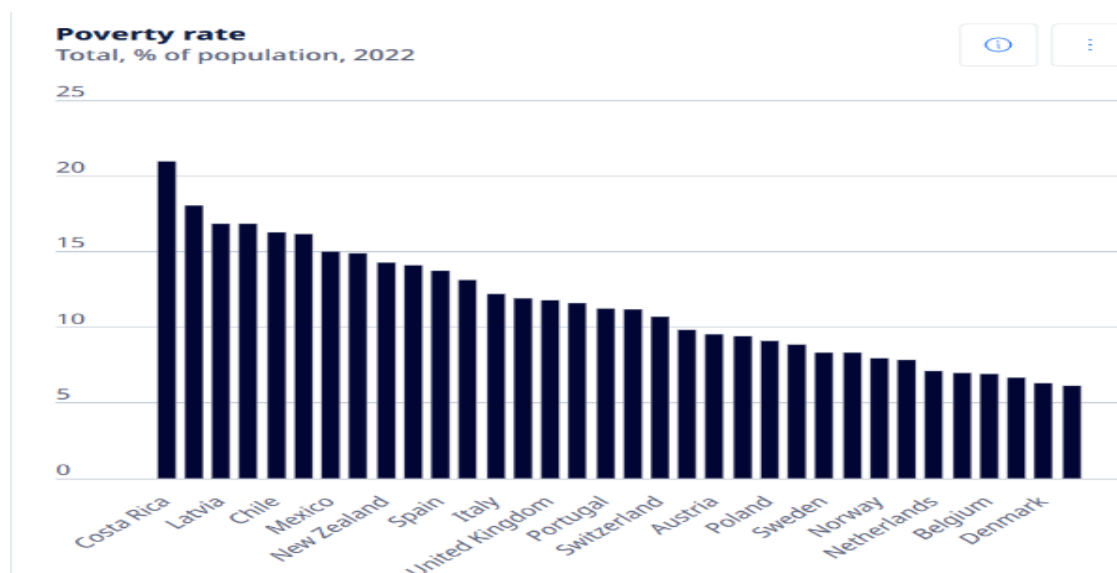


Figure 2 Source OECD

measurements used, which appear to have been accepted as being more accurate, but which reduce the percentages by about one percent. What is clear, however, is that the data as analysed by the Joseph Rowntree Foundation ([What better benefits data means for poverty in the UK | Joseph Rowntree Foundation](#)) shows that the percentage of UK Households Below Average Income has been stubbornly stuck at 20% or over for decades, and even on the new measure it has went up from 19% to 20% between 23/24 and 24/25. 20% it is what it was, under the old measure, in 2004/05 (which was the lowest point, until it went again to 20% in 2020/21).

The OECD takes the "poverty line" to be half the median household income of the total population. By this measure, Britain performs better than some nations in respect of the proportion of our population in relative poverty - but worse than others:

The "other side" of Britain's cost of living, poverty and inequality woes is that the rich have been having a ball.

According to [OXFAM](#) "Globally, billionaire wealth rose by more than 16% in 2025, reaching a record \$18.3 trillion. This growth was three times faster than the average annual increase over the previous five years. And since 2020, billionaire wealth has grown by 81%. In the UK, the richest 56 people now hold more wealth than 27 million (other people) combined – highlighting just how concentrated wealth is".

The "Fairness Foundation", in their ["Wealth Gap Risk Register 2025"](#) argued:

*"Rising wealth has created large gaps between those with wealth and those without it. While wealth inequality (understood in relative terms, as measured by the Gini coefficient) has remained relatively stable over recent decades (albeit at a much higher level than income inequality), the wealth gap (the absolute difference in wealth between rich and poor households) has increased significantly, because of rising asset values, and is likely to get worse. The size of the absolute wealth gap in the UK is second only to the US, among OECD countries.*

"Differences in wealth between generations are also at unprecedented levels. While most of the 20th century saw each generation accumulating more wealth than their predecessors, this trend has stagnated or reversed since the baby boomers and is gathering speed in the wrong direction

and sometimes it makes the cake smaller at the same time".

Writing in the "[Political Quarterly](#)" in November 2025, Alfie Stirling, Director of Research and Chief Economist at the New Economics Foundation, noted:

