# BCC comments on statement by Scottish First Minister

Adam Marshall comments on the prospect of a second Scottish independence referendum.

13th March 2017

Commenting on the statement by Scottish First Minister Nicola Sturgeon that she will seek a second Scottish independence referendum, Dr Adam Marshall, Director General of the British Chambers of Commerce, said:

"Business communities all across the UK will be thinking, first and foremost, about the additional uncertainty that a second independence referendum would generate.

"Across Scotland — and throughout the UK — businesses want certainty, stability and confidence from governments. Firms understandably fear that another drawn-out constitutional debate would divert both Holyrood and Westminster away from delivering real-world practical support for business, investment, and growth."

#### Liz Cameron, Chief Executive of Scottish Chambers of Commerce, added:

"It is welcome that the First Minister has indicated that the Scottish Government will continue to engage with the political process around the UK's withdrawal from the EU. These are vital years ahead for the future of the UK and Scottish economy and it is crucial that Scotland has a voice at the centre of this process.

"Scotland has been through two referendums and two major elections over the past three years, and there is no doubt that this period of continual uncertainty has had a material impact upon businesses in Scotland. These are real and present business issues that are affecting business decisions and investment. A further referendum on Scotland's independence would be no different, and the more that can be done to mitigate the duration of this uncertainty for business, the better. The Scottish Chambers of Commerce network will continue our process of engagement with businesses across Scotland to understand how this prospect could affect them and how their voices can be most effectively articulated during this process.

"In the current circumstances, businesses need as much certainty, stability and confidence as possible and it is the role of our Governments to provide it. The message from Scottish Chambers of Commerce members has been clear and consistent – our priority must be to create the conditions that will enable businesses to thrive. That means focus and resources must be directed towards greater strategic infrastructure investment, developing the skills we need to sustain growth, fair business taxation that does not limit entrepreneurship and investment and clear guidance on entering and trading in overseas markets - all of which must have a clear evidential basis. These are the priorities for business and must be for our Governments too."

Commentary from Chamber business communities in Scotland is available from our colleagues at Scottish Chambers of Commerce.

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#### Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

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## <u>Scottish Labour will vote against</u> <u>another independence referendum</u>

Responding to Nicola Sturgeon's speech calling for another independnce referendum, **Scottish Labour leader Kezia Dugdale said**:

"Scotland is already divided enough. We do not want to be divided again, but that is exactly what another independence referendum would do.

"Two years ago, 85 per cent of Scotland's voters took part in the independence referendum and the result was a clear vote to remain in the UK.

"With our country facing all of the uncertainty around the Tories' reckless plans for a hard Brexit, the last thing we need is even more uncertainty and division.

"A clear majority of the people of Scotland voted to reject the SNP's false

hope and lies, and backed working together with the other nations of the UK.

"The reality is that leaving the UK would mean turbo-charged austerity for Scotland, putting the future of our schools and hospitals at risk.

"Labour believes that together we're stronger. That is why we firmly oppose a second referendum and Scottish Labour MSPs will vote against the SNP's proposals next week. We will stand up for the people of Scotland, who do not want a second independence referendum.

"Nicola Sturgeon could have made a passionate case for bringing powers from Brussels to Edinburgh, instead she did what she always does: sought grievance and division.

"Scotland deserves better than this. Nicola Sturgeon's government is presiding over an education system with a growing gap between the richest and the rest, a health service that doesn't have enough doctors and nurses, and an economy which sees more than 200,000 Scottish children live in poverty.

"Scotland would be a better place if the First Minister stopped dividing the country and started actually governing the country."

If you agree with us, visit <u>www.togetherstronger.scot</u> to back our campaign against a second independence referendum.

