

# **Economy and Fair Work Committee**

# Annual report of the Economy and Fair Work Committee 2023 to 2024



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# **Economy and Fair Work Committee**

To consider and report on matters falling within the responsibility of the Cabinet Secretary for Wellbeing Economy, Net Zero and Energy, with the exception of matters relating to net zero and energy.



economyandfairwork.committee@parliament.scot



0131 348 5975

# **Committee Membership**



Convener Claire Baker Scottish Labour



**Deputy Convener Colin Beattie**Scottish National Party



Maggie Chapman Scottish Green Party



**Murdo Fraser**Scottish Conservative and Unionist Party



Gordon MacDonald Scottish National Party



Colin Smyth Scottish Labour



**Kevin Stewart** Scottish National Party



**Evelyn Tweed**Scottish National Party



**Brian Whittle**Scottish Conservative and Unionist Party

# Introduction

- 1. This report sets out the work of the Economy and Fair Work Committee during the parliamentary year from 13 May 2023 to 12 May 2024.
- 2. The following changes to Committee membership occurred during the course of this parliamentary year—
  - On 29 June 2023, Murdo Fraser replaced Jamie Halcro Johnston, Ash Regan replaced Michelle Thomson, Kevin Stewart replaced Fiona Hyslop, and Brian Whittle replaced Graham Simpson.
  - On 30 October 2023, Ash Regan resigned from the Committee.
  - On 8 November 2023, Evelyn Tweed joined the Committee.

# **Meetings**

- 3. The Committee met 32 times during the reporting period, including one meeting held outside the Scottish Parliament in Aberdeen Town House. Five of these meetings were held entirely in private, and 26 meetings included items in private. One meeting was held entirely in public. The reasons for taking business in private were—
  - · Consideration of correspondence;
  - · Consideration of draft reports;
  - · Consideration of evidence received; and
  - Consideration of the Committee's work programme.
- 4. During the reporting year, the Committee heard from 105 witnesses, representing 76 businesses and organisations.



**105** 

Number of people who gave evidence representing 76 organisations

# Legislation

#### **Bills**

#### Bankruptcy and Diligence (Scotland) Bill

- 5. The Bankruptcy and Diligence (Scotland) Bill was referred to the Committee for Stage 1 scrutiny on 17 May 2023.
- 6. The Bill would give the Scottish Government powers to make regulations to introduce a mental health moratorium. The Bill would also make minor and technical changes to the Bankruptcy (Scotland) Act 2016 and make reforms to the current law on formal debt enforcement.
- 7. The Committee received written and oral evidence from various stakeholders and held two engagement sessions: one with One Parent Families Scotland in Glasgow, and another online with the Poverty Alliance. These sessions allowed the Committee to hear from those with first hand experience of both debt and mental health issues.
- 8. The Committee's Stage 1 report was published on 23 January 2024. Overall, the Committee was supportive of the Bill's aims, agreeing that the introduction of a mental health moratorium would be beneficial to those who need it. However the Committee was clear that it had significant concerns about the lack of information made available to it during its Stage 1 consideration on how the moratorium would operate.
- 9. The Committee considered the Bill at Stage 2 at its meeting on 20 March 2024.

#### Members of One Parent Families Scotland meeting Claire Baker MSP



Source: The Scottish Parliament

## **Subordinate legislation**

- 10. The Committee considered 4 Scottish Statutory Instruments—
  - 1 affirmative; and
  - · 3 negative.

#### **LCMs**

- 11. The Committee considered four Legislative Consent Memorandums (LCMs)—
  - Data Protection and Digital Information Bill
  - Economic Activity of Public Bodies (Overseas Matters) Bill
  - Electronic Trade Documents Bill
  - Trade (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) Bill

and two supplementary LCMs—

- Data Protection and Digital Information Bill
- Electronic Trade Documents Bill
- 12. The Committee recommended consent for three of the above LCMs, but noted that Economic Trade Documents Bill LCM was lodged more than seven months after the Bill's introduction. Standing Order Rule 9B.3 requires that an LCM should normally be lodged no later than two weeks after introduction.
- 13. Members of the Committee expressed differing views on the Scottish Government's position as set out in the Economic Activity of Public Bodies (Overseas Matters) Bill LCM. However, the majority of the Committee agreed with the Scottish Government's recommendation that the Parliament should not consent to the relevant provisions in the Bill.

# Inquiries/case studies

- The Committee undertook three inquiries during the reporting period— 14.
  - A Just Transition for the Grangemouth area
  - A Just Transition for the North East and Moray
  - Disability Employment Gap

#### A Just Transition for the Grangemouth Area

- 15. The Committee agreed to hold and inquiry into a just transition to net zero for the Grangemouth area, looking at how to support, incentivise and de-risk the transition in a way that benefits both businesses and individuals. The Committee received written and oral evidence and visited the INEOS Grangemouth site. The Committee published its report in June 2023.
- 16. The Committee held a further evidence session with Petroineos Grangemouth and the Minister for Wellbeing Economy, Fair Work and Energy on 13 December 2023 after it was announced that the oil refinery at Grangemouth would transition to a fuels import terminal. The Committee also heard from Graham Stuart MP, Minister for Energy Security and Net Zero on 17 January 2024.

