



Scottish Labour Party Policy Forum

Growing Scotland's Economy

UNISON Scotland's response to the Scottish Labour Party's 1st Stage Policy Forum Document.

June 2005

Introduction

This paper constitutes UNISON Scotland's response on Growing Scotland's Economy.

UNISON is Scotland's largest trade union representing over 150,000 members working primarily in the public sector in Scotland.

This response has been informed by a major consultation exercise *Scotland 2010*. We circulated some 10,000 copies of a consultation paper encouraging workplace discussion of the key issues in the SPF consultation papers.

Scotland's Economy

Government Support

The Scottish Executive has rightly highlighted the important role the public sector plays in stimulating the Scottish economy. Not as some on the right argue, a drain on a prosperous economy.

A successful economy requires sound financial planning and forecasting to assess future trends in the finance, retail, manufacturing and service sectors. These plans have key goals and agreed methods by which they will be achieved. There will be a series of demand and supply chain interventions. These interventions will have key partners responsible for specific goals.

The Co-operative Development Agency should be an arms length part of Scottish Enterprise. It should report direct to the Scottish Executive and hold a budget in its own right. International examples of co-operation and promoting co-operatives as a viable option for new businesses working with enterprise companies and sponsoring co-operative enterprise in schools.

The establishment of a Scottish Investment Bank whose focus is not driven by short – termism, shareholder activism and the City but the long term demands of the Scottish economy and accountable to stakeholders is essential.

The operation of Scottish Enterprise needs to be reviewed. It all too often acts as a sub-committee of the CBI – promoting the interests of big business that dominates its board membership. That membership needs to be broadened. Its response to cross cutting themes is weaker than its sectoral approach and its half hearted adoption of the key social inclusion role is obvious to all.

The Scottish Executive should use its procurement powers to support the Scottish economy in a way that safeguards jobs and skills. UNISON welcomes the legal certainty derived from the text of the new EU Procurement Directive. This makes it clear that contracting authorities are legally allowed to include social and environmental criteria in the evaluation and award of criteria as long as the criteria are linked to the subject matter of the contract as stated in Recital 1 and Article 26 of the Directive. This will ensure that there is no doubt that public authorities are able to consider employment issues, including statutory guidance and legislation on fair employment and to tackle the two-tier workforce as set out in PPP Staffing Protocol, The Local Government in Scotland Act 2003 and related guidance. This should also apply to sub-contracting.

Workers Rights

UNISON Scotland believes that the Executive must put pressure on the UK Government to harmonise employee protection and trade union rights at the level of best practice in Europe. The implementation of ILO standards would make it more difficult to close UK manufacturing facilities.

To build a sustainable economy, The Scottish Executive and its agencies (including Scottish Enterprise) should encourage employers (using the many funding and procurement levers) to give greater consideration to employee requests for flexible working, through dialogue with trade unions in order to make a real difference to both their home and working lives. Flexible working arrangements, including home working arrangements, which have been negotiated with employers and trade unions, can deliver a successful, motivated and productive workforce. The right for employees to organise and join a trade union should be an explicit requirement within the contracts of all companies who receive RSA.

UNISON Scotland believes that it is imperative that we address the issue of equal pay. As a first step equal pay audits should be compulsory when awarding Government contracts. The Government must lead by example to eradicate this discriminatory practice which is perpetuated by among other things a segregated labour market.

We should seek to embrace those seeking asylum in Scotland and utilise the skills and knowledge that they bring to grow Scotland's economy by removing the restrictions placed on their gaining paid employment. The Fresh Talent Initiative may require further devolved powers to ensure effective delivery.

Scotland has a low provision of public holidays compared with the rest of Europe. UNISON supports proposals to make St Andrew's Day a public holiday.

Energy Policy

The energy industry is one of Scotland's key resources. It is a major Scottish export, provides high quality employment and makes a major contribution to the Scottish economy. UNISON Scotland supports the development of a Scottish energy policy - an approach that is gaining widespread support including Holyrood and Westminster parliamentary committees as well as COSLA.

The key elements should include:

- A balanced electricity generation policy from a number of sources to ensure security of supply. In Scotland because of our dependence on nuclear generation this must include some nuclear power subject to resolving waste management issues.
- Government support for clean coal technologies as well as renewables.
- Promotion of energy efficiency and a co-ordinated drive to eliminate fuel poverty.

We need a planned energy policy that provides safe, secure and sustainable generation, which contributes to the economic future of Scotland and eliminates fuel poverty.

Planning

The key reform to the planning process is establishing a properly resourced and supported planning service in every local authority. Staffing levels have remained largely unchanged for a decade despite a 20% increase in applications and other pressures on the system.

