

UKHospitality Manifesto Analysis: Party Manifestos and the Hospitality Sector

The major political parties have all released their manifestos outlining the programmes that they intend on following if they are to form the next Government. UKHospitality has summarised the key policy proposals that the four largest parties (by seats) in Westminster have made to provide members with a guide on what to expect from our next Government.

IMMIGRATION

In our manifesto, 'A Menu for Change', UKHospitality called on the future Government to guarantee the rights of EU citizens in the UK to ensure the smoothest possible trade deal with the EU on food and drink. With regards to a wider immigration policy, it is essential that a future immigration system works for the whole economy, all skills levels, and includes a temporary route into work.

Conservatives

The Conservative manifesto has committed to ending freedom of movement for EU citizens and introducing an 'Australian-style points-based system to control immigration.' This points-based system will prioritise immigrants who:

- Have a clear job offer
- Have a good grasp of English
- Have been law-abiding citizens in their own countries
- Have good education and qualifications

The priorities of the Conservatives are to attract the 'best and the brightest' from abroad, while committing to restricting lower skilled immigration, stating that 'there will be fewer lower skilled migrants and that the numbers will come down.'

Labour

The Labour manifesto promises to revoke the 2014 Immigration Act and replace it with a system designed for a 'levelling up of rights.' Labour have noted the benefits that freedom of movement has brought to the UK, suggesting that it would be discussed as part of trade negotiations with the EU. The manifesto referred to ending what it calls the 'hostile environment' to 'meet the skills and labour shortages that exist in our economy,' but offered little detail into what this would mean in practice.

The Liberal Democrats

The Liberal Democrats manifesto has committed to opening up the UK's immigration system, proposing a 'compassionate and effective system.' In line with their commitment to stopping Brexit, the Lib Dems have committed to maintaining EU freedom of movement. Other commitments include:

- Replacing Tier 2 work visas with a more flexible merit-based system.
- Introducing a 'Training up Britain' programme to make the most of migrants' skills.
- Creating a new two-year visa for students to work after graduation.
- Abolishing the income requirement for spouse and partner visas.

Scottish National Party

The Scottish National Party has proposed that Scotland be used as a pilot area for regional rural immigration pilot projects. The party has also suggested that an additional Scottish Visa should be created, offering a different route for entry to Scotland alongside existing UK immigration legislation. The manifesto outlined SNP MPs priorities in a new Parliament, which are:

- To oppose plans to introduce a minimum salary threshold of £30,000 for tier 2 visa entry to the UK.
- To oppose the Immigration Skills Charge that currently costs businesses up to £5000 to hire from outside the EEA.

APPRENTICESHIPS AND SKILLS

In our manifesto, UKHospitality proposed reform of the apprenticeship levy and a roll out of T-levels to deliver a highly trained workforce. We also support investment in the tourism sector deal as a means to promote the great careers available in the hospitality sector.

Conservatives

The Conservatives have pledged significant investment in skills, although did not reference T-levels specifically in their manifesto. £3billion has been pledged to a national skills fund, providing matching funding for individuals and SME's. £2billion has also been promised to upgrade the entire further education college estate, along with opening 20 institutes of Technology, to 'connect high-quality teaching in science, technology, engineering and math's to business and industry.'

Labour

Labour have also pledged reform to the apprenticeship levy, with the desire to make it easier for employers to spend levy funds by allowing it to be used for a wider range of accredited training schemes in line with guidelines set by the Institute of Apprenticeships and Technical Education and the government's wider priorities for the economy.

Labour also announced a Climate Apprenticeship programme to enable employers to develop the skills needed to lead the world in clean technology. This programme will call on employers to allocate 25% of their funds in their Apprenticeship Levy to train Climate Apprentices. These funds can be spent directly or allocated to a ring-fenced Climate Apprenticeship Fund.

To help small businesses, Labour have pledged to increase the amount that can be transferred to non-levy-paying employers to 50%, while also introducing an online matching service to help levy-paying businesses find smaller businesses to transfer their funds to.