"The Office for Budget Responsibility's

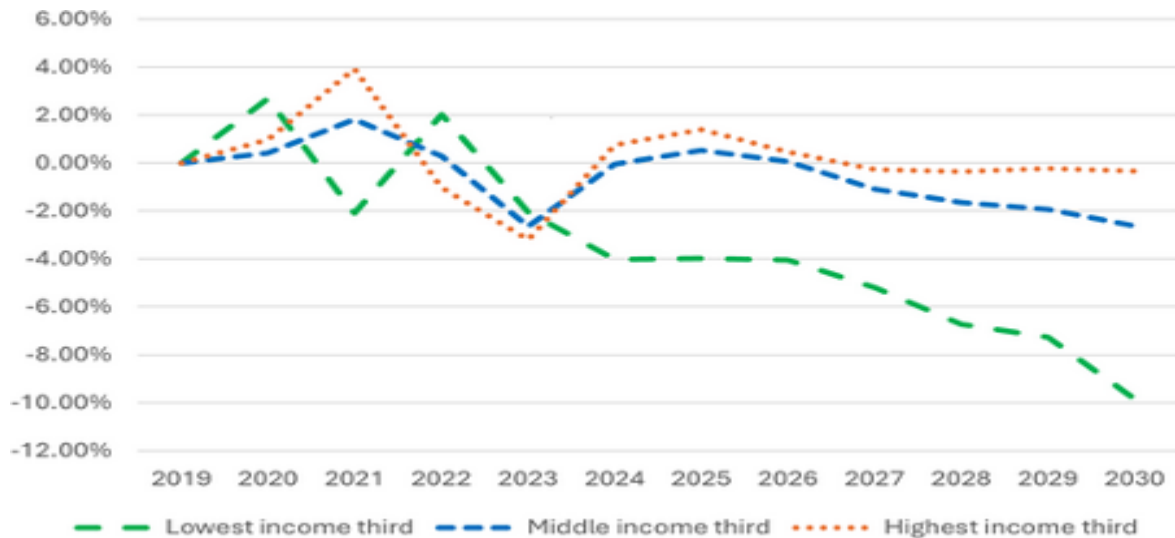


Figure 3 Source "Political Quarterly" in November 2025 - Real percentage change in household disposable income after housing costs by population tertiles, April 2019 to April 2030.

"The transformation of the UK economy towards asset control and rent-seeking behaviour – away from wealth creation towards wealth extraction – has consolidated resources into fewer hands and shifted economic activity away from productive enterprise. This has concentrated UK markets, restricted innovation and technological progress, reduced economic dynamism, and severely limited economic growth and the prospects for future growth. Whereas wealth creation increases the size of the cake, wealth extraction simply gives more of the existing cake to those who already have the biggest slice (upwards rather than downwards redistribution),

(OBR) March 2025 forecasts imply that households are set to become gradually poorer each year from 2025 onwards, with the lowest income third of families set to get poorer twice as fast as the middle and the top—see Figure 1 (source: JRF analysis using the IPPR tax and benefit microsimulation model. Modelling prior to April 2025 based on outturn data and from April 2025 onwards based on data from the OBR's March 2025 forecast)":

and he says: "Governments—and, more fundamentally, democratic systems themselves—live and die by the extent to

which they are perceived to contribute towards making people's lives better. For the UK, the evidence suggests the opposite is happening".

To be fair to the current Government, the situation described above is hardly their creation - the most recent fundamental point of inflexion was the financial crisis of 2008, and that itself, in its British presentation, took place against the broader context of deindustrialisation

and the long assault on the wage share and worker organisation that has been the defining story of British political economy since the 1970. The picture is one of how British society and politics have been defined by deep inequalities and a weakened social democratic influence. Austerity, Brexit, and the post-

COVID inflation were all complicating after-shocks.

The Institute of Employment Rights compared the British Gini Coefficient with the declining coverage of collective agreements, and found a startling correlation:

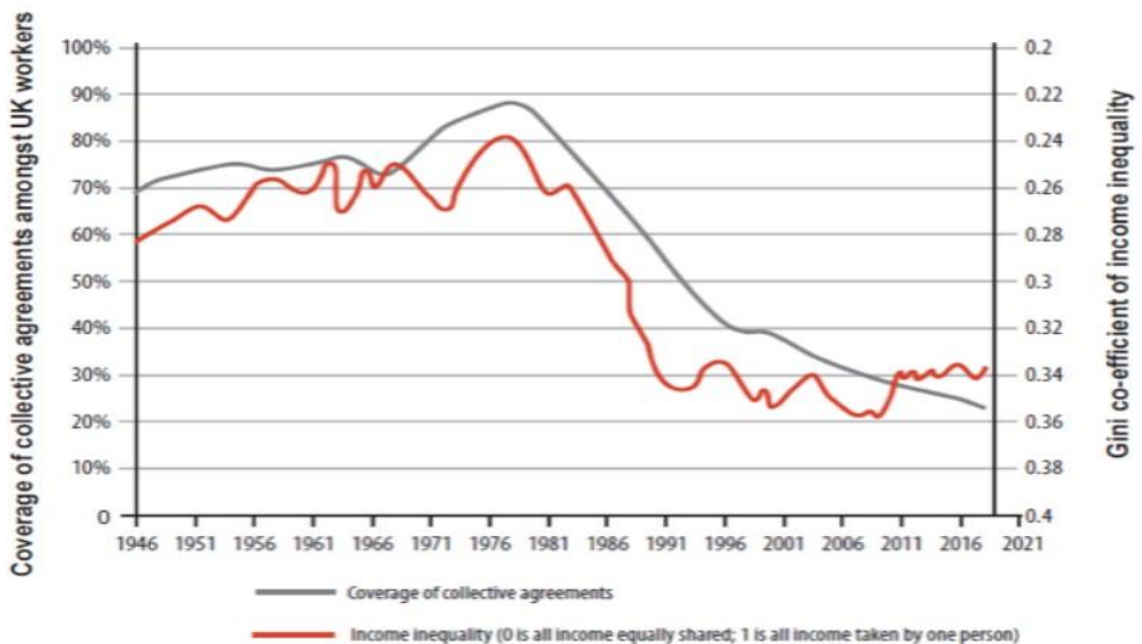


Figure 4 Source IER

Labour, however, seems to have got itself into the peculiar position of being criticised for not delivering a level of transformational change that we were criticising it for never coming close to promising in the first place. Both main parties paraded themselves in tight fiscal corsets to woo a tax-phobic electorate in 2024, with the consequence that Labour still seem to think that "stability" is a better USP than noticeable improvement, even when faced with a reinvigorated right-wing inspired and energised by President Trump's delight in the sweeping decree, as well as by changing clothes - from Conservative to Reform UK.

It is hard to quantify the level of investment required, but it, alongside fairer distribution, is clearly a key underpinning issue both for national growth and for regional inequalities.

In their June 2024 LSE Paper "[Cracking the Productivity Code: An international comparison of UK productivity](#)", John Van Reenen and Xuyi Yang came to the firm conclusion that *"Britain's substantial post-crisis fall in productivity growth relative to other countries is primarily due to a large fall in capital accumulation rate. All countries experienced a broadly similar fall in Total Factor Productivity (TFP) growth after the Global Financial Crisis, but the slowdown in capital intensity was particularly severe in the UK. In terms of productivity levels, both low investment*

*in capital and TFP contribute significantly to the gap with other countries. The exact magnitudes on levels are more sensitive to assumptions than growth accounting, but in 2019, roughly half of the overall UK productivity gap was due to lower tangible and intangible capital"*.

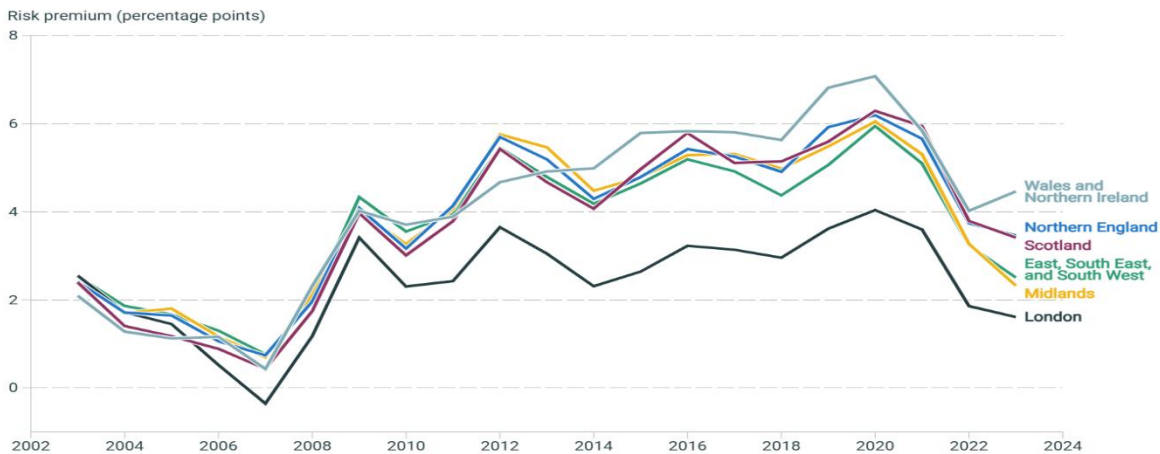
In our own 2022 article on "[Levelling Up](#)" we commented that investment also had a "hidden hand" role as one of the reasons behind regional inequalities: *"There would appear to be a gap in data when it comes to comparing investment between British Regions. The Office for National Statistics publishes information on "Business investment and gross fixed capital formation" but does not appear to break this down regionally. The Industrial Strategy Council says: "To our knowledge, there is no high-quality data available on stocks of capital per worker across UK regions. Some evidence suggests that in the UK (as in many other countries) disparities in capital stocks mirror disparities in productivity across regions. For example, a 2011 paper by UK-based academics for the EU Directorate General Regional Policy presents experimental estimates of capital stocks per worker across NUTS2 regions in the European Union to gauge workforce access to productive assets. According to the study, capital stock per worker in the UK was highest in London, the South East and parts of Scotland, and lowest along the West Coast and the North of England"*.

