



# A Green New Deal for Scotland's Workers

A report for the Green Group of MSPs

## EXECUTIVE SUMMARY

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Low wages, poor working conditions, job insecurity, and inequality persist across Scotland and the rest of the UK, undermining people's wellbeing, public health, living conditions and economic performance. The pandemic is worsening the situation, hitting the poorest hardest and accelerating the growth of inequalities across our society. At the same time we are hurtling towards a climate crisis whilst failing to take the opportunity to create lasting green jobs by exploiting Scotland's wealth of renewable resources.

Now is the moment to change and build back a fairer and greener Scotland, and that must start with a new deal for workers across the country, putting us on the path to building a wellbeing economy in Scotland that serves workers and the public, rather than an economy that serves to further enrich the already wealthy.

This report sets out a series of policy recommendations to achieve this by strengthening employment protection laws, removing restrictions on trade unions, and helping to establish the collective bargaining and social dialogue structures necessary to properly involve trade unions in economic decision making. It proposes that employment protection law should establish a baseline of universal protections for all workers, upon which trade unions can negotiate terms and conditions appropriate to their sectors of the economy via collective bargaining structures and engage in economic decision-making. These measures will help to address poverty and inequality and strengthen the economy as a whole.

Unfortunately, many of these policies are reserved to the UK Parliament and would need to be implemented at that level unless Scotland gains independence or the necessary powers are devolved. However, significant progress can be made with the existing powers available to Scotland, and many recommendations made here could be taken forward by the Scottish Government now.



# RECOMMENDATIONS



## ACTIONS FOR THE SCOTTISH GOVERNMENT

- 1 Use public procurement to require firms to recognise trade unions, ban precarious contracts, and pay at least the living wage and union negotiated rate for the job.
- 2 Use Crown Estate Scotland powers to ensure that leases for offshore wind are granted on condition of supporting jobs in the Scottish supply chain.
- 3 Facilitate the creation of national collective bargaining structures in areas linked to the public sector that do not currently have high levels of collective bargaining, such as social care and early learning and childcare.
- 4 Involve trade unions in the Regional Economic Partnerships to ensure that they can engage directly with policymakers and other stakeholders and access the economic information necessary to organise in new and developing sectors.
- 5 Ensure enterprise and infrastructure funding is properly targeted at the low carbon economy and green manufacturing and with strict conditions to ensure that companies support jobs in Scottish supply chains and respect workers' rights.
- 6 Establish a Scottish industrial strategy to coordinate work by state bodies, business organisations, and trade unions towards a Green New Deal economy.



## ACTIONS FOR THE UK GOVERNMENT OR SCOTLAND WITH FURTHER POWERS

- 1 Full review of the legislative restrictions imposed on trade unions with a view to identifying the restrictions that create negative effects for workers and economic activity and to expand collective bargaining to every sector of the economy.
- 2 Expand collective bargaining frameworks to ensure decisions are taken at the most appropriate level, for example at the sector and company level, across the entire economy.

- 3** Support collective bargaining in areas not traditionally well represented, including low-paid sectors where women form a large part of the workforce such as the care sector.
- 4** Reintroduce wage councils where bilateral agreements are not yet possible.
- 5** Remove the two-year qualifying period for protection against unfair dismissal and introduce stronger protections against termination of employment.
- 6** Prohibit zero-hours contracts and bogus self-employment arrangements that effectively allow businesses to dodge tax and responsibilities to their staff.
- 7** Strengthen collective dismissal law to cover all workers, remove the cap on compensation to workers, and increase the minimum period of consultation.
- 8** Raise the minimum wage to establish a real living wage, introduce additional protections against wage theft, and simplify the process for reclaiming unpaid wages.
- 9** Support collective agreements that set appropriate wage ratios within companies.
- 10** Expand the coverage of statutory sick pay and increase the level of payment to peg it to the recipient's wage and ensure it pays at least the living wage.
- 11** Transition towards a four day working-week with no loss in pay.
- 12** Strengthen equality law to properly prohibit discrimination and tackle inequality.
- 13** Reform corporate governance to restrict the primacy of shareholders, represent trade unions on boards, expand workplace democracy, and promote long-term strategy.
- 14** Establish a new Department for Workers tasked with upholding labour rights, and with powers to hear complaints, launch investigations, and engage in legal action.
- 15** Form the social dialogue structures necessary to involve trade unions, employer associations, local councils, community groups, NGOs, academics, and scientific advisers in the development and delivery of a Green New Deal economic strategy.