Labour has committed to forming a National Education Service, providing free education to everyone throughout their lives, including technical, vocational, academic and creative learning programmes.

Liberal Democrats

The Liberal Democrats have proposed the introduction of 'skills wallets' worth £10,000 for every individual. This can be spent on approved educational and training courses. Other key skills pledges include a major expansion of high-quality apprenticeships including Higher Apprenticeships, backed up by new sector-led National Colleges. These National Colleges will be developed to deliver vocational training that businesses need.

Under Lib Dem plans, the apprenticeship levy would be expanded to help prepare the UK's workforce for economic challenges ahead, with 25% of funds raised going into a 'Social Mobility Fund' which will target areas with the greatest skill needs. A further £1 billion will be provided in Further Education funding, including by refunding colleges for the VAT they pay.

TOURISM AND INFRASTRUCTURE

UKHospitality supports a cut in tourism VAT to 5% to boost visitor numbers to the UK. We have also proposed significant investment in nationwide transport and communication infrastructure to unleash the potential of rural tourism.

Conservatives

The Conservatives have proposed a £100billion investment programme focusing on improving rail and bus links countrywide, promising to protect rural bus routes and speed up journeys with new electric buses. The Conservatives have also promised to use new air traffic control technology to cut aircraft waiting time to land.

Improvements to connectivity also feature in the Conservative manifesto, with a promise to roll out gigabit broadband across the country by 2025, with £5 billion in funding already promised, and provide greater mobile coverage across the country.

Labour

Labour has proposed extensive improvements to the UK's rail network, bringing the UK's railways back into public ownership. Rural tourism would receive the boost of local branch lines reopening, providing access to rural tourism destinations. Other transport plans include:

- Free bus travel proposed for under 25s.
- Restrictions on the expansion of airports, with new sites having to pass tests on air quality, noise pollution and climate change benefits.
- Consultation to take place with local communities about opening of local rail branch lines.

Labour also announced plans to take parts of BT that own and maintain the UK's internet infrastructure back into public ownership. Labour have proposed investing money to rapidly install "full-fibre" broadband to the whole country, providing a faster connection.

Liberal Democrats

The Liberal Democrats have promised to support the UK's tourist economies by significantly investing in public transport, including converting the rail network to ultra-low-emission technology by 2025, as well as a continued commitment to HS2, Crossrail 2 and other strategic rail routes. Other measures proposed include:

- Upgrading the status of tourism within government, by creating a Department of Digital, Culture, Media, Sport and Tourism, with a designated Minister of State for Tourism.
- Enable local authorities to bring in tourist levies to fund local tourism infrastructure.
- A programme of installing hyper-fast, fibre-optic broadband across the UK - with a particular focus on connecting rural areas.

Scottish National Party

The Scottish National Party recognised the importance of the tourism and hospitality sectors to Scotland's economy, with tourism contributing around £7billion to Scotland's GDP. The SNP called on the Westminster Government to examine a reduction in VAT for the hospitality sector, levelling the playing field with other EU nations and creating new jobs.

To improve Scotland's transport system, the SNP proposed investment of over £500 million in improved bus priority infrastructure to make bus travel the faster, greener option.

BUSINESS RATES

A key UK Hospitality policy ask has been reviewing business taxation to reduce the burden on property-based businesses, specifically an immediate reduction in business rates.

Conservatives

The Conservative Party has committed to cutting the burden of tax on business by reducing business rates. This will be done via a fundamental review of the system. The first step is to reduce business rates for retail businesses, as well as extending the discount to grassroots music venues, small cinemas and pubs.

Labour

A Labour Government would review the option of a land value tax on commercial landlords as an alternative and develop a retail sector industrial strategy.

Liberal Democrats

The Lib Dems have pledged to replace Business Rates in England with a Commercial Landowner Levy based solely on the land value of commercial sites rather than their entire capital value. Pledges have also been made to improve the Digital Sales Tax to ensure tech giants pay their fair share.

