



**OFFICIAL REPORT**  
AITHISG OIFIGEIL

# Finance and Constitution Committee

**Wednesday 25 April 2018**

**Session 5**



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**FINANCE AND CONSTITUTION COMMITTEE**

**13<sup>th</sup> Meeting 2018, Session 5**

**CONVENER**

\*Bruce Crawford (Stirling) (SNP)

**DEPUTY CONVENER**

\*Adam Tomkins (Glasgow) (Con)

**COMMITTEE MEMBERS**

\*Neil Bibby (West Scotland) (Lab)

\*Alexander Burnett (Aberdeenshire West) (Con)

\*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)

\*Ash Denham (Edinburgh Eastern) (SNP)

\*Murdo Fraser (Mid Scotland and Fife) (Con)

\*Emma Harper (South Scotland) (SNP)

\*Patrick Harvie (Glasgow) (Green)

\*James Kelly (Glasgow) (Lab)

\*Ivan McKee (Glasgow Provan) (SNP)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Martin Bell (Scotch Whisky Association)

Derek Mackay (Cabinet Secretary for Finance and the Constitution)

Helen Martin (Scottish Trades Union Congress)

Kathleen Walker Shaw (GMB)

**CLERK TO THE COMMITTEE**

James Johnston

**LOCATION**

The David Livingstone Room (CR6)



**Scottish Parliament**  
**Finance and Constitution**  
**Committee**

*Wednesday 25 April 2018*

*[The Convener opened the meeting at 10:04]*

**Decision on Taking Business in**  
**Private**

**The Convener (Bruce Crawford):** Good morning and welcome to the 13th meeting in 2018 of the Finance and Constitution Committee. The usual should be done with mobile phones, please.

Agenda item 1 is to decide whether to take item 4 in private. Do members agree to take that item in private?

**Members** *indicated agreement.*

**Land and Buildings Transaction**  
**Tax (Relief from Additional**  
**Amount) (Scotland) Bill: Stage 2**

10:04

**The Convener:** Item 2 is to consider the Land and Buildings Transaction Tax (Relief from Additional Amount) (Scotland) Bill at stage 2. We have been joined by the Cabinet Secretary for Finance and the Constitution, who is accompanied by Ewan Cameron-Nielsen, team leader in the Scottish Government's fiscal responsibility division.

We are in a slightly unusual position in that no amendments have been lodged to the bill at stage 2. However, under the standing orders, we are still required and obliged to consider and formally agree to each section of the bill and its long title.

I do not know whether the cabinet secretary wants to make a short statement before we turn to the formal proceedings or whether he is quite happy for the process to roll on.

**The Cabinet Secretary for Finance and the Constitution (Derek Mackay):** I sense that you are happy for me to let the process roll on. As you have said, no amendments have been lodged, so I am happy to let the process continue.

**The Convener:** In that case, we will take the sections in order and the long title last. Fortunately, the standing orders allow us to put a single question if sections or schedules are considered consecutively, and that is what I propose to do, unless any member disagrees with that. I have a process if any member does.

*Sections 1 to 4 agreed to.*

*Long title agreed to.*

**The Convener:** The cabinet secretary will be glad to know that that ends stage 2 consideration of the bill.

**Derek Mackay:** This is the most stellar performance that I have ever put into a committee session.

**Adam Tomkins (Glasgow) (Con):** Hear, hear.

**The Convener:** The cabinet secretary asked for that.

I suspend the meeting to allow a changeover of witnesses.

10:06

*Meeting suspended.*

10:10

*On resuming—*

## Trade Bill

**The Convener:** Item 3 is to take evidence on the United Kingdom Trade Bill. We will take evidence from Martin Bell, who is deputy director, trade, at the Scotch Whisky Association; Kathleen Walker Shaw, who is European officer at GMB Scotland; and Helen Martin, who is assistant general secretary at the Scottish Trades Union Congress. I warmly welcome our witnesses to the proceedings.

I know that all the committee members have received copies of the submissions, so we will get straight into questions.

**Adam Tomkins:** Good morning, everyone, and thanks for being with us.

Before we get into specifics, I want to try to set the scene and understand the constitutional setting in which we are considering the Trade Bill. I think that, around the table, we all agree from our various political perspectives that Brexit must be delivered compatibly with the devolution settlement. Is it your understanding that, under United Kingdom constitutional law, international trade, international treaty making and international treaty agreements, including international free-trade agreements, are matters that are reserved to the Westminster Parliament?

**Kathleen Walker Shaw (GMB):** I do not like answering a question with a question but, in terms of the GMB's interests, there is a compelling case to ask whether this is a time in global trade policy when we should accept the status quo, given that we are looking at a whole new era of trade policy making in the UK. The GMB certainly has major concerns about some of the existing global and European Union-level trade agreements, predominantly because of their lack of democracy, transparency and inclusiveness of stakeholders. There is a compelling argument relating to whether we should allow trade bills to go through in the UK without questioning whether we could do better. I think that very few of us throughout the country would think that we could not do trade policy a lot better than we currently do.

Public opinion has never been more antagonistic and opposed to the current trade policy mandates at the World Trade Organization and EU levels. We saw that with the transatlantic trade and investment partnership and the comprehensive economic and trade agreement. I do not think that there is a precedent for carrying on with the same old, same old. We have to get back to the basics of what trade is, reduce or eliminate tariffs and duties, take away the friction

of trade, and put the interests of people throughout the country first in trade rather than the interests of deregulation, corporate power grabs and governmental security and secrecy on how trade operates. The conversation about that has to start now. That was one of the few parts of the Brexit scenario that we saw as an opportunity, and I would not want that to be swept under the carpet now.

**Martin Bell (Scotch Whisky Association):** From our perspective, that is really a matter for Governments to agree. We play the cards that we are dealt.

One of our key priorities at the moment might sound a bit odd, but we are very keen on having a structured engagement mechanism in trade policy making. That goes back to the point that Kathleen Walker Shaw made. We would like that, and we would like a statutory foundation for that. Such a mechanism would bring together Governments, whether at UK or Scottish level—it would involve the devolved institutions generally—with business, the third sector and unions to discuss what trade policy should mean and what our priorities should be. We should end up with a trade policy, whether it is on trade negotiations, market access or WTO disputes, that is well thought through, has widespread agreement and support, and is effective.

