

# Young workers deserve a better deal

9 July 2017

**Younger workers are being failed by the SNP and the Tories. Here's why.**

The SNP Business Pledge – a promise to pay the living wage and not use zero hour contracts amongst other things – has been signed by ZERO hospitality businesses, the government's own figures show.

In fact – so few businesses have signed the pledge that it only covers 0.2 percent of registered Scottish businesses.

SNP's Business Pledge under fire after research suggests very low uptake <https://t.co/bGpsbV17qY> [pic.twitter.com/caazk5AjAE](https://pic.twitter.com/caazk5AjAE)

– The Scotsman (@TheScotsman) [July 9, 2017](#)

## **Why does this matter?**

Hospitality work has the highest levels of young people, on low pay and insecure work, in the Scottish economy.

## **Almost a third of workers in hospitality are under 25**

29% of those in employment in 'Distribution, hotels and restaurants' sector in Scotland are aged between 16-24.

## **The hospitality sector has the largest use of zero hour contracts**

7% of total employment in accommodation and food services is through zero hour contracts. That is the highest out of the aggregated jobs sectors in the Scottish economy.

## **The hospitality industry has the lowest median hourly pay across all industries in Scotland**

[This Scottish Parliament briefing](#) about wages in Scotland shows that 'accommodation and food service' as having the lowest median hourly pay in Scotland in 2016 standing at £7.42.

## **What would Labour do differently?**

We've got a plan for a better deal for younger workers – like a £10 minimum wage, and an end to exploitative zero hour contracts.



This week, we launched our industrial strategy, a plan to build an economy for the many, not the few.

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## [After a decade of distraction it's time to focus on building an economy for the many](#)

**After a decade of distraction, it is time for a clear and determined focus on building an economy for the many, not the few.**

It shows how utterly dire the SNP government's economic performance has become that ministers this week were celebrating GDP figures showing Scotland had narrowly avoided entering recession. Never has the bar for success seemed so low.

The reality is that for the past decade Scotland has been governed by Nationalist ministers more concerned with breaking up the UK than with breaking down barriers to enable people to get on in life with a secure job that pays a fair wage. They are more concerned with using their position in power to posture against the Tories than to alleviate the worst of Tory austerity.

Nearly 250,000 people in Scotland are working in low paid sectors without guaranteed hours or baseline employment rights. Almost one in five Scots are paid less than the living wage.

That is why Scottish Labour has published an industrial strategy that looks to unlock the potential of devolution to radically rebalance our economy.

On investment, we want to see a Scottish Investment Bank, established as part of a UK wide network of development banks to invest in the infrastructure our country needs.

We want greater investment in education, giving our people the skills they need to compete for the jobs of the future, tackling the skills shortages holding our economy back, and developing Scotland as a science, technology engineering and maths nation.

The pace of technological change and growth of automation is something no country can run away from or build a wall against. The challenge over the next ten to twenty years, as increasingly sophisticated algorithms replace

jobs, isn't to bring old jobs back but to create high paying new ones instead. This is something that Kezia Dugdale has repeatedly identified as a key challenge for Scotland in the years to come.

That's why we want to see a software development and coding apprenticeship path developed to help Scotland's young people get the skills they need. Barriers for young people, especially girls, from entering science, technology, engineering and mathematics studies and careers, must be ripped down. More investment and more direction can inspire a new generation of world-leading scientists and innovators to give our country the skills we all need to succeed. And we need to harness the potential of innovation to deepen and broaden exporting opportunities, especially to our small and medium-sized enterprise (SME) sector.

Despite improvements in recent years, businesses in Scotland still lag behind the OECD in terms of innovation – and almost half of research and development in Scotland is undertaken by just 10 companies. This is particularly concerning for the manufacturing sector, which has seen under-investment in modern equipment compared to overseas competitors. To help resolve this, the SNP government needs to do a better job of making businesses aware of the funding that is available for research and ensure that funding is properly used.

