

## **Culture, Tourism, Europe and External Relations Committee**

### **Inquiry - Immigration**

#### **Written submission from European Movement in Scotland**

The European Movement in Scotland campaigned in the General Election to urge people in Scotland to vote with Europe in mind, on a platform of WE ARE EUROPEAN. We take no position on whether that is best delivered through remaining part of the UK or as an independent Scotland.

The European Union is a fundamental force for good for Scotland. Almost half our exports go to the EU. The Fraser of Allander Institute estimates that there could be up to a 5% reduction in GDP as a whole if Scotland is outside the Single Market and a loss of up to 80,000 jobs.

Many sectors of the Scottish economy are dependent on EU labour. Ending Freedom of Movement would impact heavily across the Scottish economy, reduce population growth, as well as tax take under the new income tax powers devolved to the Scottish Parliament. Simply freezing the rights of those already in the UK – with a bureaucratic procedure to fulfil - will not provide the dynamic flow of movement in and out of Scotland which has been so important to the health of our society and economy in this century. It will impact particularly on our highly successful university and college sectors and limit the ability of Scots to study and learn in other European countries. There was no substantial pressure for limits to freedom of movement in Scotland during the EU referendum campaign.

Leaving the Single Market would impact badly, particularly on key growth and high productivity sectors such as food and drink, digital technologies, engineering and the university sector. Scotland desperately needs to improve productivity and growth. Trading in a larger, more competitive market leads to higher growth rates in the medium to long term and higher SME growth.

If we leave the EU, EU funding would go and investment, including from the European Investment Bank and private foreign direct investment would decrease – it is unlikely that there would be substantial public investment in renewable energy, where the EU and the European Investment Bank have been major funders of investment in Scotland in recent years.

Alleged new trade opportunities – we are still to see or hear any evidence of the opportunities of Brexit - would not compensate for the loss of access free of both tariff and non-tariff barriers to the world's wealthiest single market which lies on our doorstep. Target markets such as China and India cannot compensate if there are significant losses in the 44% of Scotland's goods and 39% of services that go to the EU.

The sheer complexity of disentangling our law and regulatory systems from the EU is a mind-boggling waste of resource and effort. It is particularly a matter of concern to voters in Scotland that a stated objective of the negotiation will be to remove our rights as EU citizens. The Scottish Parliament has always taken a strong approach

to the defence of human rights and should object to the taking away of key European rights, including to non-discrimination on the basis of nationality when the Treaty applies, and to move and reside freely within the EU.

Of especial concern would be the loss of the rights of UK residents to freedom of establishment and freedom to provide services in other EU member states. There are large numbers of professionals, especially in the legal and financial services sectors but also in fields as diverse as healthcare, ski instruction, business services, manufacturing and other sectors who would be adversely affected by losing those rights. Further, businesses and services in Scotland will be adversely affected by the loss of key personnel, and there is a question mark over the future of non-EU businesses established in Scotland for whom a major determining factor is access to the Single Market.

EMiS is firmly of the view that the best outcome is for the UK to think again and decide to lead, and not to leave the EU. We are encouraged by the clear indications from EU leaders that the UK can return if it chooses to do so before March 2019. We urge all politicians in Scotland to use their influence in Holyrood and Westminster to work in the national interest and put a stop now to Brexit.

Short of that and if the Art.50 negotiations are to proceed, it is essential that a new approach is taken both because Mrs. May's hard Brexit vision did not win a mandate at the General Election and because it is recklessly damaging to Scotland and the UK. Any approach must take into account wider interests than has so far been the case, and reflect that almost half those who voted, and 62% of the Scottish electorate, voted for the UK to remain in the EU. More recent polls suggest that there is now a majority to Remain, and this is particularly the case among younger Britons.