10:15

**Helen Martin (Scottish Trades Union Congress):** Mr Tomkins has asked a very interesting question in terms of constitutional law. It speaks to the heart of some of the tensions that we are looking at in the Trade Bill: what our democracy will look like, how it will be shaped and how it will function.

It seems a reasonable constitutional position that the UK Government should lead on trade negotiations, but it is clear that what is decided within those negotiations has an impact on devolved issues such as procurement, so it is important that there is an appropriate role for devolved institutions within the framework.

One of the things that we would like to see is an appropriate framework that allows the devolved institutions to play a role and scrutinise trade agreements, not just after they are agreed but while they are being agreed, in a similar way to what was done by the European Parliament at the European level. That should allow some democratic scrutiny for the Westminster Parliament and the devolved Administrations, and it should create a much better trade system that can do the sorts of things that Kathleen Walker Shaw talked about.

We need to recognise that trade agreements get into trouble when they are conducted behind closed doors without buy-in from the public. Creating a system that is appropriate and recognises the devolution settlement and gives the Scottish Parliament appropriate access to the system is an important part of what we are trying to create through the Trade Bill and the Taxation (Cross-border Trade) Bill.

**Adam Tomkins:** That is helpful. The evidence that the committee has received in previous sessions on the bill is strongly of the view, as articulated by Helen Martin, that although it makes sense in the context of our law that the UK is in the lead, the reality is that modern trade agreements include a number of provisions that touch on a range of devolved competences, public procurement being just one of a number of examples.

The committee is interested in your view on how we square that circle. How do we ensure that Scottish ministers, and indeed the Scottish Parliament itself, as well as stakeholders in Scotland and elsewhere in the UK, have a meaningful role to play in the making of free-trade agreements? A number of members of the committee will have specific questions about that.

**The Convener:** Building on that, it would be useful to know whether you have any specific proposals to improve the bill. We have to consider at what stage we give consent to it, and it would help us if your proposals could be recorded.

**Martin Bell:** From our perspective, the one thing that is missing is a statutory foundation for stakeholder engagement. The thing that we want to see in the bill that is there is the ability to carry over existing EU free-trade agreements into the post-Brexit world.

**Kathleen Walker Shaw:** I should clarify that I am a national official of the GMB, although I prepared the submissions for GMB Scotland. In the committee's agenda it says that I am the European officer for GMB Scotland.

The committee will have seen the GMB response to its consultation and call for evidence. We are keen to have some sort of formal structure. In the work that we have done over a number of years on trade policy, we have seen that where there is a lack of democratic process and inclusion it is because there are no structures substantial enough to get engagement at every stage of the trade agreement. I am not sure whether it is the perfect model, but one that interested us, as we said in our written submission, was the idea of a joint council of the nations. We would like it to be more than a scrutiny committee that is established once negotiation on a deal kicks off.

Because of the major concerns about the direction of so many global and EU trade deals, the GMB thinks that the Scottish Parliament and other devolved Administrations must have a formal and substantial say on why we are having any trade agreement, what its aims, objectives and scope are and what its mandate is. They should have such a role in agreeing whether we start the negotiations, not how we fill the gaps or pick up all the messes once they have been created. Whatever structure we have should mean that we are locked in from the day that somebody suggests a trade deal with India, for example, to the point that, if we do not like what we see on the page at the end of the day, we have the right of veto, as the European Parliament does on any trade deal.

We need a structure that is robust enough to do that. We are struggling with the bills that are before us. We are dealing with two bills at the moment that cover the immediate and future trade policy for the UK: as well as the Trade Bill, we have the Taxation (Cross-border Trade) Bill, which covers other elements of VAT and border-related issues, as well as the trade remedies, although the trade remedies authority provisions sit in the Trade Bill. However, the trade remedies authority is just about the only part of the Trade Bill that is about what there will be in the future as opposed to the transitional arrangements for existing global and EU trade, which takes up the other part of it.

The TRA provisions are another example of why we have concerns about there being more of the same for the Government, because they do not mention a seat for the devolved Administrations on the authority. They do not mention trade unions either, for which we are battling royally at Westminster at the moment. There will be nine seats, apparently. The chair will be appointed by the secretary of state who, by default, will have a significant say in who takes up the other seats as well. On the remedies side, he will have the power to refuse the TRA's recommendations.

All those things need to be addressed. What are we doing about trade democracy? Is what we see in the bills that are before Westminster and that you are now scrutinising good enough? Our answer is no.

**Helen Martin:** We agree with a lot of what Kathleen Walker Shaw just said. The role of Parliaments in particular in continuing scrutiny of trade agreements is essential.

When we were considering TTIP, we found it invaluable to be able to meet members of the European Parliament such as Jude Kirton-Darling, who had first-hand knowledge of the TTIP negotiations, had access to all the European-side negotiation documents and could give us a good understanding of what was happening in the room.

It allowed a level of stakeholder engagement in the process, which massively shaped the outcome, although that was negative.

The ability to understand and be involved in the process was facilitated by parliamentary scrutiny, which is entirely missing from the bills that are going through Parliament. They give an awful lot of power to the Executive, very little power to the Westminster Parliament and, to be frank, no power at all to devolved Parliaments. We need a change in that for the continuing scrutiny.

We also need all the Parliaments of the UK to have the power of ratification. That is not unheard of. We see it at European level at the moment. In other European countries, regional Parliaments have to ratify the trade agreements that are made. It would absolutely be appropriate for that to be replicated in the bills.

**The Convener:** Scrutiny issues are emerging, so we will get into that area now.

**Patrick Harvie (Glasgow) (Green):** Good morning. It seems to me that there are two separate questions on parliamentary scrutiny. One is about the basic principle of parliamentary scrutiny. That involves comparing the ability that the Westminster Parliament would have—if we accept that trade negotiations are a UK responsibility—with the European Parliament's current ability. It is about the ability to lobby MPs and to engage in that scrutiny process, and about the ability of MPs to set the negotiating mandate, have access to the papers during a negotiation and, ultimately, sign off or reject an agreement that has been reached between Governments.

The second question is about devolved competence. Although I accept that the negotiation of trade agreements is a UK responsibility, their content will clearly have the potential to severely constrain devolved responsibilities and they therefore require the consent of the devolved authorities.

Do you place more emphasis on one or other of those two questions, which are on the principle of democratic scrutiny and the devolved aspects of how democratic scrutiny will work? Do you have a particular model from round the world that you would like to draw on and advocate for to be included in the bill if it is amended?