But it also needs to develop a strategy for linking Scotland's world-class university research with business. It is well-documented that Scotland's academic innovation is often utilised abroad rather than by firms here – and it clearly makes no sense to have research conducted in Scotland being used to give firms elsewhere a competitive advantage. Through Scotland's academic sector, there is huge, untapped potential to create a truly innovative, research driven economy that will help business flourish and lead the world.

A lack of innovation, research and development also hinders the ability of SMEs to grow their exports and expand their business. Around 60% of Scottish SMEs do no trade outside of Scotland. Scotland's exports are also highly concentrated – just 15 businesses account for 30% of all international exports, and 70 firms account for 50%. The SNP government needs to immediately act on these troubling figures. As is often the case with the SNP, Ministers had mooted creating a Manufacturing Institute, but to date no real progress has been made with this. These issues should be addressed as a matter of urgency.

The SNP government should be using the billions Scotland spends on procurement and public contracts to build a fairer economy. No business that engages in blacklisting or tax dodging should be rewarded with tax payer cash, instead they should be incentivised to pay better wages through public contracts.

We want to see a version of 'Macora Law' introduced in Scotland. This would allow workers to buy an enterprise when it is up for sale, and otherwise facing closure, giving more say to working people who want to see a company succeed.

Brexit represents a serious threat to the Scottish economy, but we should

also seize the opportunity it presents.

Too many people experience long working hours, job monotony, management by stress and over-work.

The EU Working Time Directive, a measure aimed at limiting the length of the working week to 48 hours, is subject to a UK opt-out. As a result, across the UK there are 3.35 million people working over 48 hours per week – over a quarter of a million of these workers are in Scotland.

As we leave the EU, the UK and Scottish Governments should consult business to discuss how we can end the opt-out of the Working Time Directive as part of a managed reduction of working time to curb excessive hours, improve health and safety and boost productivity.

These plans could be driven by two new economy ministers. A dedicated Cities Minister and a dedicated Minister for Innovation.

These are just some of the ideas which could drive productivity and business growth, making Scotland an economic powerhouse once again – a new partnership between industry, government and employees. All we need now is a government with the vision and the will to implement them.

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Jackie Baillie is Scottish Labour's Economy spokesperson. This article first appeared in the Scotsman on Saturday 8 July 2017

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## **Government must deliver economic growth – Laird**

By Lesley Laird MP, Shadow Secretary of State for Scotland

Delivering economic growth is one of the most important jobs of government. It is the driver behind higher living standards, better jobs and improved public services.

Without UK businesses flourishing, the UK itself cannot flourish.

The north-east as a region knows this better than most. The oil price crash over the last two years has hit great cities such as Aberdeen particularly hard.

Thousands of people have lost their jobs and firms large and small have gone to the wall.

Just as they have failed to grow our economy, neither the Tories or the SNP have properly addressed the oil and gas crisis.

