



The EU Referendum

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THE BENEFITS
OF SCOTLAND'S
EU MEMBERSHIP



**The Scottish
Government**
Riaghaltas na h-Alba



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FOREWORD

Scotland has long been a committed and engaged part of the European Union. For more than 40 years, individuals, businesses and communities across Scotland have experienced the social, economic and cultural benefits of EU membership.

Born out of the needs of European countries to prioritise cooperation over conflict to ensure peace, the enduring relationships of respect and cooperation have driven developments for mutual interest to help Europe lead and shape a better world.

It is easy to take for granted the fundamental benefits the EU brings us. For example, the right to work and study across the continent has created opportunities for an estimated 2 million UK citizens who have chosen to live, work and study in other EU countries. Scotland in turn benefits from the 173,000 EU nationals living here, enriching our culture, strengthening our society and boosting our economy.

The EU supports the ambitions of people to improve their lives; of businesses to grow; and of governments to achieve economic prosperity. It gives us valuable and hard-fought-for social protections like employment rights, maternity and paternity leave and the right not to be

discriminated against on the grounds of age, gender or race. And it gives us the opportunity to work in solidarity with others across the continent to tackle pressing global challenges, such as the movement of refugees and migrants, energy security and climate change.

The Scottish Government believes that EU membership is in the best interests of Scotland. If we are to influence positive change in Europe for ourselves and others, we must retain that membership. Only by doing so can we preserve our role in the decision-making processes that affect our daily lives.

As we approach the in/out referendum on 23 June 2016, it is now more important than ever that those who support EU membership continue to make a positive, constructive case for it. The Scottish Government will remain at the forefront of making that positive case.

THE ECONOMIC, SOCIAL AND CULTURAL BENEFITS OF SCOTLAND'S EU MEMBERSHIP

Over the last 40 years, Scotland's businesses, organisations and people have benefited from our place within the EU.

Benefits include the freedom to live, study, work, trade or travel across the EU's 28 member states.

For **businesses**, this places them within the world's largest trading area of 500 million consumers. For Scotland's **education** sector, it provides life-changing opportunities abroad for our students and researchers, and for international collaboration. For our **communities** and **individuals**, benefits include social and development funds which support this Government's work to secure new jobs, opportunities and inward investment to Scotland.

The Single Market

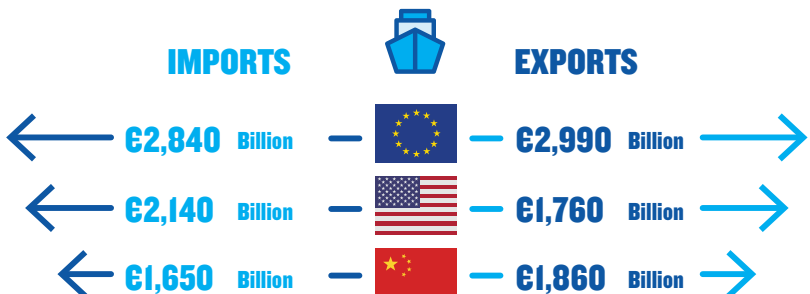
The European Union is the world's largest single market. The freedom to move capital, people, goods and services has delivered economic and social benefits for Scotland, removing barriers to trade and opening Scotland to a market of 500 million people.

- Over **300,000** Scottish jobs were estimated by the Centre for Economic and Business Research to be directly and indirectly associated with exports to the EU in 2011.¹

¹ UK jobs supported by exports to the EU. Centre for Economic and Business Research, March 2014.

- The EU is the top destination for Scottish exports, receiving **42%** of Scotland's International exports in 2014, worth more than **£11 billion**.² In 2015 seven out of ten of our top food export markets were within the EU.
- In 2015, there were over **2,310** foreign-owned companies in Scotland, employing around **314,000** people with a combined turnover of **£90 billion** – around 42% of these companies were ultimately owned by firms based in the EU.³
- In four out of the last five years Scotland has been the most successful of all the nations and regions of the UK outside London in attracting Foreign Direct Investment, according to the Ernst & Young Attractiveness Survey Scotland 2015. That survey shows that 72% of investors to the UK cite access to the European Single Market as important to the UK's attractiveness as an investment destination.⁴

ANNUAL IMPORTS AND EXPORTS WITH THE REST OF THE WORLD



² Export Statistics Scotland 2014.

³ Scottish Government, ONS (IDBR).

⁴ Ernst & Young Attractiveness Survey Scotland 2015.

SOCIAL PROTECTION, SOLIDARITY AND MUTUAL SUPPORT

The EU is not simply an economic union. It is also about social protection, solidarity and mutual support.

Social Protection and Fundamental Rights

EU membership means that the rights of people in Scotland are directly protected by EU laws and by a Charter of Fundamental Rights. Legislation covering everything from employment to equality and from privacy to a healthy environment creates a level playing field across the EU and prevents the exploitation of workers. If Scotland was to leave the EU, these hard-fought-for rights could be lost.

- **The EU Charter of Fundamental Rights** protects important rights in areas ranging from civil liberties to consumer protection. It requires respect for human dignity and fair treatment for all members of society and prevents the exploitation of workers.