**Helen Martin:** Kathleen Walker Shaw rightly articulated in her previous answer that it would be possible to have a joint council that plays a scrutiny role, in addition to the work of the Westminster Parliament. That would allow the Scottish ministers to play that role as well. We will need to consider how the stages of the process will evolve over time. The important thing is that we have some element of it embedded in the bill, which can be built on over time—we can reframe

and hone our systems to take account of what the devolved nations need.

We do not want to have the idea that it is simply something that Westminster does behind closed doors without proper parliamentary scrutiny from anyone. We do not want Westminster to make trade agreements that take away our rights when we basically have no recourse, but that is the direction that we are heading in. We need to create a system that gives a formal role to devolved institutions and the UK Parliament.

**Patrick Harvie:** Just to pick that apart before I come on to the other witnesses, you talked about a joint council, and there has been a suggestion of some sort of council of ministers in the UK. Of course, that would be about the Governments, not the Parliaments. Do you envisage a method of joint parliamentary scrutiny or do you see that operating separately in the separate Parliaments, with multiple levels of scrutiny and consent required, rather than some kind of joint system?

**Helen Martin:** It would be appropriate to have scrutiny in each Parliament using the existing scrutiny methods in those Parliaments. The way in which that is developed and the stages at which it is done might not be exactly the same in each Parliament. It would be appropriate for each Parliament to play its own role with its procedures and scrutiny committees, as we are doing at the moment with the Trade Bill. We need to recognise that devolution functions differently in different places and that a one-size-fits-all approach is not necessarily appropriate. We also need to recognise that each Parliament is legitimate and has a legitimate say on trade deals, how they are concluded and how they affect the people they represent.

That is maybe the bit that is not well understood or supported at Westminster—the idea that it is legitimate for devolved Parliaments to have an appropriate say and that that could potentially halt or radically alter a deal that is being agreed. Ultimately, that happens in other places, where regional Parliaments have quite a strong say on such matters. That is the level of democracy that we need.

10:30

**Patrick Harvie:** Would anyone else like to comment?

**Martin Bell:** In a typical trade negotiation, there are a number of touch points: scoping is followed by agreement of the mandate, the negotiation itself, ratification and implementation. I think that what we all want to avoid is the devolved institutions coming in only at the last stage. They must be involved from the outset and throughout the process. We do not yet have a position on how



that could be done, but we are happy to look at ideas.

A well-run negotiation will involve the negotiators talking to the Parliament throughout the process, because we do not want a fancy deal to be reached, only for parliamentarians to say, "Actually, we would prefer not to go ahead with that." Increasingly in the European system, the chief negotiator will constantly talk to the relevant committees. The informal element is important, too. Agreement of the mandate would seem an obvious touch point on which the Scottish Parliament should have a voice.

**Patrick Harvie:** Kathleen Walker Shaw might want to comment. It is clear that the UK has been having to respond to the need to skill up on trade issues to develop capacity that has been largely exercised at European level. Does the Scottish Parliament need to undertake a similar exercise and increase its capacity to engage with such issues?

**Kathleen Walker Shaw:** I think that that is vital. As Martin Bell said, it is important for the Scottish Parliament to be brought into the decisions on fundamental issues such as whether we want a trade deal and whether we even want to start negotiations.

As far as the principles of scrutiny, what guides what and the priorities are concerned, the GMB's position is very much that the devolved Parliaments and the Parliament at national level would drive the mandate of any council of the nations in the governmental approach at that level. We do not see the various Parliaments as being separate; we see them as being part of the whole process of getting consensus on what trade policy would be good for all the nations of the UK and as influencing that debate at every stage. That will require transparency and skills, knowledge and experience, which, sadly, it is only possible to get on the job. Not having that knowledge is not a reason for any of the Parliaments to take a step back. We all have gut instincts about what is good and what is bad, and our own visions of what trade could look like. The Scottish Parliament would do well to see itself as a key player in that process.

We cannot wait, because the first few lines of the Trade Bill talk about the Government's commitment to maintaining its position on the WTO's Government procurement agreement. That is one of the founding elements of the first part of the Trade Bill.

**The Convener:** We will come back to procurement. James Kelly is going to raise that.

**Kathleen Walker Shaw:** Okay. Procurement is fundamental when it comes to scrutiny.

Mr Harvie also asked whether there were other models across the world that we could learn from. The powers of devolved Administrations are never the same in any two countries—that is the case with the devolved Administrations in the nations of the UK. Many people said that the negotiations on CETA, the trade deal between the EU and Canada, were a good example of the involvement of the provinces and of the provinces exerting their power, but as someone who was quite closely involved with the Council of Canadians and other lobbying groups that were actively involved on the Canadian side, I know that whether the provinces were able to get where they wanted to be on CETA is an open question. A lot of compromises were made. There are still, I dare say, tensions that may yet overflow once CETA is implemented and up and running. There is no perfect model. There are things to learn from what the provinces did in Canada, elbowing out some space for themselves. It was not perfect, and I think that you would probably struggle to find many provinces that would say that they are 100 per cent happy with that. We will have to cast about and bring our own ideas to the table.

**Patrick Harvie:** That is helpful. Thank you.

**The Convener:** I do not know whether Willie Coffey's area has been covered. Do you still want to ask a question about scrutiny?

**Willie Coffey (Kilmarnock and Irvine Valley) (SNP):** Yes, I do. The concerns that have been expressed today about lack of scrutiny and accountability have been shared with the committee by witnesses last week and previously. Do you have any sense of those concerns being listened to in relation to potential amendments to the bill, or do you fear that, if the bill goes through as it stands, we will be heading in the same direction that TTIP went?

**Martin Bell:** On the general question of engagement, I do not have an answer about what will happen to the bill, but I have met a number of times with the lead on stakeholder engagement at the Department for International Trade. What I have seen over time is that the thinking has evolved. It started out by focusing on ad hoc mechanisms, taking the traditional approach, but there is a movement towards more structure as the department learns how others do it and looks at best practice elsewhere. I probably cannot give a definitive answer to your question, but the direction of travel in policy terms looks promising.

**Kathleen Walker Shaw:** I can give a fairly straightforward answer. I have major concerns about the lack of consultation and listening mode of the UK Government on trade policy, as we mentioned in our wider UK consultation response, which was attached to our submission. We were consulted last October on the white paper on trade

policy. Within hours of the closing date of that consultation, the Taxation (Cross-border Trade) Bill was tabled in Parliament. For people who spend a lot of time trying to give technical responses to Government policies, it is difficult not to feel that the Government has contempt for our views when that happens, not least when the bill has some of the weakest trade remedies that we have seen internationally, never mind at EU level, when it comes to protecting and promoting the interests of UK industries and other companies.