# <u>The government must produce an</u> <u>International Trade White Paper and</u> <u>give urgent clarity what their plans</u> <u>are for our future international trade</u> <u>– Barry Gardiner</u>

#### Barry Gardiner MP,

**Shadow Secretary of State for International Trade**, commenting on this week's inaugural Commonwealth Trade Ministers meeting said:

#### "The

Commonwealth Trade Ministers meeting further demonstrates that the government is actively holding discussions with potential trading partners on our future trading relations. Although the government has told us their plan for Brexit, they have not presented to Parliament and the British people what their plan is for international trade. We've been promised an 'independent trade policy' from the Secretary of State for International Trade, however, this has not been disclosed. government must produce an International Trade White Paper and give urgent clarity what their plans are for our future international trade, outlining negotiating principles and trade policy objectives.

"To this end, I have written to the Secretary of State for International Trade calling for him to urgently publish an International Trade White Paper and to address key unanswered questions about the government's international trade policy."

# <u>Banning bots is a welcome announcement</u> <u>that is long overdue, but a single fix</u> <u>won't solve the problems of the broken</u> <u>ticket market – Tom Watson</u>

Tom Watson MP, Labour's Shadow Secretary of State for culture, media and sport, commenting on the announcement on banning bots in ticketing, said:

"Banning bots is a welcome announcement that is long overdue, but a single fix won't solve the problems of the broken ticket market.

"The package of measures needs to focus on tougher enforcement of existing regulation to stop big ticket companies flouting the rules without suffering any consequences.

"This is a significant development in the long running battle to ensure fairness for fans but we'll keep campaigning for the comprehensive set of measures needed to finally end the big ticket rip off."

### <u>John McDonnell – speech to Labour</u>

#### "The

## <u>economic conference, Glasgow –</u> <u>Saturday 11 March 2017</u>

\*\*\* CHECK AGAINST DELIVERY\*\*\*

Ι want to thank you for coming today. It's been great to see the enthusiasm across the country for these conferences. There's a huge thirst for ideas and for discussion about how we can turn our economy round. But at the heart of our discussions is something fundamental. Adam Smith, who taught, as you know, right here in Glasgow, once called economics "moral science". He meant that, yes, the economy obeys laws -But that it was also about the kind of society we live in. That economics is fundamentally about values. That when we think about the kind of economy we want, we must always think about the kind of values we hold for our society. 0ur values are these: We believe in a fair tax system where everybody, no matter how rich and powerful, pay their way. We believe that - through a fair tax system and collective endeavour - the elderly and disabled should be cared for and the sick be treated.

And children educated to fulfil talents to full. The Chancellor presented his Budget statement earlier in the week. The contrast between what the Labour Party and the labour movement stand for could not be clearer. What I saw, sitting opposite him, was a Conservative Chancellor boasting about tax cuts to the corporations and the rich whilst refusing to effectively tackle the crisis in social care for the elderly refusing to properly fund the NHS and increasing the national insurance burden on many middle and low self-employed earners. And at the same time breaking a clear manifesto promise that the Conservatives would not increase National Insurance. Labour opposed the tax hike from the start. The Chancellor's decision to push a £2bn tax rise on low and middle-earner self-employed made little sense. The justification offered by the government does not stand up. You can't simply demand more taxes off people without offering something in return. This week we saw the Government effectively blaming self-employed people for the dysfunctional labour market. There wasn't a package of measures designed to address the problems of the modern world of work. It was a single unilateral tax hike for all self-employed people earning over

eight thousand pounds. It's a single hike of £2 billion pounds targeted at the self-employed taking place at the same time as the Tories are slashing taxes for giant corporations. They're making the minicab driver pay more, but the company she works for pay less. And that minicab driver will still not enjoy the protections of a full-time contract. Α hairdresser earning fifteen thousand pounds a year will be £139 pounds worse off as a result of yesterday's measures. Some have tried to portray yesterday's announcement as progressive. But what's progressive about raising taxes for low-paid drivers, while the Government goes ahead with cuts to capital gains tax for a tiny few? What's progressive about raising taxes for low-paid self-employed cleaners, while the wealthiest families in the country get a cut in their inheritance tax? What's progressive about raising taxes for plumbers, while multinational corporations see their tax bills slashed year after year? What's not fair is £70 billion pounds of tax giveaways for the wealthiest and corporations, while hiking taxes on middle and low earnings. That's not fair. That's not progressive. That's just not right. Meanwhile the Government's incremental reforms to business rates fall far short of the radical long-term reform needed. They are trying a delaying tactic, but business rates are a ticking time bomb threatening to destroy many town centres. Now Labour recognise that the labour market is changing. Some