Development plans need to be properly linked into the community planning system with a greater emphasis on the participation and involvement of the community at an early stage. The community needs feedback to demonstrate how their views impact on the process. Business and other public bodies also need to engage earlier in the system. All too often business relies on using their financial clout to influence the process at public inquiries. National and regional forums should be established to oversee the development of policies that include all the key stakeholders and address cross boundary issues.

In the context of a reformed development plan process UNISON remains unconvinced of the case for extending appeal rights. We would support consideration of a more radical approach that would curtail existing appeals rights as well. This approach is based on the principle that planning decisions should be the preserve of democratically elected local authorities. This would require local authorities to engage applicants and objectors in a meaningful way throughout the process. External involvement by the Scottish Executive and appeals would be limited to cases involving strategic national interests and decisions in which the planning authority has an interest.

Water

Scottish Water should remain publicly owned and accountable. The challenges facing a publicly owned industry are considerable but not impossible to overcome given time. The key requirement for creating a safe, efficient and effective water industry will be the implementation of a more realistic financial framework rooted in the realities of the water and sewage infrastructure in Scotland, not economic theory or false comparisons with England. The key principles that should underpin the industry include:

- The public corporation model provides democratic accountability (although this could be strengthened) and acknowledges that the treatment and supply of water must be treated as an important element of social policy. Ministers, not London based quangos, should be accountable to parliament for charges and investment.
- A major upgrading of water and sewage systems is necessary and the cost can only be met by water charges or from the block grant. Public Private Partnerships (PPP) are poor value for money and contribute to the gradual privatisation of the industry.
- The problems with water charges have largely resulted from the pace of harmonisation and the structure of charges recommended by the WIC. The cost of long-term capital investment programmes should not be recovered from today's water customers when the greatest benefit will accrue to future generations.
- Regulation should not focus, without regard to quality of service, on crude, short term efficiency measures more appropriate to a private setting. Regulators must pay due heed to the wider social and economic ramifications of their decisions.
- The introduction of more efficient plant and equipment together with new methods of working and the economies of scale Scottish Water brings, has resulted in massive job losses. However, the scale of job losses and the pace of change compromises safety and customer service. Good employment practice is at the heart of high quality public services.

Knowledge and skills

Skills Training

UNISON Scotland believe that all employers should be involved in training; either by providing training or contributing to the costs of training programmes. The Executive should introduce a modern training levy, compelling employers to provide a statutory amount of training every year for their staff. We believe that it may also be necessary to bring in legislation to require employers to either train themselves to nationally agreed standards or contribute to a national body who would oversee the training of both young and mature people.

UNISON Scotland also believe that standards should also be set to encourage disabled people, women and ethnic minority groups to enter areas of employment where they are currently poorly represented. This includes an explicit employability agenda as part of social inclusion programmes.

Learning at work programmes in partnership with the trade unions have played an important role in promoting quality training and skills development, particularly in encouraging staff to return to learning. This programme should be rolled out across the public and voluntary sector and promoted in the private sector. There needs to be better consultation prior to each SULF round on how we can treble the numbers of Union Learning Representatives.

Whilst the Modern Apprenticeships scheme has achieved impressive numbers there have been other weaknesses including skill shortages and gender job segregation.

The positioning of Careers Scotland within Scottish Enterprise needs to be reviewed. Scottish Enterprise has demonstrated little interest or support for this function, particularly its important role in tackling social exclusion.

Higher & Further Education

FE Colleges play a vital role in the local community and economy. They help regenerate and revitalise local communities and help deliver the life long learning agenda. Additional funding this year has been welcomed but resource pressures remain.

The Further Education sector requires detailed review and reform. In particular the governance of colleges needs to be updated to bring them up to modern standards. The disparate structure would also benefit from greater co-ordination. There are many examples of local best practice in developing levels of literacy that could be drawn upon to strengthen national strategies.

The Fresh Talent initiative has an important role to play in encouraging graduates to remain in Scotland. However, this may require further devolved powers to make it fully effective. We also have to recognise that graduates will only remain if they believe that there are attractive employment prospects as well as affordable housing and other quality of life issues are addressed. We do not support the introduction of tuition fees as a means of retaining graduates in certain professions.

Higher education is an important driver of the local economy. We need to examine to distribution of higher education to ensure that all parts of Scotland benefit. This is not only an

issue for rural areas. There is also a need to review the co-ordination of university research with the needs of the economy.

Support staff in universities and colleges are all too often treated as second class citizens and are frequently the subject of abuse and violence at work. Action is needed to ensure equal pay for work of equal value, fair pay and conditions (including pensions), equal treatment for part-time, term-time and temporary staff, access to training and career opportunities for all staff and health and safety.

Transport and Communications

UNISON Scotland remains unconvinced that the creation of yet another centralised quango in the new Scottish Transport Agency is the right approach. There remains a need for greater clarity on role, accountability, strategic framework and links with local authorities. Similar issues remain with regional transport partnerships.