**The Convener:** We are going to come back to discuss trade remedies specifically, and I know that Neil Findlay is interested in that.

**Kathleen Walker Shaw:** In light of the fact that the Government did not have listening ears on, we have formed a joint grouping of trade unions and some of the biggest manufacturing and employing federations in the UK, such as the Chemical Industries Association and manufacturers of glass, furniture and building materials, because of our concerns that UK industry was being left wide open in the Government's trade remedies process. You may have picked up on that, as we mentioned it in our response. We are jointly providing amendments to the Government and are having to battle them through every stage of the bill. We are picking up a lot of traction in the Parliament, and members of Parliament are referring to our group, but it is not changing the written word of the Trade Bill or the Taxation (Cross-border Trade) Bill when it comes to the positions on remedies and dumping. That is a major concern not just to trade unions but to employers in the UK, and it is important for your committee to know what levels of joint work are going on at a technical level and, sadly, not being given the fair hearing that we hoped for.

**Helen Martin:** The STUC has not had any direct contact with the UK Government at all on that. The work has been led by the Trades Union Congress and our affiliate unions, as Kathleen Walker Shaw has described. The only thing that I would add is that the frustration is evident across a whole range of our affiliates. A range of sectors feel unsure about what will happen and feel that the process is moving at pace without any useful engagement.

**Willie Coffey:** If there were no provisions in the bill to embed what we would understand to be proper scrutiny of any trade process, would your organisations support or oppose the Scottish Parliament giving consent to the bill?

**Martin Bell:** We are looking for a bill that gets us ready for day 1 of Brexit and does the bare minimum that we need. Our perspective is that the bill does that, so we hope that the Scottish Parliament will give consent. We are not at all involved in trade remedies, which are not our area.

**Helen Martin:** We are a bit more ambitious. We would encourage the Scottish Parliament to consider not giving consent if the bill did not lay a foundation for appropriate trade policy in the UK. The bill's scope is fairly limited, but it sets a precedent for what is likely to happen. I feel strongly that we need to build in at this point the principles of democracy, scrutiny and democratic accountability. While the Parliament is being asked to give consent, I encourage it to consider those issues.

**Kathleen Walker Shaw:** I agree.

**The Convener:** If I am right, Murdo Fraser's question relates to the same subject.

**Murdo Fraser (Mid Scotland and Fife) (Con):** It does. I want to put the discussion in context, and my initial question is for Mr Bell. We have heard a lot of evidence, but you are the only person to have come to the committee to give an industry perspective—you represent a body that wants deals to be done and trade to be promoted. I did not support Brexit, but Brexit is where we are. Post-Brexit, it will be in our national economic interest to deliver a lot of trade deals pretty quickly.

The evidence that we have heard last week and today about additional scrutiny is entirely understandable. There have been calls for the devolved Administrations to be given a right of veto, for parliamentary scrutiny at Westminster and Holyrood, and for civic society to be involved in all the discussions. From a practical point of view, what would building in all those levels of scrutiny and barriers mean for the Government's ability to deliver trade deals in the timescales that industry bodies such as the Scotch Whisky Association will want in their members' interests?

**Martin Bell:** It is important to take a step back and ask what trade policy is. Trade negotiations and trade deals are important, but they are not all that there is. I spend my days dealing with trade barriers in markets around the world by using the WTO tools and other tools that are available. Such barriers are often the major commercial issues for our members. Many of our developed markets, such as the United States, apply a zero per cent tariff, and the EU applies such a tariff to spirits that come in.

The issues that trade negotiations traditionally deal with are often not the major hurdle for us; that is often about dealing with discrimination. We have had eight WTO cases over the years, seven of which dealt with fairly flagrant tax discrimination in emerging markets around the world. As important as trade negotiations are the slightly less exciting but equally impactful issues of market access and disputes.

I will raise one point that is emerging from the way in which the UK is looking at negotiating when it starts to do so. The ultimate objective might be a free-trade agreement, which can take some years to deliver, but meaningful commercial benefits should be delivered on the way to that.

Recently, I met a colleague from the Association of British Insurers and I was interested in the ABI's trade priorities, because none of them related to anything that we would deal with in a trade negotiation—they were about things such as having a licence to operate in market X. However, those are things that, with political will and some negotiation, can be delivered overnight in many jurisdictions. For example, as we all know, a trade negotiation with the United States will take some time, but if we have a working group with India, which is our top priority worldwide—150 per cent tariff—there are a lot of regulatory issues that could be addressed piecemeal on the way to a final deal.

10:45

**Murdo Fraser:** That is an interesting response in the context of our discussion. You seem to be suggesting that, as a mechanism for entry into international trade treaties, the Trade Bill, although important and significant, is perhaps not essential, because much of the trade that needs to happen post-Brexit would happen anyway and does not require that level of serious involvement and development.

**Martin Bell:** The Trade Bill is about our current trading agreements and ensuring that they continue after Brexit. We would expect a further bill to have a much more detailed and inclusive approach to the issues that we discussed earlier, such as setting the mandate, negotiating, ratification and implementation. There is a difference, because future trade negotiations would be developed in a very different context.

When we are talking about stakeholder engagement in trade policy making, an important part of that is engaging in trade negotiation—advising the Government and so on—but another important part is feeding in expert views from the industry and other stakeholders on the rather less exciting, but very important, everyday market access issues.

In the US, for example, there is a system of advisory committees that is run by the Office of the United States Trade Representative. Those committees meet regularly and advise the US Government on how it should approach every WTO committee. That kind of thing is very important. From a practical point of view, it is often more important than other aspects of the process.

**Murdo Fraser:** That is very helpful. Does anyone want to add to that?

**Kathleen Walker Shaw:** Your question was guided by the idea that there might be a danger of too many cooks spoiling the broth in respect of trade agreements, but my experience at EU and global level of some of the wider trade rounds under the WTO suggests that that is far from the case. The problem that has stymied so many trade agreements in the past couple of decades has been the failure to ensure scrutiny and stakeholder involvement at the right time and on a continuing and committed basis. That failure has derailed trade agreements.