#### A Just Transition for the North East and Moray

- 17. Following the inquiry into a just transition for Grangemouth, the Committee launched an inquiry looking at what support is needed to achieve a just transition in the North East and Moray. The Committee also considered whether the Just Transition Fund is achieving its aim to "accelerate the development of a transformed and decarbonised economy in the North East and Moray."
- 18. The Committee received written and oral evidence and held its first evidence session in the Aberdeen Town House. As the focus of the inquiry was centred around the North East and Moray, Members felt that holding the first evidence session in Aberdeen would raise awareness of the inquiry among local people and give the opportunity to undertake engagement activities in the local area. This was the Committee's first external Committee meeting. Members met representatives of the Port of Aberdeen and visited the new Aberdeen South Harbour.
- 19. Prior to the first evidence session, the Committee organised a workshop asking local organisations about what a just transition means to them and how engaged communities feel in shaping the transition to net zero. This gave the Committee a valuable insight into the issues that are most important to the people of the North East and Moray and helped to inform the inquiry.

#### **Committee visit to Aberdeen November 2023**



Source: The Scottish Parliament

- The Committee thanks Aberdeen City Council, the Aberdeen Arts Centre, and the 20. Port of Aberdeen for hosting the Committee and all who took the time to engage with us in Aberdeen.
- 21. The Committee published its report on 25 March 2024.

#### Members of the Economy and Fair Work Committee in Aberdeen Town House



Source: The Scottish Parliament

#### The Disability Employment Gap

- 22. The Committee undertook initial work on the disability employment gap in 2023. This included visits, an evidence session with stakeholder organisations, and an evidence session with the then Minister for Just Transition, Employment and Fair Work.
- 23. The Committee agreed in February 2024 to undertake an inquiry to identify the barriers that limit the ability of disabled people to get and keep a job and to consider how these might be addressed.
- 24. The Committee was very keen to hear about people's lived experience when accessing employment. Two engagement sessions were arranged. The first was with service users and staff of "The Usual Place" from Dumfries. The second session was a visit to Perth, where the Committee met with two local organisations: Push Reuse Centre and the Giraffe Café.

#### **Engagement session with The Usual Place**



Source: The Scottish Parliament

- 25. Members appreciated the opportunity to hear the views of service users before taking oral evidence on the inquiry and asked witnesses how best to address the issues they heard about during the engagement sessions.
- 26. The Committee heard evidence from various stakeholders and worked closely with the Parliament's Public Engagement Service and Broadcasting teams to ensure that a deaf witness was able to engage with the Committee through the use of Speechto-Text Reporters. Questions and responses were transcribed in real time, allowing instant participation. This is the first time that this technology has been used in the Scottish Parliament.

### **Royal Mail Service Changes**

27. In the last reporting period, the Committee issued a call for views on the Royal Mail's proposed service changes and the impact of the associated industrial action on businesses and communities in Scotland. The Committee took evidence from the Royal Mail in June 2023.

#### **Glasgow Prestwick Airport**

- 28. The Committee held an evidence session on 6 December 2023 to discuss Glasgow Prestwick Airport's operational strategy and progress towards achieving its stated strategic purpose of returning the business to private ownership with a sustainable future as an airport.
- 29. The Committee visited Glasgow Prestwick Airport in April 2024, following an invitation from the Chief Executive of the airport. The visit also included a meeting with trade union representatives.

#### Committee visit to Glasgow Prestwick Airport April 2024



Source: The Scottish Parliament

#### 2024-25 Budget Scrutiny

- 30. The Committee held pre-budget scrutiny oral evidence sessions during October 2023. The focus included support for businesses, support for women's enterprise, and skills development. On 25 October 2023, the Committee wrote to the then Cabinet Secretary for Wellbeing Economy, Fair Work and Energy with its recommendations.
- 31. Following the publication of the budget in December 2023, the Committee heard evidence from the hospitality sector and took evidence from the then Cabinet Secretary for Wellbeing Economy, Fair Work and Energy in January 2024.

#### Other evidence sessions

- 32. Throughout the year, the Committee held focused sessions on a range of issues including the economic contribution of the pharmaceuticals sector in Scotland and the report by James Withers on the Independent Review of the Skills Delivery Landscape.
- 33. The Committee held an evidence session with the Keeper of the Registers of Scotland in June 2023 and continues to receive monthly written updates. The Committee held an evidence session with the Scottish National Investment Bank at the end of June 2023.

# **Equal opportunities**

- 34. The Committee is keen to ensure that hears from a diverse range of people when taking evidence and asks organisations to consider this when identifying people to engage with the Committee.
- 35. In some circumstances, the Committee hears evidence from people attending virtually, allowing for a wider range of voices to be heard from across the country.

#### **The Witness Diversity Programme**

- 36. The Witness Diversity Programme took place in May 2023, organised by the Committee in partnership with Institute of Directors (IoD) and Women's Enterprise Scotland (WES). The aim of the programme was to encourage more women to become actively involved in the work of the Parliament and have their views heard.
- 37. Twenty women participated in the programme, where they heard presentations from previous witnesses, officials and took part in activities designed to make the Scottish Parliament a more familiar and accessible environment. Participants met with some members of the Economy and Fair Work Committee and the Presiding Officer.

#### Attendees meeting members of the Economy and Fair Work Committee



Source: The Scottish Parliament

# Post legislative scrutiny

- 38. The Committee agreed to undertake Post-Legislative Scrutiny of the Procurement Reform (Scotland) Act 2014.
- 39. Issues related to procurement have been raised during the Committee's inquiry work. The Committee launched a call for written views, received 21 written submissions and held evidence sessions between February and April 2024. The Committee will report its findings in due course.