This view was more recently reinforced by an Institute for Fiscal Studies article ["Tackling regional inequalities: lessons from new research"](#):

*the UK government versus lending to governments of much weaker economies, such as Romania and Chile".*

*"Figure 1 illustrates this pattern by showing regional investment risk premia since 2003 – that is, the extra return investors require above the return on safe government bonds to compensate for risk.*

**Figure 1. Risk premia in London and the rest of the UK**



Source: Daams, Mayer and McCann (2025)

[Download data](#)



Figure 5 Source IFS The Figure 1 referred to in quotation

*"The figure highlights a sharp divergence after 2008 between London and other UK regions, which effectively split the UK into two financial worlds: London and its surrounding areas on one side, and the rest of the country on the other, with the UK's second- and third-tier cities facing the highest costs of capital. In fact, the difference in the risk premium investors demand to invest in London compared with these cities is about as large as the difference they demand when lending to*

What is being looked at here is private sector investment, but a key issue for Government is the extent to which it can stimulate and guide this, and supplement it with public investment. In terms of Industrial Strategy, probably this, and addressing the high energy costs faced by British businesses, are amongst the most important things a Government could do.

As an urban people we are also very conscious of the need for investment in town centre employment as a means of sustaining town centres as attractive and lively social assets. Recent developments, like the decisions of BT and of M&S to pull out of Blackburn, and the failure of UCLAN to complete its aspirations for a Blackburn campus, illustrate what an uphill struggle we face locally in this respect.

After the 2019 General Election we outlined the following as what we regarded as priority areas for government action:

- Improved levels of investment to drive economic strategy;
- A programme of building or renovating houses to increase the stock of houses available for social rent;
- Improvements to tenants' rights
- Nationalisation of rail and public services (energy, water and mail in particular)
- Reform of the welfare system (ie. support not sanctions)
- Restoration of sure start and youth services
- Reform of employment rights
- Establishing a national system of social care; and
- Ending the NHS internal market

and I think that these still serve as a core programme.

There has been some movement in some areas, but I suggest these still stand as a definition of our core social objectives (perhaps only the field of tenant's rights being the one, when current reforms come online, that may be ticked off).

Effective actions on these points, though, will require the Government to be able to muster and concentrate sufficient financial force.

In 2023, the British tax take as a percentage of GDP was 35.3%, slightly above the overall average for the 38 countries in the Organisation for Economic Cooperation and Development (OECD). This placed the UK 18th on the list and almost two percentage points lower than the average of other European members (though I must admit I don't know the extent to which this takes local taxation into account - I understand that it does, but I do not have the detail). The 2025 budget is projected to take the figure to 38%, but even this will not take Britain anywhere near the top of international tax comparison tables. It will match Germany but remain significantly lower than the tax take in France, Italy, Belgium and the Nordic countries, where the tax share exceeds 40% of GDP.

Given British levels of inequality there is a great temptation to focus on the possibility of some redistribution through a "wealth tax". We should, though, investigate the international experience of these. An OECD study in 2018, ["The Role and Design of Net Wealth Taxes in the OECD"](#), concluded that: *"While 12 countries had net wealth taxes in 1990, there were only four OECD countries that still levied recurrent taxes on individuals' net wealth in 2017. Decisions to repeal net wealth taxes have often been justified by efficiency and administrative concerns and by the observation that net wealth taxes have frequently failed to meet their redistributive goals. The revenues collected from net wealth taxes have also, with a few exceptions, been very low"*.

This does not mean, however, that there are no other changes that might be considered. IPPR has estimated that equalising Capital Gains Tax with income tax would raise around £14bn a year. CGT is only paid by around 0.65 per cent of the adult population (350,000 people). Most CGT revenue only comes from the 0.02 per cent of the population who make gains of over £1 million. In January 2023 we quoted estimates that extending national insurance contributions to investment income could raise £14bn a year, equalising rates of dividend tax with income tax could raise £7bn a year, and introducing an emergency 25% "windfall" tax on the

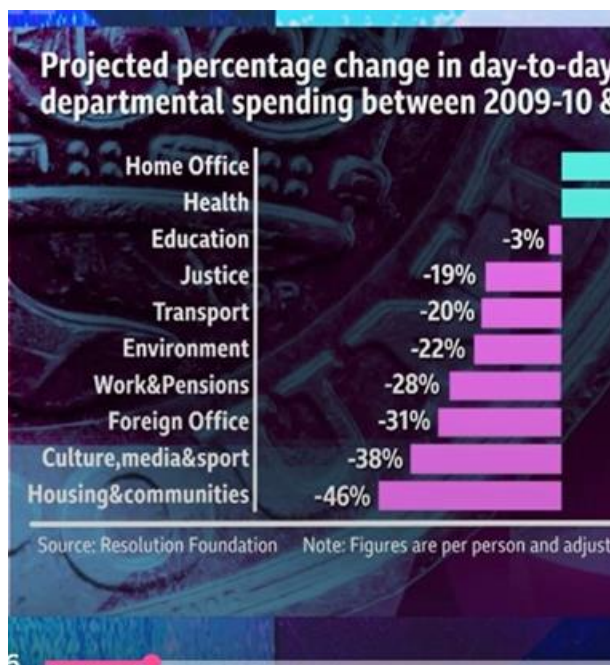
share buybacks of FTSE-listed companies could raise £11 bn.