EMPLOYMENT AND WAGE RATES

UKHospitality supports the reduction of employer National Insurance Contributions to support the industry in delivering higher wages. Wage rates should continue to be set by the Low Pay Commission.

Conservative

The Conservatives have promised to take forward the of recommendations from the Taylor Review and will build on existing employment law with measures that protect those in low paid work and the gig economy. This will include creating a single enforcement body to crack down on any employer abusing employment law, whether by taking workers' tips or refusing them sick pay. The Conservatives also pledged to ensure that workers have the right to request a more predictable contract and other reasonable protections.

Labour

The Labour party have proposed a number of significant changes to workers rights in their manifesto. Perhaps the most notable is the pledge to raise the real living wage of at least £10 per hour while extending it to all workers aged 16 or over. Other proposed changes are:

- Sectoral minimum standards on a wide range of issues, such as pay and working hours.
- Introducing selector collective bargaining; Reduce fulltime working hours to 32 across the country within 10 years.
- Requiring all employers with over 250 employees to obtain government certification on gender equality or face further auditing and fines
- Extending statutory maternity pay from nine to 12 months

- Doubling paternity leave from two weeks to four and increasing statutory paternity pay;
- Strengthening and enforcing trade unions' right of entry to workplaces to organise, meet and represent their members and to recruit.
- Introducing statutory bereavement leave, guaranteeing workers time off to grieve the loss of close family members or following miscarriage
- Banning zero-hour contracts and strengthening the law so that those who work regular hours for more than 12 weeks will have a right to a regular contract, reflecting those hours
- Requiring breaks to be paid; minimum standards on a wide range of issues, such as pay and working hours.
- Ensuring that the single-sex-based exemptions contained in the Equality Act 2010 are understood and fully enforced in service provision.
- Setting up an independent Working Time Commission to advise on raising minimum holiday entitlements and reducing maximum weekly working time.

Liberal Democrats

The Liberal Democrats have committed to expanding the rights and benefits available to those in insecure forms of employment, such as offering parental leave and pay to the self-employed. The Lib Dems will also encourage employers to promote employee ownership by giving staff in listed companies with more than 250 employees a right to request shares, to be held in trust for the benefit of employees.

Efforts will also be made to increase worker participation in decision-making, including staff representation on remuneration committees, and require all UK-listed companies and all private companies with more than 250 employees to have at least one employee representative on their boards with the same legal duties and responsibilities as other directors.

On minimum wage, the Lib Dems have pledged to set a 20 per cent higher minimum wage rate for people on zero-hour contracts to compensate them for the uncertainty of fluctuating hours of work. Plans have also included giving a right to request a fixed-hours contract after 12 months for 'zero hours' and agency workers, not to be unreasonably refused.

Scottish National Party

The SNP have called on the UK Government to adopt their 'Fair Work First' approach, including mandating workers to be given the real living wage. The SNP also support action on the recommendations made by the Taylor Review, ensuring that workers on zero hours contracts or in insecure work have access to employment rights.

OTHER POLICY AREAS

There are a number of other policy areas that do not fit into the above areas that will have a significant impact on the hospitality sector. Below is an overview of the key ones.

Conservatives

The Conservative Party has pledged to review alcohol duty to ensure that the UK's tax system is fully supporting British drink producers. On plastics and recycling, the Conservatives pledged to introduce extended producer responsibility, ensuring that producers pay for the waste they produce. The Conservatives have also pledged to continue with their efforts to bring in a deposit return scheme to incentivise consumers to recycle plastic and glass.

Labour Party

The Labour Party committed to extending powers to local councils to regulate short term lets. Labour would also list pubs as assets of community value so community groups have the first chance to buy a local pub when it is threatened.

On sustainability initiatives, Labour has supported the introduction of a deposit return scheme and pledged to make producers of packaging responsible for the full cost of recycling and disposal.

Liberal Democrats

The Lib Dems took aim at what they see as 'throwaway culture,' devising a plan to reduce non recyclable plastics and find affordable alternatives. As with the other parties, the Lib Dems were supportive of the introduction of a deposit return scheme.

29 November 2019