A Labour government would immediately engage with the industry to develop a

strategy to let the North Sea flourish for decades to come. It would stop the premature decommissioning of vital assets by taking them into public ownership before selling them back when the oil price rises. Labour would engage with unions to ensure offshore safety is the number one priority of firms – and that workers always get a fair wage. These changes would help the oil and gas industry that has been callously forgotten by Tory and SNP governments for too long. But it is also part of our wider vision for an economy that works for the many and not the few. That was the vision articulated by Kezia Dugdale and Jeremy Corbyn that captivated Scotland and the whole of the UK during the election campaign. People across Scotland and the whole of the UK are fed up with Tory and SNP austerity. They are fed up with tax cuts for the rich, while our hospitals and schools are left understaffed. They are fed up with cuts to public services, while large-scale corporations get away with not paying their fair share in tax. People want to see investment in our public services. They want to see economic growth because that is one of the most important jobs of government. Earlier this week, quarterly GDP figures showed the Scottish economy grew by 0.8 per cent. That is a huge relief – given the SNP had led us to the brink of recession – but it is not good enough. The long-term trend paints a worrying picture of Scotland's economic performance, with the average annual change of just 0.5 per cent – a quarter of the UK-wide growth. The rise in output from industries linked to the North Sea is of course very encouraging, but this is far from a vote of confidence in the economy, as Economy Secretary Keith Brown has claimed. Scotland is far from out of the woods and SNP ministers need to drop their failed austerity agenda and redouble their efforts to grow our economy. Businesses want and need certainty. The simplest thing Nicola Sturgeon could do to help our economy is take the threat of a divisive second independence referendum off the table. The Nationalists lost 21 seats at the election because Scots simply don't want to be dragged back to the arguments of the past – they want solutions to the problems of the here and now. The same is true of the Tories across the UK. Like the SNP, they have refused to learn the lessons of the election and instead are pressing on with failed and rejected austerity regardless. Make no mistake – I and my Scottish Labour colleagues will do everything within our power to hold this Tory government to account. Theresa May's weak government – which exists only thanks to her grubby deal with the DUP – faces many obstacles and we will not let them continue on their current path unchallenged. We will fight for a Brexit deal that protects workers' rights and business freedoms, ensuring no one anywhere in the country is made poorer. And we will challenge Theresa May and her divided party at every turn to end their failed austerity agenda, invest in our public services and support the vital sectors of our economy, including oil and gas. Economic growth is one of the most important tasks of government – and Labour will ensure both the Tories and the SNP put it at the heart of this parliament.

*This article originally appeared in the Press and Journal on July 7 2017.*

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## [Danielle Rowley MP: Maiden speech](#)

Thank you, Madam Deputy Speaker, for calling me to make my maiden speech. First, I congratulate my hon. Friend the Member for Lincoln (Ms Lee) on her fantastic maiden speech. I share her passion for representing our constituents. I also congratulate my fellow Scot, the hon. Member for Caithness, Sutherland and Easter Ross (Jamie Stone), on his speech, and I echo his sentiments on the legacy of Charles Kennedy.

We have heard passionate contributions from hon. Members today. During the Brexit process, we must get the best deal for our economy, protect jobs and defend the rights of EU nationals. I will be fighting for that on behalf of my constituents in Midlothian, and I thank them for sending me here to do that.

I must pay tribute to my predecessor, Owen Thompson, who I know worked hard to represent Midlothian, and I am sure his contribution to the community will be remembered well. I thank him for his congratulations, and for the warm and friendly way in which we conducted our campaign. In his maiden speech, Owen, who was wearing his Midlothian tartan tie, spoke about the green representing the landscape, the blue representing the reservoirs and the black representing the coal in Midlothian.

Owen remarked that he was the first non-miner in a long time—since the second world war, in fact—to be elected to represent Midlothian, and I want to make two points about that. I have another first: I am the first woman to be elected to serve Midlothian, and of that I am very proud indeed. Secondly, although you can see that I myself am not a miner, Madam Deputy Speaker, I am proud to come from good mining stock—both my grandfathers, Willie Rowley and Ron Curran, worked down the mine—so I am keeping that strong Midlothian tradition alive, and I was honoured to receive the endorsement of and support from my local retired miners group.

Speaking of former miners to represent Midlothian, I would also like to pay tribute to two former Members for Midlothian whom I have the honour of knowing and have learned from, Sir David Hamilton and Eric Clarke. Eric said in his maiden speech:

“I am proud to be a socialist and a trade unionist”.

I am very glad to be carrying on that mantle, and I am very grateful to David for helping me with my campaign. I must say that I have run out of paper with the list of people from all parts of the House who have asked me to pass on their warm wishes to Eric and David.

It is traditional to talk about the history of one's constituency in a maiden speech, but I feel that those who have come before me have done a fantastic job of highlighting our rich history of Gladstone, of our proud industry—or once proud industry—of Dolly the sheep, of Dalkeith Palace and of Rosslyn chapel, so I would like to talk about the people of Midlothian and what I hope to do for our future.

On 9 June, the day after I was elected to serve here, I spoke at a local food bank, the Food Facts Friends Project in Penicuik. I talked to Mark, who told me his personal story. He told me that when he found himself having to rely on a food bank, it did not just give him the food he needed, but gave him friendship and support and helped him to develop a network. He then helped set up and run the Penicuik food bank himself.