There is no evidence to show that the more secretive and limited we are about the governmental spheres that decide trade policy, the quicker things will happen—far from it. In the current political climate, in which there is a greater chance of public unrest about such issues, agreements will be derailed if we are not more inclusive in their development.

**Helen Martin:** Just because the Trade Bill is limited in scope and is intended only to transpose current FTAs, that does not mean that we should not be concerned about how we are doing that or the process for doing it. Some of the executive powers of rewrite in the bill mean that we could end up with quite different agreements from the ones that we started with, even if that is not necessarily the intention, and that adds to the uneasiness in our country around trade and the direction of travel.

It is important that we take seriously questions of democracy and scrutiny within the bill and do not allow the spectre of Brexit, and the feeling that we need to get things concluded quickly in order to keep things ticking over, to be used by the UK Government so that it can put in whatever provision it wants and we will agree to it. It is important that we take time to put the appropriate measures in the bill to ensure that we are laying the right foundations and are beginning to have conversations about what democratic scrutiny in this area looks like.

**The Convener:** In making sure that democratic frameworks are in place, for want of a better description, are you aware of any other proposed legislation on the stocks that would enable us to deal with such issues or is this our chance to do it? The suggestion is that we could wait and do it later, but I am not aware of any other mechanism that is available to us at this stage, other than the Trade Bill.

**Helen Martin:** In some ways, that is the point. The bill is here, it is an opportunity and the Parliament is being asked for consent. We do not know what is proposed for future trade

negotiations, which will have to happen, or what that process will look like. There is the possibility that it could simply replicate what we do this time, and there might not be another opportunity for the Scottish Parliament to offer consent, but I do not know.

**Ivan McKee (Glasgow Provan) (SNP):** Good morning, panel. We have talked about the devolved Administrations and how you feel they should be engaged in the process. I want to focus on the area of consent versus consult. The GMB submission explicitly mentions that in respect of common frameworks and trade deals. Will you expand on those points? Perhaps the other panellists could then talk about their views on the need for the devolved Administrations to give their consent on how we move forward.

**Kathleen Walker Shaw:** It is fundamental that the Scottish Parliament gains a sphere of influence in trade policy. From our experiences at Westminster of trying to make a fist of it, the proposals in the Trade Bill and the Taxation (Cross-border Trade) Bill are far from where we would want them to be on that issue. Unless you have the consent card to play, the consultation will involve you being told, "You're here saying it, but we're not listening to you." It is important to consider what mechanism you have to ensure that your views are taken account of at this stage.

As we have said, of the two pieces of legislation that are going through Westminster, the Trade Bill is, to a greater extent, about the transition. However, setting up a trade remedies authority would go beyond that, so it is a bit of a pick and mix. A precedent is starting to be set. The very fact that the devolved Administrations are not seen as players in the current draft means that it is time to put a marker down on consent in that area; otherwise, I fear that you will repent at your leisure. The UK Government is thinking that what it can get away with here on trade policy will set a precedent. The GMB is reflecting on that carefully, and we are trying to make our voice heard on our concerns at every level at this stage because, as Helen Martin says, we are not sure to what extent we will be asked in the future.

**Martin Bell:** When it comes to trade negotiations, the obvious time for consent is at the outset, when the mandate is being defined, because that sets parameters within which the final agreement must fall.

To return to the point about stakeholder engagement and having a formal structure that involves the devolved Administrations and the devolved institutions as a whole, that should happen throughout the process. That would seem to be the best way to dock in to that.

**Helen Martin:** It is very important that consent and on-going consultation play a role in the process. Those two things are slightly different, but there is a role for both. We have already explored the issue.

**The Convener:** We will now get into some of the specifics, including procurement, which was raised earlier.

**James Kelly (Glasgow) (Lab):** Helen Martin and Kathleen Walker Shaw mentioned procurement as an important aspect. Scotland has a separate procurement policy. When it comes to the trade agreements, should there be scope for the Scottish Government to stipulate terms in cases in which the Scottish public bodies are affected, for example on issues such as the real living wage?

**Kathleen Walker Shaw:** Over the years, following revisions of the EU directive in 2004 and 2014, the GMB has done a lot of work on public procurement. We acknowledge that the Scottish Parliament has devolved powers in public procurement areas.

Public procurement has been a controversial and tense area of not just global but EU trade agreements. In our experience of the national context, the devolved Administrations have been far more progressive and imaginative in their approach to public procurement, particularly on social and environmental aspects, including wage-related issues, although the GMB believes that a lot more can be done.

The Westminster approach was different, particularly with the 2014 revision of the directive, when we worked very hard to get some elements of public procurement into the text. Nobody should underestimate how difficult it is to change EU public procurement policy. Like trade policy, it is an area in which there are many vested interests that do not want to move. However, they had to move, because the liberalising aspects of public procurement, the public interest and the social and environmental aspects were going out of balance.

In 2014, we got the social clause into the revision. It does not answer all the issues that Mr Kelly raised in relation to establishing the living wage, and there are court cases, such as the Ruffert case, in which it has been claimed that there are problems with that and that it might not be deliverable. The GMB does not agree with that. We got that clause in and it was established as a general principle of the EU public procurement directive. We called it the social clause. It requires compliance with collectively agreed terms and social and environmental clauses. It was not put in the general principles in the Westminster application, but it was in the Scottish text. In the

Westminster provisions, it was mentioned in the ability to exclude a contract.

The point that I am making is that there are differences in direction on procurement. Procurement is an integral part of trade agreements. The Scottish Parliament has what might be regarded as a progressive approach to public procurement. Does it want to concede that and accept a more restrictive and less progressive approach, and be told what it can and cannot do on an existing devolved power? I would suggest that that is not a route that either the Welsh or the Scottish Administration would want to go down.

To come back to the fundamental point of the Trade Bill, which Liam Fox is putting all his money on, we will remain in the Government procurement agreement. If we look at the provisions of the GPA, we see that its *raison d'être* is to open and liberalise public contracting markets at a global level.

11:00

While we are talking about what might be—as I say, the GMB is all for seeing what might be possible—I point out that there is an interesting precedent. Currently, the UK is a member of the GPA as part of the EU 28. The Government says that, when we come out of the EU, we will be an independent member of the GPA. The existing GPA schedules list the Scottish Parliament and various roles in the Scottish Government, and they also mention Northern Ireland and Wales as well as central Government. If the UK can belong to the GPA as part of the EU in a plurilateral agreement in the WTO that is not binding on all WTO members, what is to stop a unified collective group of nations having a voice within the GPA independently, to protect their public procurement interests? I would argue that those include wanting to level out and improve the social and environmental aspects of public procurement, including the ability to provide a living wage with a degree of legal certainty. That would be worth going for.