- **EU Regulations** give workers the right:
 - not to be discriminated against on the basis of gender, religion, disability, age or sexual orientation or on the basis of race or ethnicity;
 - to 14 weeks' maternity leave with at least statutory sick pay and the right to four months' parental leave on the birth or adoption of a child; and
 - to 20 days' paid leave each year and to work no more than 48 hours a week unless you choose to do so.
- **The Victims' Rights Directive and Anti-Trafficking Directive** help ensure that victims of crime can have the right kind of help, information and support wherever they are in the EU.

NOT TO BE DISCRIMINATED AGAINST
on the basis of **GENDER RELIGION**





Solidarity

EU membership enables Scotland to play a meaningful role in collective action to address major challenges affecting the continent, from tackling crime and dealing with the serious impacts of climate change, to addressing the current global refugee crisis. Through solidarity and collaboration, we can achieve far more than individual states acting alone ever could.

- EU climate diplomacy was vital in securing the global climate change agreement in Paris in December 2015. The focus on renewable energy resources within the EU's research programmes and other funds has led to financial support for numerous projects in Scotland.
- EU membership supports concerted and coherent action to address issues such as air quality, which cross national borders, providing leadership and a joined-up approach to waste prevention. European legislation has helped us decrease nitrogen oxides by 67%, particulate matter by 53% and sulphur dioxide by 87% in Scotland since 1990.
- EU justice measures are helping us tackle serious organised crime and support victims. Cooperation between our police and justice agencies helps ensure criminals can be brought to justice across EU borders.

- The EU enables states to work together to prevent the spread of illness and disease. For example, the EU has taken forward joint actions to address cancer and HIV/AIDs, health threats including communicable diseases and major campaigns against drug abuse.
- EU funding plays an important part in measures to tackle youth unemployment in Scotland and achieving our goals for a fairer, more prosperous Scotland. European Structural Funds invest in programmes to support young people into work, training or education.

Mutual Support

EU funding helps support our wider goals for Scotland, improving lives, helping businesses to innovate and grow, promoting inclusive growth and promoting Scotland on the international stage to boost our trade and investment, influence and networks.

EU funding comes to Scotland through European Structural Funds, the Common Agricultural Policy (CAP), and a broad range of competitive funding schemes which promote collaboration and the sharing of knowledge and expertise between member states and sub-states. Direct funding in these areas provides funding stability, and allows us to direct funds at areas as diverse as retaining farming in fragile areas and promoting social cohesion by tackling youth unemployment.



- **€941 million** – the amount the European Structural Fund 2014-2020 programmes are investing in Scotland to support the Scottish Government's priorities. The aim is to improve lives and benefit communities by reducing poverty and social exclusion, boosting educational attainment and skills development, increasing employment, economic activity and innovation and supporting projects with a positive impact on climate change and renewable energy. The 2007-2013 programme supported almost 100,000 people into work, created over 40,000 jobs, supported over 80,000 enterprises and over 17,000 new business start-ups.
- **€4.6 billion** – the amount Scotland will receive from the EU to implement the Common Agricultural Policy (CAP) in Scotland until 2020. The CAP provides vital funding for Scotland's farmers and landowners, along with a range of competitive support schemes. €3.7 billion of this amount is in direct payments to farmers, with just over €840 million supporting the Scotland Rural Development Programme (SRDP). The SRDP funds a wide variety of projects across Scotland to help create vibrant rural communities, protect and enhance our environment, develop food, drink and wider rural businesses, and support the forestry and farming sectors, including in vulnerable areas.



- **€217 million** – Horizon 2020 research and innovation funding secured by organisations in Scotland since 2014, enhancing our scientific and business reputation around the world, our ability to attract and retain world-class researchers, and our opportunities to access new markets and funding.⁵ Scottish higher education organisations and research institutes have secured over **€173 million** to March 2016 while Scottish businesses have secured over €39 million. In the period 2007-13, higher education organisations and research institutes were awarded €630 million of a total €730 million awarded to Scottish organisations.⁶
- **€107 million** – the amount the Scottish Seafood and Marine sectors will receive in direct assistance through the European Maritime and Fisheries Fund between 2014 and 2020, supporting research, development and structural reform.
- Since 2007 more than 100 Scottish organisations have accessed over **€60 million** through the EU Interreg programmes to develop cooperation projects with EU partners on issues as diverse as improving innovation in businesses, developing a low carbon economy, community-led renewable energy, the protection of fragile coastal and marine environments, tackling urban deprivation and improving service delivery in remote rural areas.

⁵ Figures based on data received via BIS: 2016/02/23 on money awarded across Europe.

⁶ This figure includes both large organisations and SMEs. Research Institutes are classified by the European Commission as Research Organisations.

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- EU funding programmes support innovation to improve and promote health, allowing us to develop new approaches to delivering health and social care. For example, investment of **£1.4 million** for the United4Health project has helped nearly 6,000 Scottish patients in the west of Scotland monitor their health and wellbeing at home using digital technology. The Scottish Government is now investing almost £30 million in expanding this approach across the rest of Scotland.
 - Through the Erasmus+ programme for 2014-2020, Scots benefit from more than 150 EU-funded projects totalling almost **€13 million** to boost skills and employability and provide opportunities to study, train, gain work experience and volunteer abroad.