Meanwhile, the interest paid by the Bank of England on the money created during the 'quantitative easing' of monetary policy since the late 2000s financial crisis is still accounted as part of national expenditure.

One thing becoming more prominent since 2019 has been an increased emphasis on military spending. There are big questions about what Britain actually spends money on in this field and about what it actually envisages doing with its military force, but I do think we should try to avoid framing the question simply as if it were a coocoo's egg, such as through slogans like "welfare not warfare". Jerry Corbyn's attempts to promote a left of centre social democrat programme foundered mainly on the rock of Brexit, but he was, I feel, also significantly undermined by concern about whether he could be trusted on matters of defence. There is no need for us to accept a particular definition of alternatives, and something like *"security through both welfare and defence"* strikes me as being a position more likely to appeal to the public.

The fiscal corset is having a real impact on Labour's ability to repair and restore public infrastructure.

"Austerity" measures adopted from 2010 onwards have affected Government Departmental spending to an extent that has, in many cases, still not been reversed:



The "**Guardian**" reported on 15th October 2025 that "*Councils in England will still be poorer by the end of this parliament than they were in 2010 despite Labour's funding increases, according to analysis by the Institute for Government (IfG)*".

On 27th November 2025 "**Civil Service World**" reported that the Resolution Foundation was warning that Government Department projections implied "*cuts in 2028-29 and 2029-30 equivalent to 88% of the average annual cuts made during the peak austerity years*".

The Resolution Foundation itself, in June 2025, said:

*"The big winner – both overall and in terms of day-to-day spending – was health, which by the last year of this Parliament sees its annual day-to-day budget being boosted by £17.2 billion. This is disproportionate, even allowing for its giant share of the total public service budget, and leaves health and care sweeping up a remarkable 90 per cent of all the planned increases in day-to-day departmental budgets through the three years of this Spending Review. While rapid by today's standards, this growth looks modest through an historical lens: annualised growth will be 2.8 per cent against 3.6 per cent since the inception of the NHS. Whether – or not – that is sufficient for the Government to deliver on its mission to slash waiting lists and build a society "where everyone lives well for longer" will depend a great deal on whether the Government can turn around the post pandemic collapse in NHS productivity. A flat real capital settlement for health over the next three years will not make that easy.*

*"Most other services will nonetheless look on at the new health settlement with envy. Education is also up (by 1.3 per cent annually per pupil) but the effects in classrooms and colleges will be muted by the need to cover the Government's welcome extension of free school meals and rising pressures relating to Special Educational Needs. Elsewhere, there are*

losers. On average, spending on everything apart from health, defence, education, and overseas aid falls slightly in real per person terms between 2025-26 and 2028-29 (by 1.3 per cent on average, or £2.4 billion). The departments with the biggest cuts include foreign aid (as we knew), and transport (which sees real-terms day-to-day per person cuts of 5.4 per cent a year as post-Covid rail subsidies are reduced".

Complicating matters are "efficiency savings". I must say I don't think I fully understand how the Government accounts for these in the context of its "headline" spending plans. What is clearly the case is that its delivery plans depend on these "savings" being achieved across the board. The Government had its own, short-lived, "mini-DOGE" - the "**Office for Value for Money**" - which pushed this approach. In its Report "[Spending Review 2025: Departmental Efficiency Plans](#)" it said: "The departmental delivery plans have identified total annual efficiency gains of almost £14bn by 2028-29, the final year of the SR period, through a combination of improved outcomes and reduced cost. This exceeds the initial expectation of £12bn efficiencies by 2028-29, measured against 2025-26 planned day-to-day budgets. Most departments developed efficiency plans to deliver at least 3% efficiency gains by 2028-29, with some delivering over 8%".

Most people with public service experience will instinctively draw the conclusion that at operational level these "efficiencies" will present as "cuts".

That clearly seems to be happening in the NHS. In December 2025 a report in "The Lowdown", "[How trusts are being forced to make cuts](#)", showed that what we are seeing in East Lancashire is happening also here, there and everywhere.

*"Among the varied examples, University Hospital Southampton is aiming for "workforce reductions of 785 WTE ... over 2025/26 and £110m of savings."(p68). Just along the coast Portsmouth Hospital University Trust, grouped with Isle of Wight Trust were seeking to cut 798 jobs (7% of the combined workforce) which they hope will save £39m across the financial year, against a total combined savings target of £82m".*

*"Similar problems are arising in Torbay and South Devon, where the Trust is seeking to cut 107 jobs, along with cutbacks in elective work and the controversial closure of a virtual ward for heart patients as part of a £41.5m savings target".*

*"University Hospitals North Midlands, aiming to cut 567 whole time equivalent staff from October, in addition to a reduction of 162 bank and agency staff, as part of its effort to deliver cost improvement savings of £75m, is cutting its overall workforce by 4%, but its nursing workforce by 7%".*

In East Lancashire the Trust Board itself noted that it had been asked to meet a *"7.7% efficiency target of £57.8m" .....* *"a level that has never been achieved previously"*.