During the most recent revision of the procurement directive, which I mentioned, the compromise that we reached was article 18(2). That was no mean feat. Our objective, which was supported by a number of the European Parliament committees that scrutinised the revision, was the reintroduction of International Labour Organization convention 94, on labour clauses in public contracts. That convention does not talk about a minimum wage; it talks about collectively agreed or arbitrated wages in the sectors that are under a public contract. There was a lot of parliamentary support for that and, behind closed doors, many Governments across

the EU did a lot of national-level research on its merits.

Sadly, however, that convention did not end up in the annex in the directive that lists various ILO conventions, including, importantly, the convention on the freedom to organise and collectively bargain. However, there is a tipping point, and Governments are accepting that something has to give on the issue of fair wages under public contracts, so now is the time to start pushing that. I would not want the Scottish Parliament to lose any of its scope to influence the process of getting there.

**Helen Martin:** That was a very comprehensive answer. To come at the issue from the point of view of the public and our members, there has been a lot of frustration about how procurement can be used. For a long time, the European Union has been held up as the bad guy, with people saying, “We’d love to pay you the living wage, but we just can’t, because of Europe,” or, “We’d love to not have to tender CalMac services, but we have to do it because of Europe.” That is a simplification of a complex argument but, ultimately, that is what our members heard.

There is now an expectation that some of those things will be in our control, so it will be difficult for our members to understand why, because of a trade agreement that we have concluded with other nations, those issues still exist, nothing has really changed and we still do not have the ability to do what we want to in our public contracts with our public money. In some ways, that goes to the heart of the legitimacy of such agreements and the idea that we are genuinely taking back control of how we do things. Therefore, it is essential that we find a way for the Scottish Parliament to have meaningful ways of controlling procurement and putting social issues at the heart of procurement because, otherwise, there will be a very difficult conversation about why everything has changed and yet nothing has changed.

**The Convener:** I ask Martin Bell whether he has anything to add on that.

**Martin Bell:** The GPA is not a huge issue for the Scotch whisky industry.

**The Convener:** In that case, Emma Harper wants to have a chat about protected geographical indications and tariffs.

**Emma Harper (South Scotland) (SNP):** Good morning, everybody. I am interested in issues around protected geographical indications, labelling and tariffs, especially in relation to Scotch whisky.

I note that the submission from the Scotch Whisky Association says that you have

“worked hard for many years to ensure that consistent EU rules on production, labelling and geographical indications are in place and enforced.”

The submission also states that 90 per cent of the Scotch whisky that is produced is exported, so trade is obviously vitally important, with 39 bottles being exported every second to 180 different markets. How important, critical or significant is the Scotch whisky brand? When we look at the geographical indications of other products, there are 14 categories of 67 products, and additional schemes for food and drink—wine, whisky and so on. How important is the Scotch brand for our trade?

**Martin Bell:** Scotch whisky has to be produced in Scotland, according to the Scotch Whisky Regulations 2009, and that is fundamental to the success of the industry. We exported £4.3 billion-worth of Scotch last year. That was the biggest export of Scottish goods or services worldwide. Of that, 30 per cent goes to the EU and 70 per cent goes elsewhere—to those 180 markets around the world.

We are a premium product, and much of that premium comes from the fact that we are produced in Scotland and we have a reputation that has been built up over many years. We have been suing people around the world for many years to protect that description, and we are very pragmatic in the legal tools that we use. The GI concept comes from the TRIPS agreement in the WTO—the agreement on trade-related aspects of intellectual property rights—and dates from the mid-1990s. However, we had been suing people for many years before we had that agreement. Often, we used the common-law tort of passing off, which is about when people pretend that something is Scotch whisky when it is not. TRIPS gave us a higher level of protection. It places an obligation on WTO members, of which there are now 166 or 167, which gives us the ability to enforce our rights as GI right holders.

Different countries have different approaches. Some, such as those in the EU, have a very sophisticated GI regime; others have a register of GIs, and others allow us to protect our product through the trademark system, for example. We have a policy of registering worldwide, wherever there is a register. Sometimes we are registered as a GI, sometimes as a collective trademark and sometimes as a collective mark—it depends on the regulatory regime in the market in question and the tools that are available. However, in no market is Scotch whisky generic. It would be a big blow to the industry if we became generic in any market, which is why we spend a lot of time and money making sure that that does not happen. The Scotch brand is absolutely fundamental.

**Emma Harper:** Does the Trade Bill propose to protect the geographical indication for Scotch whisky, for instance?

**Martin Bell:** Scotch whisky is one of the EU’s list of GIs to be recognised by other countries in the case of many of the existing EU FTAs, so under the continuity of existing EU FTAs, that gives us another string to our bow. However, in most countries we already have some kind of formal protection in place, with the exception of Korea, where we are in the process of registering. That GI is good to have—it is important for us—but we are already protected in those markets.

**Emma Harper:** Last week, I asked about the tariffs relating to Scotch beef, lamb and other things. Competitiveness might be put at risk by tariffs on supply-chain inputs, such as tariffs of 3 to 5 per cent on glass bottles and even tariffs of up to 5 per cent on corks. All of that is a real challenge when we need to protect this product that is Scotland’s brand.

**Martin Bell:** That plays into the UK-EU trade negotiation and what that will deliver. We are looking for an ambitious FTA that eliminates tariffs on inputs. We do not have a tariff on selling into the EU, but we certainly do not want to see tariffs on our inputs.

**Kathleen Walker Shaw:** The GMB is very interested in geographical indications. We have done quite a bit of work, not just in the agri-food sector, on the current EU coverage of GIs. A number of years ago, the European Commission consulted on the scope to extend geographical indications beyond agri-food and the appetite for doing that among member states. It saddens me to say that support for extending GIs beyond the agri-food sector was 50:50.

I was a member of the European Economic and Social Committee, and I asked the companies that the GMB was working with for their opinions on extending GIs. Unlikely as it may seem, we have members in Savile Row—the Savile Row tailors—and, similarly to Scotch whisky, they are permanently in litigation to defend the integrity of their products. They thought that it would be valuable to extend the scope. However, the UK Government’s position on the extension of GIs was less than lukewarm.

