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For Members of the Scottish Parliament

Procurement Reform (Scotland) Bill: Stage 3

The Scottish Parliament votes today, 13 May 2014, on the final stage of the Procurement Reform (Scotland) Bill. This key legislation will govern how the public sector spends around £11billion annually on goods and services. Today's debate provides MSPS with an opportunity to put social and environmental justice high up the public procurement agenda, including, crucially, rolling out the <u>Scottish Living Wage</u> to all those working on public contracts, a very practical and effective move to boost the pay and living standards of thousands of low paid workers in Scotland. It also offers a way to ensure that companies involved in blacklisting and tax dodging are not eligible for public contracts.

UNISON Scotland has campaigned, as part of a massive coalition of civil society coalitions, for the Bill to include the highest possible standards for sustainable and ethical procurement. It is not too late for MSPs to support amendments today that would strengthen it considerably towards those standards, and make the Bill live up to its original promise of sustainability.

The coalitions' set of <u>ten key asks</u> was supported by the STUC, Stop Climate Chaos Scotland, the Scottish Council for Voluntary Organisations, the Scottish Fair Trade Forum and international development organisations including SCIAF, Christian Aid and Oxfam. The asks cover the Living Wage, blacklisting, zero hours contracts, cracking down on tax dodging and human rights abuses and reinforcing the need for action to meet our climate emission reduction targets.

While UNISON believes that the Scottish Government could still go much further on several of these key issues, we welcome the Scottish Living Wage amendments lodged at Stage 3 by Deputy First Minister Nicola Sturgeon. These, combined with the promised necessarily robust guidance, will mean that public bodies in Scotland have legal clarity about a way to apply the Living Wage in procurement.

The public sector is doing well in supporting the Living Wage for directly employed workers, but there is often a two tier workforce because many public services are outsourced to the private and voluntary sectors, including in vital areas such as social care, where the majority of low paid staff are women. Labour MSP James Kelly has very effectively championed the case for extending the Living Wage to all those employed on public sector contracts, with his amendments to the Bill, a Scottish Parliament debate on the Living Wage and articles such as this in Scotland on Sunday, which makes the economic arguments clear.

Although we, the STUC, and many other campaigners would prefer making the Living Wage mandatory, the Scottish Government approach means public bodies can include it in their procurement strategies in a way that makes it clear to contractors that, for relevant procurements, bids will be evaluated taking employment policies, including the Living Wage, into account. It would then be included in the contract and can be enforced through contract performance. Ms Sturgeon has promised the guidance will be robust and actively enforced and that trade unions will be involved in drafting it. UNISON's <u>Time to Care report</u> emphasises the need for and benefit of the Living Wage in areas like social care. Everyone who has campaigned for this move can be proud of winning Scottish Government support.

UNISON Scotland also urges support for Neil Findlay MSP's blacklisting and tax dodging amendments. The public does not want to see companies that don't pay their far share of tax (Amazon <u>hit the headlines</u> again this week) receiving public contracts.

Useful links

- <u>MSP Briefing Living Wage for Stage 2</u>
- MSP Briefing Tax Avoidance for Stage 2
- MSP E-Brief for Stage 1
- Ten civil society priorities for the Bill
- Bargaining Briefing on the Bill Oct 13

UNISON Scotland's key campaigns

- Public Works
- A Fairer Scotland
- UNISON Scotland website

For more information please contact UNISON's Bargaining and Campaigns team on 0141 342 2811, or email <u>Dave Watson</u>, Scottish Organiser.



