

## **PE1801/C**

Scottish Trades Union Congress submission of 2 October 2020

The STUC is Scotland's trade union centre. Its purpose is to co-ordinate, develop and articulate the views and policies of the trade union movement in Scotland; reflecting the aspirations of trade unionists as workers and citizens.

The STUC represents over 560,000 working people and their families throughout Scotland. It speaks for trade union members in and out of work, in the community and in the workplace. Our affiliated organisations have interests in all sectors of the economy and our representative structures are constructed to take account of the specific views of women members, young members, Black members, LGBT+ members, and members with a disability, as well as retired and unemployed workers.

The STUC welcomes the opportunity to comment on this important petition.

The Internal Market Bill amends the Scotland Act to reserve state aid to Westminster, despite this not being reserved in the Scotland Act. Along with a UK Shared Prosperity Fund to take the place of European Structural Funds, it is hard not to see this as a power grab by the UK Government, to enable the UK Government to pick and choose investments in Scotland.

In addition, the market access commitment undermines the potential of the Scottish Government to influence public policy, including in relation to public ownership and public sector contractors. As the Scottish Government's initial assessment of the UK Government's proposals states:

“Scotland's distinctive procurement system, which requires public bodies to consider social and environmental benefits and not just take the lowest bid on offer, could be challenged under non-discrimination rules.”<sup>1</sup>

It also risks a race to the bottom on standards and risks undermining the ability of Government to take key public utilities back into public ownership, whether that be at local, Scottish, or UK level.

STUC's congress in Dundee in 2019 carried the following resolution:

Resolution no. 108 – Powers of the Scottish Parliament and Future Trading Arrangements

“That this Congress reiterates its long-standing policy that the Scottish Parliament should have meaningful powers over the Scottish economy. Congress believes that these powers should include the ability to give effective financial support to workplaces threatened with closure, to take key utilities back into public ownership and to contract services in ways that

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<sup>1</sup> Scottish Government (2020) 'UK internal market: initial assessment of UK Government proposals' <https://www.gov.scot/publications/uk-internal-market/>

support regional economies and guarantee workplace rights, including trade union membership and trade union bargained wages. Congress, therefore, calls on the STUC General Council to use its influence, to ensure that Britain's future trading arrangements do not compromise this commitment to the democratic powers, present or future, of Scotland's legislature."<sup>2</sup>

In line with this resolution, the STUC supports the petition calling on the Scottish Parliament to urge the Scottish Government to negotiate with the UK Government to ensure Scotland should retain the power to provide state aid to workplaces threatened with closure; take public utilities fully back into public ownership and require public sector contractors to recognise trade unions and collectively bargain wages.

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<sup>2</sup> STUC (2019) Congress Decisions, Resolution 108  
<http://www.stuc.org.uk/files/Policy/CongressDecisions/Congress2019.pdf>