Martin Bell and I have had discussions about how safe the GIs are. Given the GMB’s trade union background, our rule of thumb is to prepare for the worst so that everything else is a breeze. I have concerns about the Government’s commitment to GIs. You asked whether the Trade Bill covers that, and Martin Bell was right to say that, where we have trade agreements in place at EU level that will be transitioned over, we expect the integrity of the GI status to be maintained, but

the bill itself is silent on GIs. As we have said, the bill does not go into any detail about what will happen. It is an important issue for the Scottish Parliament, and we do not want to be left uncertain about it, given the export value of products such as Scotch whisky.

We need more clarity from central Government on its commitment to GIs in future trade policy and negotiations, and in relation to the wider EU withdrawal negotiations that are currently going on. You will be aware that the text that came out in March filled in and colour co-ordinated the European Commission's original draft withdrawal agreement proposals. Under the heading of intellectual property, geographical indications under article 50 were specifically mentioned, in item 2. After the discussions on that negotiation, the Commission released a colour-coded draft; green is where the Commission and the UK Government agree; yellow is where we are negotiating, but there are still i's to dot and t's to cross; and white is where we have no agreement.

I will hold up the document for the committee to see. You will see that intellectual property in general is green, so we are good to go, but geographical indications are white, which means that we do not know what will happen. I hope that that heading will soon be green, but at the moment it is not. We have good reason to ask central Government why that heading is not green, what its aspirations are and what its direction of travel is in relation to ensuring that the coverage of future protection of GIs is clear as soon as possible. We want there to be no doubt about that. It is a fundamental issue for us.

Personally, I think that the GI heading is white because what is also agreed in the document is the UK Government's ability to start trade negotiations during the transition period. You will know from recent press coverage that the United States is less than enthusiastic about—in fact, it is even actively hostile to—geographical indications. The US was on about Cornish pasties again recently—I do not know what it is about Cornish pasties that means that they take a pasting all the time, but now Donald Trump is doing it. He does not want what he sees as restrictive regulatory proposals damaging the US's ability to make anything that it wants. I suggest that the UK Government is hedging its bets a bit in order to pull people in.

Do we want geographical indications to be a sacrifice for a trade agreement with the US? I do not think that we should be making those kinds of concessions. That is why it is a priority that we know where the Government stands on that issue.

**Emma Harper:** That point is really important. Ivan McKee asked about consent versus consultation. Trade is reserved, but does that

mean that we should just sit down and say, "Okay, go and negotiate for us," given that Scottish industry and businesses are vitally dependent on protecting things such as the Scotch whisky brand? We need to be shouting about the need to be sitting around the negotiating table.

**Kathleen Walker Shaw:** Absolutely.

**The Convener:** I guess the question is whether you are going to be able to turn that chart green.

11:15

**Martin Bell:** Yes, I think that we will be able to. I am fairly confident.

We are discussing with the Department for Environment, Food and Rural Affairs what the UK GI regime will look like. I suspect that that is why the chart is white rather than green.

It is a sine qua non of any FTA that the EU negotiates the same level of protection for EU GIs in the market in question as there will be in the EU. That is a red line for the EU.

There is a great debate about GIs that plays out internationally—largely between the US and the EU. It happens in the WTO and it happens at bilateral level. All I would say is that, in the trans-Pacific partnership agreement, the US concluded a number of side letters with trading partners to recognise the distinctive product status of bourbon and Tennessee whiskey. Of course, that is not the same as GIs, but it is a recognition that there is something in the GI concept for US exporters. Kathleen Walker Shaw is absolutely right that the US takes a different view from the EU but there are one or two kinks in that view.

**The Convener:** Alexander Burnett, do you have any questions?

**Alexander Burnett (Aberdeenshire West) (Con):** My point has been covered already.

**Patrick Harvie:** Kathleen Walker Shaw has covered some of this territory but the evidence that we heard last week about the US position on this referred to the US annual report on foreign trade barriers, which will set the agenda that the Trump regime will be looking to achieve from any future negotiations. The 2018 report says:

"the United States remains troubled with the EU system that provides overbroad protection of GIs, adversely impacting the protection of U.S. trademarks and market access for U.S. products that use generic names in the EU and third country markets."

In that context, and acknowledging that this is not only in relation to this bill but to future legislation for future trade negotiations, would it be a positive step for the Parliaments to pass an amendment, even if it was only symbolic at this stage, setting a clear expectation that policy will be

based on the intention to protect and, if possible, extend geographical indications? Would such an amendment set the right context and give a clear signal to Government that that is expected?

**Kathleen Walker Shaw:** That would be a helpful move.

**Martin Bell:** I am not sure. I would have to think about that. I do not think that we would see that as being necessary, at least from our perspective, which is the perspective of a mature GI that is well organised.

**Patrick Harvie:** That suggests that you are confident that it is already the intention of UK Government policy to protect GIs in relation to your industry and more broadly.

**Martin Bell:** Yes. To go back to the UK-EU negotiation, the reality is that the UK will have to have a GI regime that gives EU GIs the same level of protection as the current EU system.

**Patrick Harvie:** Would that be even in relation to future negotiation with the US?

**Martin Bell:** If there is a system in place, it will be difficult to change it because we will have made that commitment to the EU.

**The Convener:** There are two further areas to cover. Ash Denham will ask about dispute settlement issues.

**Ash Denham (Edinburgh Eastern) (SNP):** I want to ask the panel about investor-state dispute settlements and clauses that might cover them. The GMB submission states that Governments must be free

“to apply public interest policy without risk of challenge”.

We know that the Scottish Government has a history of pursuing quite distinctive policies, including its public health policy; we would like it still to be able to do that in the future. If ISDS clauses are a feature of any trade deal that is negotiated by the UK, how will they impact on Scotland?

**Kathleen Walker Shaw:** Investor-state dispute settlements are corrosive to the point of paralysing the ability of Governments and government at other levels to act in the public policy interest.

They also, which is equally damaging, cause a sort of regulatory chill for certain public policy decisions that the Scottish Parliament, for example, might want to make. James Kelly raised the issue of the living wage. The Government might want genuinely to drive that forward; however, Egypt was taken to court for wanting to increase the minimum wage on a contract, because the investor-benefit side said that that would impinge on its ability to make profits. It is hard to imagine, but that is the reality of ISDS in

operation. There are, on websites, armfuls of examples of Governments and local authorities being sued for eye-watering amounts of money. Recently in Romania, the equivalent of the country's entire health budget was lost in ISDS cases.