of this can be welcome. Self-employment can give people the flexibility at work that a more conventional contract miaht not. Changes in technology have opened up new scope for interesting and fulfilling work for some. But let's not romanticise this. Bogus self-employment is a real and growing problem. It means workers going without the protections that the appropriate labour contract can give. It means workers forced into more insecure work, for less pay - and employers ducking their own requirements to pay National Insurance. Ι want to pay tribute to the campaigning work put in by our unions to bring employers to heel. Scottish TUC are running an excellent campaign, "Better than Zero", against zero hours contracts. The challenge for the next Labour government and the whole labour movement will be in securing the balance between the best possible protections for those in work \_ And recognising that the world of work itself is changing. The labour movement has risen to challenges like this in the past. T† was born out of the struggle for decent pay and conditions when new technologies were ripping up existing ways of working. We need that same spirit and vision again.

So I'll be convening a summit next month of unions, the self-employed, and small businesses to develop Labour's policy on self-employment. We want to win the widest possible support for a radical, Labour vision of how to adapt to a changing world. We are the party of workers and small businesses. That is the message we should carry to every part of the country. And we face a government of the giant corporations and tax avoiders. This week's Budget made that only too clear where their priorities lie. Labour will make different choices when we return to government. For now, we'll keep the pressure up on the Tories. Theresa May has already had to buckle - the tax hike will now not be enacted until the Autumn. But the Chancellor was silent on the greatest challenge facing this country. The word "Brexit" never passed his lips once during the speech. As Britain prepares to begin the process of leaving the European Union, the Chancellor had nothing to say on the matter. He kept silent because he does not agree with the position of his own government. The Prime Minister claims no deal is better than a bad deal.

But this is absurd - no deal would be the worst possible deal. The Chancellor knows very well that this is the case. He's been warned about it from all sides. Crashing out of the EU means we will be cut off from investment. We will be cut off from our biggest trading partner. We will be cut off from the skills and contribution that EU nationals have made to our economy and society. The government has yet to even offer guarantees for those EU migrants already living and working here. It was Labour's amendment in the Lords that demanded the government offer a quarantee. We defeated the government then and we will be fighting the case on Monday. Ιt is essential these guarantees are given to the three million people from the EU now living and working here. Instead this government seems to think they can treat people as bargaining chips apparently forgetting that 1.5 million UK citizens live and work in the rest of the EU. The Brexit vote creates huge challenges for all of us. Τt has brought some of the fault-lines in our society to the fore.

It's

forcing us to think about what kind of society we want to live in. Because the status quo is no longer an option. But the challenge now for all parties, including the Labour Party, is to present an alternative. The Tories have already offered theirs. It is a dystopian vision of Britain as a bargain basement tax haven off the shores of Europe. 0f poverty pay and misery for the majority – but a fabulously wealthy elite at the top. Ι do not believe that those who voted Leave voted for this -**Ouite** the opposite, many believed that our public services would get more resources. not fewer. The hardliners are pushing for this. They want Brexit to be the culmination of decades of free market dogma. 0f the belief that the only relationships that matter are market relationships. And that if you just let markets rip, and let the wealthy do as they please, wealth will trickle down. It's the belief that the institutions we rely and the relationships we build are barriers to efficiency. And that if we leave everything to the market alone, the result will be a flourishing of entrepreneurship and growth.