I have not seen, or formed, an analysis of the character of industrial disputes over the last year, but I do have a sense that those in the NHS and Local Government, in particular, have focused on questions of fair pay (such as the Birmingham Bin Dispute), resisting the impact of privatisation, and "responsibility drift" (such as the NHS Band B staff and the Lancashire Social Services SCSOs). Job cuts and pay issues have provoked disputes across Higher Education. Trade Unions, overall, seem to have become more resolute in sustaining "low level" conflict over prolonged periods, when disputes have not been resolved quickly.

In his 2025 Report to Congress Paul Nowak said that the TUC is now keeping a closer eye on disputes and trying to analyse dispute patterns. They recorded more than 100 union wins since Congress 2024 across all sectors. There

were 70 new union recognition agreements since TUC Congress 2024. These had been secured in sectors across the economy including retail, hospitality, local government, manufacturing, aviation, and engineering.

The number of employment tribunal claims (GOV.UK) has increased by 185%; from around 41,000 in 1979 to around 115,000 in 2024. In August 2025. ACAS reported that they had commissioned YouGov polling of over 1,000 employees in Great Britain and found that 44% of workers who knew of conflict in their organisation over the last 3 years said it has increased, compared to just 13% who say it has decreased. Pay, working patterns, and capability and performance were among the top causes of workplace conflict. The Employment Tribunals national user group has reported that tribunal claim receipts are at their highest level since the COVID-19 pandemic and that the complexity of claims being lodged is up, with discrimination and whistleblowing claims now making up 60% of all claims filed. Disability discrimination is the most common type of discrimination claim getting lodged. There appears to be a trend for applicants to turn to Ais to draft claims for them.

The Chartered Institute of Personnel and Development published survey results in Spring 2025 (["UK industrial relations A future with trade unions"](#)) which said

that: *"a quarter of employees (25%) reported some form of conflict at work within the last 12 months, notably being undermined or humiliated in their job (12%), being shouted at or having a very heated argument (9%) or being on the receiving end of verbal abuse or insult (8%)"*.

Interestingly, this Report also said that the majority (56%) of employers agreed *"that 'working in partnership with the trade unions can benefit the organisation'; this increases to 72% among public sector employers, where unions have a much greater presence"*.

It also commented that *"wider research indicates there is significant unmet demand for union representation, with more than a third (36%) of workers based in non-unionised organisations reporting they would vote to establish a union if they were given the chance"*.

It is worth noting that, in addition to the already existing domestic pressures, British workers may soon be exposed to several potential triggers for convulsion in the world economy.

The U.S. government's ability to issue debt exclusively in its own currency, and the US dollar's reserve currency status, has made demand for US Treasury bonds habitually dependable - and most people think that, if for no other reason

than that it is hard to envisage any alternative, it will continue to enjoy this comfort. America sustains a high government debt to GDP ratio, but whilst it is "top end" in this respect it is not unique or an extreme. If it were to have a sovereign debt crisis, however, the shock across the world would be significant.

Sometimes it feels preposterous even to speculate on this. But the U.S. dollar has fallen around 10% on a broad, trade-weighted basis since the start of President Trump's second term and this fall has come in short, sharp bursts coinciding with some of the more unusual turns of policy. This has led some, like Dennis Snower, International Research fellow at the University of Oxford's Saïd Business School and Professorial Research Fellow at The Institute for New Economic Thinking at the Oxford Martin School, to indeed speculate that the position may tip into the fragile: see [\*\*"Expert Comment: Is the dollar's dominance crumbling?"\*\*](#).

Should President Trump actually manage to break the US economy we may allow ourselves a moment of schadenfreude. But, as Snower comments: *"A realignment away from the dollar is unlikely to happen smoothly. It would erupt like a financial tsunami. Investors would dump US Treasuries, yields would soar, and the dollar would plunge. Central banks would scramble into euros, yuan, or gold. The resulting shock could send tremors through every*

*corner of the global economy - from pension funds and mortgages to emerging-market debt and corporate finance".*

The Israeli-American assault on Iran and Lebanon will lead to increased American debt and is unlikely not to result in further international economic turbulence. Even as it stands the OECD is predicting that there could be "significant energy shortages" globally, while if the sharp rise in fertiliser prices is sustained crop yields will be impacted and food prices will eventually reflect these higher costs.

Simultaneously, there is considerable anxiety around the impact of AI.

There is concern that the vast amounts being invested in AI represent a "bubble". Goldman Sachs CEO David Solomon said he expects there to be "a lot of capital that was deployed that [doesn't] deliver returns". Amazon founder and executive chairman Jeff Bezos called the current environment "kind of an industrial bubble". Sam Altman, CEO of OpenAI, warned that "people will overinvest and lose money" during this phase of the AI boom.