The UK approach should focus on making sure that the outcome of the negotiations is one which promotes sustainable economic growth and protects our rights. If the UK, as a whole, believes it is necessary to limit migration then this should not impact on the ability of Scotland to attract the migration it needs to secure its future. Immigration to Scotland should be devolved to the Scottish Parliament and a system free of bureaucratic and financial impediments should continue to apply to EEA citizens. It is technically possible to enforce "point of contact" controls on work visas, with checks undertaken by employers, educational establishments etc., Many other countries have differentiated immigration arrangements between constituent parts of their state. It is simply a matter of political willingness to think creatively, as will be necessary in Northern Ireland in any case. EMiS would urge all parties to put aside ideological positions which have no mandate in Scotland and to stand up for Scotland's needs on this pivotal matter.

The European Movement in Scotland calls on the Scottish Parliament to focus its attention on the following key issues in the Article 50 negotiations.

First it is very disappointed that Scottish interests do not appear to be given any weight in the UK preparation for the Brexit negotiations. It must be a matter of great concern that the JMCE Europe, which was recently reconstituted as the JMC EU

Negotiations<sup>1</sup> to prepare for and ensure input to the Art 50 process, has not met since February. It is essential that it becomes an integral and respected contributor to the formation of the UK's policy. There must be a genuine and transparent input of the devolved authorities to the negotiations to ensure that their key interests are taken into account across the range of devolved issues and reserved issues which affect devolved responsibilities, such as migration and formation of new cross-border regulatory arrangements. The role and policy positions advanced and agreed by the devolved administrations should be clear and accountable to their own elected Parliament/ Assemblies.

Second EMIS stresses the importance of ensuring that promises made by the UK Government about securing the benefits of the single market are met in the negotiations. If, because of UK concerns such as seeking to limit immigration, it looks likely that new barriers will be imposed in trade, services or goods, then the UK objectives need to be reviewed to ensure that the outcome does not result in a worse outcome for Scotland and the UK. EMIS believes that the least bad outcome, if we are to abandon UK membership of the EU, is for the UK to remain in the single market and the European Economic Area, as set forward by the Scottish Government in its paper "Scotland's Place in Europe".

Third, EMIS believes that it is essential for the wellbeing of our economy and key sectors such as the universities that Scotland should be able to continue to play a full and active role in key EU programmes such as Horizon 2020, Erasmus and Interreg. Scotland is a leading player in many joint initiatives such as the Vanguard initiative (growth through smart specialisation)<sup>2</sup>, INTERREG programmes such as the Northern Periphery Programme and within Horizon 2020 and Erasmus and a key aim of the negotiations should be to make sure that this right of Scotland to participate in, and in certain cases lead EU developments, should be maintained. If necessary, mechanisms should be found to allow Scotland to make the appropriate financial contribution.

Fourth, EMIS believes it essential that control over migration to Scotland is devolved to Holyrood to allow Scotland to continue to exercise an open door policy to EU nationals and in order to best deliver its devolved responsibilities for the Scottish economy and society. The Scottish authorities cannot be expected to achieve the outcomes the people of Scotland rightly demand if the ability to deliver the necessary resources is throttled by Brexit. Recent studies have shown that Scotland's cities, in particular Aberdeen and Edinburgh, will be badly affected by Brexit. All parties in Scotland must recognise the importance of continuing non-bureaucratic, barrier-free migration to Scotland. This will be of particular value to industries dependent on EU labour such as food and drink, hospitality and technology. This should be a key demand of the Scottish Parliament as the UK seeks the consent of Scotland to its EU legislation. Demonstrating through unwavering determination, Scotland's policy commitment to open EU migration will ensure that Scotland remains an attractive destination for migration and can play a full, not limited, role in EU programmes such as ERASMUS.

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<sup>1</sup>[www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/567368/Joint\\_Ministerial\\_Committee\\_communique\\_-\\_9\\_November\\_2016.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/567368/Joint_Ministerial_Committee_communique_-_9_November_2016.pdf)

<sup>2</sup>[www.s3vanguardinitiative.eu](http://www.s3vanguardinitiative.eu)