Major upgrades in public transport are required if Scotland is to catch up with best European practice. However, this does not mean that road improvement has to be abandoned as advocated by the environmental lobby. Targeted improvements to the road network are important and the maintenance of trunk roads should be a local authority function. We remain to be convinced of the merits of road congestion charges given the impact on workers (particularly the lower paid) and for those who have little option but to use their car for work.

We do have to question if we have the balance of investment right to ensure that traffic reduction is achieved. Traffic levels are forecast to increase by a further 27% by 2021. Depending on which accounting measure you adopt the proportion of public transport spending varies between 46% and 70%.

We strongly support the initiatives of our colleagues in the rail unions to promote road to rail and the return of the railways to public ownership. Calmac ferry routes should also be retained in public ownership. Quality bus contracts should be imposed where quality partnerships have failed or not been pursued and are the way forward to achieve a comprehensive bus network that is integrated into other means of transport planning.

The key transport principles that Labour should adopt include; democratic accountability, effective delivery, adequate funding, equality of access, fairness at work and partnership not competition.

Accountability and Partnership

Regulatory reform of the bus industry is urgently needed. Regional partnerships should be responsible for delivering quality public transport. Franchised bus networks should replace the current, competitive free-for-all. Service users and providers should be involved in the development of any new, replacement schemes. A Public Transport Users Forum, established at a regional level, is a good, democratic vehicle for involving service users in the provision of all forms of public transport. A co-ordinated, integrated transport strategy should take full account of the housing, leisure and shopping needs of the public, which should be included in all development plans.

Effective Delivery

Local authorities will be encouraged to enter into Quality Contracts with bus companies. And where they promote measures to reduce congestion alongside improvements to bus services, they will qualify for financial support. Reducing the volume of traffic on our roads to facilitate public transport, notably buses, must be a priority for local authorities. Local targets for cycling and walking, as an alternative to the car for short journeys, should be an integral part of a local transport strategy.

Adequate Funding

Whilst extra funding for transport is welcome there is a case for a reallocation of Executive funding away from new major road infrastructure projects and towards small innovative schemes that improve the quality of life for all people. More revenue funding in particular is needed if local authorities are to carry out their responsibilities to their communities.

Quality Standards

Better transport management, including traffic management and improved enforcement, will improve standards of performance across Britain's transport network. There is a need for a comprehensive, user-friendly travel information service and users should be able to seek redress. The Competition Act should be amended (by the UK government) to facilitate integrated travel planning by easier use of integrated ticketing services. We need to exploit the potential of new technology – the internet, digital television, mobile phones – if we want to further improve standards of performance and service.

Social Inclusion

For the many thousands of households without access to a car, carrying out essential tasks such as shopping, visiting family and friends and meeting medical appointments, can be extremely difficult. Reliable local bus, light rail, and rail services fulfil an important need, particularly for women and elderly people who tend to be the biggest users. Accessibility is also crucial, most essentially for disabled people. Transport provision for the mobility impaired should be funded by special grant where partnerships have been set up with transport providers. Cost should not be a barrier to public transport; it must be affordable, accessible and reliable for all. We welcome the extension of concessionary fares scheme across Scotland.

Fairness at Work

Bus deregulation and contracting out of services has undermined the working conditions and pay of transport staff. Service reliability is threatened by recruitment and retention problems. Local transport authorities should ensure that endorsement of a fair wage and proper pension provision is incorporated into quality contracts and partnerships, as well as fair employment practices and high standards of health and safety.

Safe and Secure Transport

A safe and secure transport system is essential for the development of a modern economy. Children and the elderly people in particular are most vulnerable, with speed a dominant factor. Reduced speed limits in residential areas can save lives and avoid serious injuries. To be effective however, enforcement is essential. Traffic wardens have a key role to play in maintaining the safety of our roads and streets, while air, airport and rail safety and security are recognised as crucial for the development of a successful, integrated transport system.

Environment and Green Travel

Transport is a major contributor to climate change and if the government is to fulfil its obligations under the Kyoto Treaty more needs to be done to reduce transport's impact. Road traffic and aviation are the fastest growing sources of greenhouse gases. Emissions can be reduced with the use of non-polluting technologies, such as fuel cells in motor vehicles. Flying should pay the full environmental costs of its activities. Travel habits must be changed if we want to alleviate the worst effects of air and noise pollution. Alternative, convenient forms of travel, such as buses, light rail, river and water based transport and cycling and walking should be encouraged. Greener travel alternatives, such as increased school transport and effective workplace travel plans, can reduce road congestion. Measures need to be adopted to improve the safety of children cycling or walking to school, while employers should use incentives to encourage reduced car use for travel to work. With increased access to information technology, home working can also be a practical alternative to travel to work. Alleviating the school run and the road rush to work will help to tackle health and environment problems, such as obesity and air pollution.

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