What happens if it "bursts"? How far do the ripples spread? Michael Cembalest, of J P Morgan, has noted that "AI-related stocks have accounted for 75% of S&P

*500 returns, 80% of earnings growth and 90% of capital spending growth since ChatGPT launched in November 2022". A lot of "Tech" investment is also incestuous. A "Yale Insights" article ["This Is How the AI Bubble Bursts"](#) says "OpenAI is now taking a 10% stake in AMD, while Nvidia is investing \$100 billion in OpenAI; and OpenAI also counts Microsoft as one of its major shareholders, but Microsoft is also a major customer of AI cloud computing company CoreWeave, which is another company in which Nvidia holds a significant equity stake; and by the way, Microsoft accounted for almost 20% of Nvidia's revenue on an annualized basis, as of Nvidia's 2025 fiscal fourth quarter". And "OpenAI is committed to investing \$300 billion in computing power with Oracle over the next five years, which averages \$60 billion per year. Besides losing billions of dollars annually, OpenAI's projected revenues are expected to reach \$13 billion in 2025, requiring even larger amounts to cover future shortfalls. The announcement of the deal caused Oracle shares to soar by over 40%, adding nearly one-third of a trillion dollars to the company's market value in a single day. OpenAI's valuation has almost doubled from \$300 billion to \$500 billion in less than a year". Recent reporting by CNBC suggests that the deal for Oracle may be costly, with the company expecting to "lose considerable sums of money" on its rental of data centres, primarily to OpenAI, and already incurring a \$100 million loss in the most recent quarter.*

If the companies start to collapse over each other, there could be not just financial but also functional.

And, on top of that, protections about the impact of AI on general employment are varying wildly.

As Blackpool, Fylde and Wyre Trades Union Council indicated, we are in a position of considerable political uncertainty. Labour has inherited not only a wounded economy and society, but a society in which it has become almost taken for granted that Governments are useless. The Office for Statistics Regulation publication "[Trust and official statistics](#)" commented: *"Previous OECD studies (2024a) show that levels of trust in the UK Government (27%) are below the average reported levels of trust (39%) within the OECD. Alongside this, Ipsos findings indicate consistently low levels of trust in politicians, with levels of self-reported trust never rising above 23% for politicians and 25% for government ministers since the Veracity Index began in 1983 (Ipsos, 2024)".*

Ever since the UKIP landslide in the 2014 elections to the EU Parliament the most significant developments in British politics to have any impact on Government have been currents on the right.

What strikes me most about Reform UK is their constant framing of issues in the language of burden. The EU was a burden - we had to get out from under its thumb. Immigrants are a burden - they are part of a "scam" and load the country with a big benefits bill. Action to tackle climate change is a burden - net zero imposes excess costs on business and households, discouraging growth and increasing bills. Measures to combat discrimination or protect workers are a burden - they must be swept away in one big repeal bill so that entrepreneurs may flourish and make us all wealthy. Tax is a burden - all it does is fund waste, anyway. A common thread is that they seem to latch on to one aspect of a situation and give it disproportionate emphasis, either because that is politically effective or because they genuinely are deficient in any ability to see things in the round.

My impression was that the far-right got its first big shot of financial adrenaline after the EU responded to the 2008 crisis by announcing an intention to tighten up on finance industry regulation, and now its current big bucks backers seem to be concentrated in industries that particularly chafe against the prospect of social control - hedge funds, property development and cryptocurrency.

They are like captive predators trying to convince us that our interests lie in

opening the cage door. If they succeed, they will do their best to tear down protections and expose workers to even greater exploitation. And tearing down is a lot easier to do than building up, especially if you aim to create an environment in which you can benefit without much concern for those who might suffer in the process.

Unfortunately, I suspect that much of what is going to unfold will be outside of our direct influence. TV news editors anxious to find out what the working class is thinking send some intrepid reporter to a market café where, unless they are very unlucky, they come across the requisite elderly person who has voted Labour all their life but is now attracted by Reform. I'm sure some such do exist, and maybe in numbers sufficient to tip the balance in some constituencies. Other evidence, however, such as the British Election Study analysis, suggests that those choosing between Labour and Reform are somewhat the white crests on the waves. A recent article in **"The Economist"** suggested that *"most of the churn is voters shifting with the blocs of left and right"* - and we are likely to have as much chance of influencing those simply changing allegiance within the right as we do of "turning" the spiritual heirs of the Primrose League.

The bulk of Reform's surge has come from deserting Conservatives or from non-voters. Not much of it appears to

have come from the fragmentation of the Labour vote. The British Election Study says: *"Labour have lost some support to Reform UK (8% of their 2024 electoral coalition), but the growth in support for Nigel Farage's party has come mainly from other sources: 42% of Reform's new supporters come from the Conservatives and 33% were non-voters in 2024, compared to only 16% who voted for Labour"*. Labour's biggest losses have been to indecision. *"Over 1 in 5 of 2024 Labour voters now say that they either would not vote or that they don't know which party they would vote for"*.