Mark's story reminded me of an ethos that is central to charity and to the idea behind food banks, and that should be central to the work we carry out here when we talk about helping people in need: a hand up, not a handout. It is essential that we give people the tools that they need to live their lives to the full. When I have worked with people in various jobs who are receiving benefits or support from charity, that is what they want. They want support to do things for themselves, not a handout, as some Members of this House and the media might have us believe.

I am sad to say that Mark had to report last week that demand for the food bank had gone up again, with more than 20 families a week using the service. He said that people who come to the foodbank because they cannot afford to feed their families may have been sanctioned or suffered from the benefit cap and welfare reform. Others simply cannot feed their family on the income of low wages and inadequate help from the Government. That is an absolute disgrace and something I will spend my time here fighting. I will fight for good jobs, for good wages, for support for our young, our elderly and people with disabilities, and for a hand up for those who fall on hard times, because it can happen to any of us.

Midlothian is a strong and proud community. Yes, we come together in solidarity in times of hardship—we did it during the miners' strike, we do it when there are job losses and we have done it again now—but we also have many fantastic ways of coming together to celebrate and enjoy our community. There is the youth project that Councillor Margot Russell runs; our community radio, Black Diamond FM; and the Cousland community coffee morning, where I share a roll and a cup of tea at the weekend with members of the community. Since being elected, I have attended many children's gala days. On polling day, I gratefully received some nice soup and a roll from the Grassy Riggs café for older people and their carers. That is to name just a few. I want projects like that which bring the community together to flourish.

I started my speech by paying tribute to Labour Members Eric Clarke and David Hamilton, and I will end on their wise words too. Eric ended his maiden speech by talking about

“the double standards of having a few who are rich and the vast majority who are poor.”

David ended his speech by talking about Labour standing up for vulnerable people, saying that

“those people will benefit, along with all of us, and not just a few.”

Although the phrase may have been stolen today by Government Members, I am going to reclaim it. I end by echoing those sentiments in saying that I am proud □to have been elected here to represent the people of Midlothian on a platform of hope and with the message that I am joining my friends on these Benches to fight for the many, not the few.

*This speech was delivered on July 06 2017. It should be checked against delivery.*

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## Scottish Labour unveils industrial strategy

Today, Kezia Dugdale, Jackie Baillie, and Richard Leonard launched our industrial strategy at Leonardo Airborne and Space Systems. It is a radical blueprint for placing Scotland at the forefront of the fourth industrial revolution. And a radical plan is needed.

NEW: Scottish Labour has unveiled an industrial strategy for Scotland. Read it here: <https://t.co/lVHzZRvgxY>  
[pic.twitter.com/eMfrWre0Ce](https://pic.twitter.com/eMfrWre0Ce)

– Scottish Labour (@scottishlabour) [6 July 2017](#)

Currently, our economy is being neglected by a Scottish government more interested in running a referendum campaign and a UK government driven by a hard Brexit, no matter how damaging to our economy that will be. It is an economy with more and more people in insecure and low paid work. A Labour government would change that. Our plan to increase the national living wage to £10 per hour and abolish zero hour contracts will help end the blight of a low wage economy. We would increase investment in education combatting the skills shortage that we face, particularly in Science, Technology, Engineering and Maths (STEM) subjects. Our cities need a specific representative at the heart of government, so we would create a dedicated Minister for Cities, as well as an Innovation Minister. And we would consult with business to look at ending the UK opt-out of the EU



working time directive, which would limit the number of hours any employee could work in a given week to 48. There are currently 250,000 people in Scotland working over that each week who would benefit from this change, including our hard-working NHS staff.

This industrial strategy constitutes a radical plan to prepare Scotland for the future.

A future only Labour is prepared for, by creating an economy that works for the many, not the few.

Read the industrial strategy in full

here: <http://www.scottishlabour.org.uk/page/-/Industrial%20strategy%203.pdf>