European and External Relations Committee
The EU referendum and its implications for Scotland
Written submission from PCS Scotland

Introduction

PCS Scotland believes that this committee should give detailed consideration to how the UK decision to leave the EU affects Scotland’s long-term interests. We are especially concerned that new uncertainty caused by this result may negatively impact our members’ living standards, working conditions, morale and sense of security.

For nearly a decade, our members’ working lives have been marred by uncertainty caused by wage freezes, job cuts, pension changes and office closures. The UK’s decision to leave the EU will cause more uncertainty: many of our members’ jobs are critical to the government structures which will be subject to change.

PCS has a long-standing policy of critical engagement with the European Union and its institutions and we cooperate on a European level with sister trade union bodies such as EPSU and the European TUC. We recognise that protections for workers and equalities have been won at a European level. However, we also recognise that the EU and its institutions have pursued a destabilising neoliberal agenda, causing considerable alarm in the trade union movement across the continent.

Democracy is a key part of our union, and as instructed by members at our annual delegate conference, we did not chose a side in the EU referendum. Rather, we engaged members in our “PCS Informs – You Decide” campaign. This allowed us to take PCS policies and members’ concerns to both sides of the debate, challenging politicians of all parties to respond and thereby providing information to members to make up their own minds on how to vote.

We wish to express our concern over the general tone of the European referendum debate, particularly the stoking of unnecessary fears about migrants. The multitude of misrepresentations regarding migration have, in our view, reached a dangerous level. Migrants (especially from the new EU member states) are net contributors to the public purse and overall make a positive contribution to our society and economy.

Who we represent

PCS is the largest civil service union in Scotland. Our membership includes staff across all UK Departments including DWP, HMRC, Home Office, DfID and the MoD. We represent the staff of the Scottish Government, its NDPBs and Executive Agencies and staff in Non-Ministerial Departments. We also represent workers in statutory bodies such as the Scottish Parliament Corporate Body and in private companies where functions have been transferred from central government.
An uncertain future

Our primary concern is that the decision to leave the EU should have no detrimental effect to public services, public sector workers, in particular, the civil service and its civil servants.

Following the referendum result, PCS raised some immediate concerns to the emergency Scottish Cabinet held on 25 June. These were regarding:

- The impact on jobs that engage directly or indirectly with the EU institutions;
- The resource implications of exiting the EU, whilst simultaneously creating new bodies to deliver on new devolved powers;
- Potential threats to hard-won terms and conditions for members;
- Drafting binding agreements which solidify existing industrial gains on no compulsory redundancies, the Scottish Living Wage and other protections;
- The impact on Scottish budget and settlements, and how this in turn effects pay, terms and conditions.

PCS wrote to the First Minister advising that all planned cuts and office closures should be halted following the result. We also requested information from Scottish Ministers and from individual employers across the Scottish Government sector who interact with aspects of the UK’s EU membership.

We are engaged in the Strategic Forum between civil service unions and Scottish Government officials to explore the potential ‘hot spots’ where staff and industrial relations may be affected. Information collated around these ‘heat maps’, showing potential impact on civil service staff, must be shared with the civil service trade unions.

Over the last decade, training and staff have been cut year on year. Following the decision to exit the European Union, we would like to see this reversed. Substantial additional resources for training and staff should be made available, a) to carry out any relevant negotiations and b) to deliver services once Article 50 has been triggered.

Following the EU referendum, the STUC, to which PCS is affiliated, raised these points with the First Minister at an early meeting and this has been followed up in writing.

If the Scottish Government wish to continue as a member of or participant in the EU, with all the subsequent constitutional implications this would bring, then greater investment in staff, services and training is absolutely necessary. Such decisions will have a substantial impact on Scottish Government and Scottish Parliament staff workloads and pressures.

PCS also alerted Derek Mackay, the Cabinet Secretary, to these matters when we met with him on 12 July. The UK Government appear unable to clarify the
implications of the UK’s exit from the EU. As such, PCS recommend that, to preserve continuity and stability, there should be a moratorium on all decisions regarding staffing reductions, proposed office closures and changes to the terms and conditions of civil and public servants.