At Europe level, the transatlantic trade and investment partnership and the comprehensive economic and trade agreement have become flashpoints because the public are becoming very aware of their corrosive effect. Spectacularly, the European Commission shuffled a bit of paper and said, “Oh! We've got rid of ISDS,” but now we have the investment court system instead, which is the same thing but with a different name. That will not wash with public opinion. Such systems are not necessary in trade agreements and, to return to my initial point, they are everything that trade agreements should not be about. Let trade agreements be about tariff reduction, duty reduction and free access, and not be about a power grab by corporate, private-court-settled investment interests. That is completely undemocratic and secretive and should not be legal, and it undermines public policy decision making and democracy at every level.

As I said, a growing tide of countries that have had ISDS are starting to move away from it—for example, South Africa and New Zealand are discussing doing that. Given that tide, this is not the time for the United Kingdom to be looking to resuscitate and prop up a system that has already been proved to have failed, and not only to have failed but to be very damaging to Governments across the world.

**Ash Denham:** Do you think that the UK Government is trying to resuscitate that system?

**Kathleen Walker Shaw:** Liam Fox is committed to having ISDS in future trade agreements. He might have changed his mind, but when he started the consultation, the white paper supported ISDS.

**Helen Martin:** The STUC sees ISDS very much as a form of private justice that is completely illegitimate. We see it as robbing the ability of Parliaments to make decisions for their communities, and as something that can lock in privatisation and extremely negative decisions. ISDS ties the hands of Governments and citizens regarding how we organise our own society: it is the exact opposite of what people were trying to achieve when they voted for Brexit.

**Martin Bell:** The Scotch Whisky Association has been involved in state-state World Trade Organization litigation, which is very different from the investor-state dispute settlement, which involves a company being in arbitration directly with a country. In effect, ISDS grew out of commercial arbitration, so it looks very much like



it. From the GMB perspective, the European Commission's new approach is not satisfactory, but it addresses some of the concerns about secret courts, lack of transparency and lack of appeal. However, it is not an area that we have been involved in.

The policy question is whether ISDS facilitates investment—if that is the policy road that the Government wants to go down. There is an academic debate about whether ISDS can facilitate investment, but there is also the practical question about whether it actually delivers increased investment.

**Neil Bibby (West Scotland) (Lab):** First, I declare that I am a member of the GMB. Kathleen Walker Shaw said earlier that there should be trade union involvement in the trade remedies authority, which I think is an important point.

GMB has also said that there is no recognition of the devolved Administrations in the TRA. In your answer to Willie Coffey, that was one of the examples that you gave of the UK Government not listening. Do you know whether that is something that the Scottish and Welsh Governments are pushing for, and is there anything that you—and other members of the panel—want to add about the importance of changes to the membership and function of the TRA?

**Kathleen Walker Shaw:** I have not seen anything on that going through the Scottish Parliament. You obviously know better than I about your discussions. However, we are pushing amendments at UK level for the TRA to include trade unions and the devolved Administrations. That is essential—not least because Scotland and Wales are developing their own industrial strategies, through procurement and other means.

We wish that there was a more comprehensive industrial strategy at UK level. The trade remedies provisions in the Taxation (Cross-border Trade) Bill that deal with dispute settlement, remedies, anti-dumping provisions and other trade-defence mechanisms are not, in our view, robust enough to protect industries. My view is that the Scottish and Welsh Parliaments should want to be involved in a trade remedies authority that may otherwise decide that it is not going to take action in terms of trade remedies in the defence of a Scottish industry—whisky, for example. Heaven forbid!

We have seen a very hands-off approach being taken by the UK Government in its involvement in dispute mechanisms and defence mechanisms. There seems to be a line of thought at the most senior level of the UK Government that any kind of involvement in trade encourages protectionism. As we have said to the UK Government on a number of occasions, it is very important that it make the

distinction between protection and protectionism—they are very different things.

There is no industry in the UK that does not want its Government to go to the ramparts to defend its jobs and future, if it is facing unfair competition—as was the case during the steel crisis, when the Chinese swamping of the market with below-market-value steel products was going on a few years ago. I followed that very closely at EU level. The European Commission wanted to raise punitive tariffs on China, but the level at which they were finally set was below the Commission's aspirations. GMB is not one to be an apologist for the EC, but those punitive tariffs on steel products were set lower because the UK Government thought that they were too high. It is important that people know that.

We blame the European Commission for an awful lot, but it wanted to increase tariffs against China to a level beyond what the UK Government was prepared to accept. In my view, the UK Government has not changed its spots in terms of how it will protect industry at domestic level. Therefore, it is vital that the Scottish Parliament has a central role, especially given the scope for individual power that the Secretary of State for International Trade has given himself within the trade remedies authority. The Scottish Parliament needs to have a corner to fight from in that, as do the unions and industry, because it is going to get very nasty.

I will throw in another example. I do not know whether it was down to lack of political will or lack of experience, but we recently went through a trade dispute with Bombardier. Our Northern Ireland members were facing a very hostile and, frankly, unfounded challenge from Boeing, which was supported by Donald Trump at every stage of the process. I fear very much that had we not had the European Commission fighting the corner of our members in Northern Ireland in order to save their jobs and rebuff that challenge, we would not have won that case on the basis of the submission that was made by the UK Government.

I saw both the submissions. The UK Government put in about a page and a half in defence of Bombardier, while the European Commission made a compelling and legally sound case. When we went to Brussels to defend the case, the European Commission put up nine lawyers and industry experts to meet our trade union reps, gain information and help to strengthen the case against the challenge from Boeing. I do not see such required robustness in the UK provisions. We need to focus very strongly on doing something about that.

**Helen Martin:** It is essential that the trade remedies authority has representatives from business and the trade unions, whose expertise

and understanding of sectors is absolutely essential, as well as representatives of the devolved Administrations, as we have said. It is worrying that the Trade Bill will allow the Secretary of State to override the view of the TRA. That is a very worrying provision that suggests that the legislation is very much about executive power, as opposed to parliamentary power and proper trade scrutiny. We need to consider that aspect—the powers of secretaries of state—as well as the involvement of the devolved Administrations, business and trade unions.

**The Convener:** I thank the witnesses for coming today. It has been very helpful in drawing together some of the threads that we need in order to prepare a report on our view on legislative consent for the Trade Bill.

11:31

*Meeting continued in private until 11:42.*

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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