What makes how things develop especially uncertain is how tactical voting may influence outcomes. A poll in March, carried out by **"More in Common"**, asked voters which parties they would tactically block and found that 38% of Britons would vote against Reform, up nine points since last November, and the highest for any party. It may turn out to be that sustaining Reform's general unpopularity will be just as significant as any efforts we might be able to make to dissuade parts of the Labour camp from defecting, though what political landscape that will leave is hard to imagine.

For over two centuries our movement's key message has been that people can combine to achieve things - whether it be the 10-hour day then or defending welfare benefits now. At every step we have faced those who have tried to get

the public to reject progress because it will in some way burden enterprise or society. Bogey man politics. Our constant conviction has been that social problems are susceptible to improvement through consciously planned organisation based on principles of solidarity. We may not always succeed or get things right, but there is enough evidence that well thought out policy can succeed. This is the great divide between us and the right, who think, essentially, that society does best by leaving individuals to the uninhibited pursuit of their own interests.

A local Trades Union Council, of course, is but a bit player in the grand scheme of things. But who knows which grain of rice will eventually tip the scales?

We cannot disguise that we continue to hang onto organisational viability by the ends of our fingers and function with diminished capacity and involvement. We are reduced, really, to seeing if we can make it as far as the local Government reorganisation and the prospect that this might open up an opportunity for restructuring on a more sustainable footprint.

Much as we continue to put effort into trying to encourage local Branches to play an active part, experience suggests that engagement often comes down to whether they have individuals disposed

to show an interest. Maybe one thing we need to consider is how we might make our meetings more engaging.

We achieve something, however, just by having these regular meetings where we share ideas and information. Through our website, our Social Media, and regular email circulars we also make available a range of material which might otherwise have less circulation. And we remain able to deliver positive actions around specific issues.

In the past Trades Council year, for instance, we have:

- Submitted a response to the consultation by the new Lancashire Combined County Authority on its “Growth Plan”;
- Held our annual event in Blackburn Town Centre to mark Workers Memorial Day;
- Responded to the Government “Pathways to Work” Green paper: see [Trades Council joins criticism of proposed cuts to sickness and disability benefits - Blackburn and District Trades Union Council](#)
- Hosted a screening of the film “Censoring Palestine” in Blackburn Library in June, with Granville Williams, from the Campaign for Press and Broadcasting Freedom (North)

and Neelam Hussain from Blackburn4Palestine;

- Made representations criticising the decision to close “Healthwatch” without establishing any credible replacement;
- Made representations around the closure of the Myerscough College campus at Witton Park, Blackburn;
- Made representations about the way in which proposals to move vascular in-patient services from Blackburn to Preston are being handled and the lack of public consultation;
- Supported the local dispute of NHS domestic staff in East Lancashire outsourced to MITIE;
- Responded to Government consultations on the Future of the Post Office and Smart Meter rollout: [October Trades Council meeting hears of ongoing disputes - Responds to Government consultations on the future of the Post Office and on the Smart Meter rollout - Blackburn and District Trades Union Council](#);
- Made representations to local MPs on the Government’s role in the Birmingham bin dispute;
- Published a long article on our website on immigration and population growth: [Barking Up](#) [the Wrong Tree - population growth and immigration - Blackburn and District Trades Union Council](#);
- Sent a delegate to the 2025 Hazards conference [Trades Council receives report from 2025 "Hazards" conference - Blackburn and District Trades Union Council](#);
- Run a local [“Young Worker Survey”](#), followed by an online meeting on “Young Workers and Trade Unions” with Fraser McGuire, Chair of TUC Young Members Committee, and Zaihera Chaudhry, Chair of UNISON North West Young Members Committee;
- Responded to the Lancashire Combined Authority consultation on the Lancashire Transport Plan;
- Responded to the Blackburn Borough Council consultation on its proposed Homelessness strategy;
- Made representations to the NW Ambulance Service CEO regarding the Service's education staff dispute;
- Submitted a paper to the Lancashire Combined Authority in response to consultation on its Local Transport Plan;
- Submitted a paper to Lancashire County Council in response to the proposal to close care homes and

day centres [Trades Council responds to County Council care closures plan - Blackburn and District Trades Union Council](#);

- Submitted a response to the Government consultation on "TU Rights of Access";
- Submitted a response to the Government consultation on "Duty to inform Workers of their right to join a Union";
- Submitted a response to the Government consultation on "Leave for bereavement including pregnancy loss";
- Submitted a response to the Government consultation on "'A Fairer Pathway to Settlement'" and written to local MPs to voice concerns about the Government's approach [Trades Council critical of "earned settlement" approach - Blackburn and District Trades Union Council](#);
- Submitted a response to the Government consultation on the BBC Charter Review;
- Submitted a response to the Government consultation on "'Proposals for local government reorganisation in Lancashire, Blackburn with Darwen and Blackpool"; and
- Submitted a response to the Government consultation on "Fire

and rehire – changes to expenses, benefits, and shift patterns".