*PCS has requested high level information on functions performed by the Civil Service and its related bodies where there is interaction between those functions and the UK’s membership of the EU including number of workers affected, the roles they perform and the locations they are based in.*

As the biggest civil service union in the country, we must have input into any projects that arise or bodies that are established relating to the EU referendum decision where our members jobs are affected.

**Uncertainties for staff**

PCS is seeking formal discussions to draft a collective agreement containing key commitments for our members. These will include: no compulsory redundancies or relocations; and creating more meaningful and effective collective bargaining arrangements at the central civil service level.

There are many areas of the Scottish public sector where PCS members are directly employed in delivering specific EU work or are dependent on EU funding. Examples include the Forestry Commission, the Scottish Government (policy areas such as farming, fishing, ESF grants), Skills Development Scotland, Highlands and Islands Enterprise and Visit Scotland.

The negotiations to leave the EU coupled with further possible constitutional change will have huge resource implications for civil servants working in Scottish Government and they need to be given additional resources to deal with those increasing demands.

The status of EU nationals working in this sector is yet another area of uncertainty for our staff and services. Not only would there be serious consequences caused by the demoralisation of workers who feel ‘unwelcome’, there could potentially be a loss of skills should these workers choose or be forced to leave. We urge the Scottish Government to engage with Westminster to permit existing EU nationals to continue living and working in Scotland.

**The potential for positive outcomes**

There is potential to strengthen workers’ rights by enhancing the Scottish Government’s Fair Work Agenda. This is a PCS priority.

In this period of uncertainty for Scottish public services, PCS Scottish Government bargaining sector demands will be made to Scottish Ministers.

The Scottish Government’s Fair Work Convention aspires to make Scotland a world-leading nation in fair work. The Fair Work Framework published this year states “*We believe that fair work is work that offers effective voice, opportunity, security, fulfilment and respect; that balances the rights and responsibilities of employers and workers and that can generate benefits for individuals, organisations and society*”. 
The Scottish Government directly employs up to 30,000 civil and public servants working for 46 Scottish Government departments, agencies and non-departmental public bodies. PCS believes that the Scottish Government must ensure that the principles to which it aspires for other employers are applied in relation to its own role as a direct employer.

The Scottish Government’s Fair Work Framework promotes case studies where collective approaches in trade union organisation are facilitated to provide a voice to speak for a whole industrial sector. PCS contends that employers and civil service unions have been operating an informal collective approach in the Scottish Government sector for some eight years through the following agreements:

- **No compulsory redundancies** guaranteed since 2008 for all direct employees in our sector;
- **Scottish living wage** since 2011, uprated and backdated every year in line with the Living Wage Foundation rate set in October;
- **Facility time protected** for all trade union reps in Scottish Government sector against UK Cabinet Office attacks elsewhere;
- **Continuation of check off** by all employers in the Scottish sector;
- **High level sectoral engagement with the trade unions** through the establishment of the strategic forum in 2014 reporting to the First Minister on principles on transferring staff as a result of new powers.

Given the continuing uncertainty of the UK’s planned exit from the EU, it would only be appropriate to formalise these arrangements. We will press for a Fair Work Agreement with Scottish Ministers to advance our collective bargaining coverage, representation and support for our members across the sector, particularly those in the small workplaces or in remote locations. By engaging at this sectoral level, and by building meaningful partnership with the individual employers in the sector, we hope to improve pay, terms and conditions for our members.

**Trade and Investment**

We have concerns for the future of Scottish Development International and the prospective implications for attracting and retaining businesses in Scotland. This will clearly have consequences for staff as well. Furthermore, PCS recognise that decisions on trade taken by the EU are often opaque and lack accountability. For example, unelected commissioners negotiating trade agreements such as TTIP or CETA which will open up public services to privatisation. Such deals will have a detrimental impact on Scottish public services.