THE PRINCE'S TRUST ⁷

The European Social Fund (ESF) has supported several Prince's Trust projects over the last seven years. The 'Addressing Disadvantage Through Team' project has been instrumental in providing support for young people to overcome challenges and achieve their ambitions – whether that is due to lack of education or training, or simply a lack of confidence and motivation. With over 4,000 young people receiving support since 2008, the project was extended in 2011.

Simon, 19, from Peterhead, struggled at school. He was diagnosed with attention deficit hyperactivity disorder, fell in with the wrong crowd and got into trouble for fighting in and out of school. By 15, he had criminal convictions for various offences including assault, theft and possession of a knife. He said: "I had no motivation, no education, no job – everything around me pointed to failure. I thought I had no hope."

Simon's criminal justice social worker referred him to Team, a programme improving employment prospects for unemployed young people. After graduating from Team, Simon volunteered to work on the next programme, secured an apprenticeship at a logistics firm, and has been in full-time employment for over a year.

He said: "The Prince's Trust showed me my choices. They opened a door to so many different opportunities, I realised my life could be whatever I made it. Without their support I'd probably be in jail or not even here anymore. Instead I feel great and have a lot going for me."

⁷ Figures as of May 2015.



WEST WHITLAWBURN HOUSING COOPERATIVE, SOUTH LANARKSHIRE

Whitlawburn is one of the most deprived parts of Scotland. Using £2.3 million from the European Regional Development Fund, the tenant-operated West Whitlawburn Housing Co-operative developed a Community Energy project to address fuel poverty, a major issue for residents. The project has allowed local people to set up and run a scheme to directly improve their quality of life. With a new energy centre providing domestic heat and hot water to 543 local households, the properties have been converted from electrical storage and panel heating systems to low carbon renewable heating, providing tenants with lower heating bills, improved heating control and reduced levels of fuel poverty. Tenants are now benefiting from an average reduction in heat and hot water costs of 20%.

The project is also making a significant contribution to targets for reducing carbon emission and is forecast to provide lifetime carbon savings of 48,600 tonnes of CO₂, equivalent to saving 2,500 tonnes of carbon per annum.

FREEDOM OF MOVEMENT

The 173,000 EU citizens (3.25% of the population of Scotland) who live in Scotland enrich our culture, strengthen our society and boost our economy.⁸ People in Scotland benefit from being able to move freely in the EU.

- According to a new HMRC report, in 2013-14 recent EU migrants made a positive contribution to UK public finances of over £2.5 billion.⁹ Recent Oxford University research suggests that working age adults from EEA countries are less likely be receiving state benefits than people born in the UK.¹⁰
- Scots are among the estimated 2 million¹¹ UK citizens who benefit from EU freedoms of movement, living, working and studying in other EU countries as easily as if they were in Scotland.

Students from Scotland can
**TRAIN AND STUDY
IN ANY EU COUNTRY**



UNDER THE SAME CONDITIONS

  as that country's nationals
      

⁸ 2014 Annual Population Survey.

⁹ HM Revenue and Customs. *Statistics on recently arrived non-UK EEA nationals subject to income tax and National Insurance contributions or receiving HMRC administered benefits*. 12 May 2016.

¹⁰ Madeleine Sumption and Szilvia Altorjai, Oxford University Migration Observatory. *EU Migration, Welfare Benefits and EU Membership*. 4 May 2016.

¹¹ IPPR Report on Europe, Free Movement and the UK, April 2014, http://www.ippr.org/files/publications/pdf/free-movement-EU-UK_April2014.pdf?noredirect=1.

THE EU AND YOU

EU membership also delivers numerous benefits evident in the daily life of the people of Scotland. Here are some examples:

- EU membership means we are able to move freely in the EU and to live, work and study there. Students from Scotland can train and study in any EU country under the same conditions as that country's nationals. Scottish citizens living abroad can receive certain social security benefits in other EU Member States.
- If you become ill or have an accident anywhere in the EU, you can access the same public healthcare as the residents of the country you are visiting, through the European Health Insurance Card (EHIC).
- You have the right to 20 days' paid leave a year, and to work no more than 48 hours a week unless you choose to do so.
- Judicial cooperation in civil matters helps ensure that court judgments in one member state are recognised in another. Judicial cooperation also provides someone living in one part of the EU with assistance to obtain child maintenance from someone living elsewhere in the EU.
- EU citizens are strongly protected when shopping online – you have the right to return products within 14 days if they are unsatisfactory, even when shopping outside Scotland. Recent changes will allow cross-border small claims of up to €5,000, providing faster and cheaper enforcement of consumer rights.
- EU action has enabled budget airlines to enter the market and create wider networks, improving connections across Europe and making air travel more affordable.
- From June 2017, mobile roaming charges will be removed across the EU. Since 2000, the cost of a 10 minute call has fallen by an average of 74% in the EU as a result of the abolition of national monopolies for fixed line services.

For more information on Scotland in Europe please visit:

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