Nearly forty years since the free market experiment began, we can assess the results. And they are abysmal. We have a society that is amongst the most unequal in the developed world. Тоо much wealth is held by too few hands. Following these free market prescriptions have left Britain with a crumbling infrastructure, businesses that don't feel able to invest, and productivity growth that has slumped. Here in deregulated Britain, it takes a typical worker five days to produce what a worker in regulated France or Germany can produce in four. And that gap is getting wider. It matters because without growth in productivity, sustained improvements in living standards will not be possible. The slump in productivity is the major reason we are now looking at the truly arim forecasts for real wages. Britain has the unique distinction of being the only large, developed economy where when growth returned after the financial crisis, real wages fell. We have growth. But that doesn't mean most people are any better off. Resolution Foundation expects real wages to not recover their 2007 level before 2022. This 15-year period without a pay rise is unprecedented, they say, in 210 years. For as long as industrial capitalism has existed in Britain, we haven't seen a period like this. It is unprecedented. And everything the Tories are doing today is simply exacerbating the problem. The

Budget shambles revealed this. Nearly a decade after the financial crisis they do not have a clue about how to deal with its consequences. They are continuing to pursue austerity - despite all the evidence, now clear from across the globe, that it has been a disaster for those countries that pursued it. So we have to now develop our alternative, and win the argument for a radically different approach. We need to be far bolder in our ambitions for the constitution. I've spoken of the possibilities of a more radically federal structure for the UK. Not just devolution here in Scotland, or in Wales. But devolution to the English regions, too. And a revival of local democracy everywhere. If they shared little else, both the independence referendum and the EU referendum revealed a healthy scepticism about centralisation. There is a deep and growing distrust of authority. Powerful institutions are seen as distant, unaccountable, and undemocratic. Because if we're repatriating powers from Brussels, why simply hand them back to Westminster? And then why stop at the existing devolved institutions?

There is no reason why English counties and regions should not enjoy significantly greater freedoms. Labour won all four metro mayoral elections in England last year, and we'll be fighting for victories in this year's elections. But we need to go further. It's not just about the powers that government has. It's about getting wealth back into our communities. Too many people, in too many places, have been excluded from economic growth. That means taking a different view of how we own our societies' assets and wealth. For too long we have automatically turned to the private sector when new opportunities arise. Look at renewables. Two-thirds of the UK's existing electricity generation capacity will be decommissioned bv 2030. We need to move quickly to replace it. It's renewable generation that can deliver. The UK is uniquely well-placed to exploit the opportunity. In Scotland you have already undergone something of a renewables revolution, which of course we should welcome. However, when it comes to who owns and profits from renewable energy the record here is. at best, patchy. It is good that there is some support through the Cares Scheme for community projects and that many local organisations have developed local

renewable schemes. However, let's be honest - renewables in this country have become a new Klondike for bia multi-nationals. Indeed. for big projects the automatic propensity by Government is to seek private operators and private money to build and finance them; as shown by former First Minister Alex Salmond making such a big effort with the Qatari Government to sell renewable investment opportunities to them. This is a massive missed opportunity for public ownership and control of renewable energy in Scotland. We could have saw surpluses reinvested back into the public sector but instead we have saw profit floating to various boardrooms across the world. 0ther countries in Europe are racing ahead of us in installing new, clean renewable generation. Places like Denmark and Germany are doing it because they are fostering local and co-operative ownership of renewable energy. We could be aiming to create thousands of co-operatives delivering renewable energy. 0ur network of regional development banks will be charged with supplying the finance they need to overhaul our existing energy system. This will sit alongside new local energy companies, supplying cheap, clean energy to their local areas and breaking the monopoly of the Big Six. We'll be giving power back to the people and letting local communities take control of their own power supply. We know there are huge advantages to community ownership. Research shows that for every single megawatt of community-owned microhydro installed,

10 full-time equivalent jobs are created. That is delivering a real boost to some otherwise isolated rural communities, securing jobs and incomes where otherwise there was little. So the next Labour government will create a "Right to Own". We'll give workers in a company facing a change of ownership first refusal on presenting their own, worker-owned takeover plan. 0ur new regional development banks will support worker-owned businesses across the country. We'll aim to double the size of our co-operative sector, so it matches Germany or the US. But I think the same principle has to apply to our communities. The next Labour government will take this new approach. Tt's an approach that means bringing together those parts of our society where co-operation and trust are fostered. For those on the left, that was a traditional argument for the Union. The UK state could be a powerful mechanism to redistribute and create a fairer society. That by pooling our resources through taxation, we can make sure that those who are better off can support those who are not. Ιt means, in theory, we can deliver the same high quality public services across the whole country.

The National Health Service is the embodiment of this principle. And by creating UK-wide institutions we tie our societies together. The economy is always supported and sustained by a dense web of culture and institutions. That's one reason the Tories' austerity measures are so criminally destructive -It's not just that public services are being slowly ground into the dirt. It's that the fabric of social life itself starts to become frayed. The institutions we rely on - from the local council to the health service to our schools - aren't only there to provide a service. We're not mere consumers of education or healthcare. How we educate our young people and how we look after those who are sick define us as a society. They tie us together as a collective. This is the principle behind taxation. Т raised the issue, before the Budget, of making public the tax returns of those who earn over a million pounds a year. It's an anti-avoidance measure, inspired by the example of Norway and Sweden. Public disclosure makes it extremely difficult for those who intent on avoiding their taxes to do so. It's a major reason Norway has one of the lowest rates of tax avoidance in the world.

But I think it's about more than this. It's about shifting our culture. If you are rich - and if you earn over a million pounds a year, you are in not even the top 1%, but the top 0.1% – Ιf you are lucky enough to be that wealthy, and to pay the taxes that are due, your contribution to society matters. We all want a society that is fair, and seen to be fair. So we in the labour movement are against the dogma from the Tories that views society as a war of all against all. We don't believe, as Margaret Thatcher said, "that there is no such thing as society". We don't believe that you can undermine the institutions that make up the fabric of our social life -Whether they are the NHS, or local councils, or schools -With year after year of cuts. We stand for a totally different vision. It's a vision rooted in our values. It's a vision of a more caring society where opportunities are available to all. "Secure people take risks," as the Cambridge economist Ha Joon Chang put it. Α caring society is one that is also able to take risks - to take on great

social challenges. 0r to allow individuals to strike out, to be entrepreneurial -То invent, and create, and challenge convention. Those who are live in fear of unemployment. 0r of what will happen if they grow sick. 0r how they will educate their children. 0r what will happen when they grow old. People who are consumed by these fears - all understandable - will not take those risks. This used to be the privilege of great wealth -That only those with the wealth to do so can afford to innovate. But we don't have to run a society like this. Technology has hugely reduced the barriers against those seeking to establish new businesses. We have built strong institutions that foster co-operation. And new technology lets us build new ways of working together, like Platform Co-operatives. This is the immense, shared wealth that our society has built up. Τf we are to face Brexit with confidence, it is the wealth that we must draw on. We will need a radically different vision of how society can operate.

We know the world is changing, rapidly -The balance of power and wealth is shifting. Factory wages in China now match those in Greece, and are approaching those in Portugal. 0ur country's position in the world is changing. We can't rely on a single sector to drag the whole economy along - as we relied on financial services too heavily before the crash. And we can't think again that concentrating resources and wealth in a few hands in a single city is good for the rest of us. It can't be right that London gets half of all the transport investment in the country. And unlike the SNP vision that was for a prosperity built on low taxes for big business, and an over reliance of oil and bank profits, and austerity for everyone else. We must build new institutions, and spread the wealth of our society more fairly. We'll bring in a £10 an hour Real Living Wage, so work always pays properly. We'll deliver investment in jobs and skills across the whole country. 0ur National Investment Bank and network of regional banks will support prosperity in every region and nation. Τ think we can look to our neighbours and see how our society has a huge potential that can be brought out. We

could look to countries like Denmark, Sweden and Norway.

For example, look at Norway where the best public services in the world are matched by the highest wages. Across these nations you see that measures such as tax transparency at the top, affordable child care, and greater equality are the accepted norm. We don't have to settle for second-rate. We can radically decentralise this country -Put power back in the hands of workers, small businesses and communities. Bring the investment needed to redistribute wealth across every part of this island. Labour would seek a prosperity based on solidarity and fellowship between the nations of these isles, and those who share our values in Europe. We will be part of a new Arc of Prosperity – a radically fairer, more equal, and more prosperous society.