



GENERAL ELECTION 2024



TOPIC BRIEF



# The Manifestos: Policies addressing socioeconomic inequality in Scotland

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In recent weeks, the main political parties released their 2024 election manifestos. These provide an outline of the policies they intend to implement if elected, or push for in opposition. [Polling figures](#) have been changing frequently, but the four largest parties - the [Labour party](#), the [Scottish National Party \(SNP\)](#), the [Liberal Democrats](#), and the [Conservative party](#) - are likely to win Scottish seats in the general election.

As set out in our [previously published election brief](#), the key drivers of health inequality relate to household income and living standards which feature in all manifestos. These policies tend to be partially or wholly reserved, meaning that the pledges made in these areas would apply to Scotland in some cases.

These four main parties have all discussed areas which relate to socioeconomic and health inequality in the UK, but it is difficult to discern how these policies will apply to Scotland specifically. Furthermore, the Scottish branches of each party have released their own manifestos, which, in some cases, highlight and address different facets of these issues. **This topic brief examines the policies that these four parties discuss in their manifestos, focusing on those which are relevant to socioeconomic inequality in Scotland.**

**This brief is published alongside a [companion piece](#), which examines the ways in which each party has addressed health inequalities.** These two briefs mainly focus on national manifesto pledges in reserved areas, which means they will apply directly to people in Scotland. They also highlight areas where the Scottish branches of the [Labour](#), [Conservative](#), and [Liberal Democrat](#) parties differ from their parent party.

This is part of a work programme funded by [the Health Foundation](#) on improving health and reducing inequalities in Scotland.

SOCIAL  
SECURITY

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HOUSING &  
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# SOCIAL SECURITY

Every major party addresses social security programmes, which provide a key component of income for poorer households in Scotland. **Areas commonly discussed include Universal Credit (in general and for specific elements, such as child and disability benefits) and the state pension programme.** In general, the Scottish branches of the parties do not diverge from the national manifestos, although Labour and the Liberal Democrats' Scotland manifestos place slightly more emphasis on Universal Credit as a tool to mitigate child poverty. Child poverty in Scotland has long been lower than in other parts of the UK, and is currently the only part of the UK to have statutory targets to significantly reduce child poverty.

Universal Credit is a reserved benefit and is the main benefit available to working-aged adults. It is a relatively new benefit, and is still being rolled out, but will eventually wholly replace benefits such as the Child Tax Credit, Housing Benefit, and Jobseeker's allowance (among others). Over 400,000 people in Scotland received Universal Credit in February 2024.

There are a number of issues and concerns with Universal Credit. For one, weekly incomes for Universal Credit (or its predecessors) are at its lowest ever level relative to average earnings, at 13%, in 2023. These earnings are even lower for people under 25. It can also take up to five weeks to receive benefits. The "two child cap" in Universal Credit, wherein benefits only apply to the first two children in a family, is also controversial, as it affects lower income and minority families more than the general population.

Other benefits which are mentioned in the manifestos include child benefits and the state pension, and some changes to disability benefits which, although devolved, could have implications for Scottish claimants of equivalent benefits and/or the money the Scottish budget receives to pay for these benefits.

Policy	Parties
<b>Review Universal Credit.</b> Labour did not provide further specifics on this.	Labour
<b>Reduce the wait for the first payment of Universal Credit</b> from up to five weeks to five days.	Liberal Democrats
<b>Provide the full rate of Universal Credit to all parents regardless of age.</b> Currently, single parents under age 25 earn a monthly standard allowance of £311.68 compared to £393.45 for single parents that are 25 or over.	Scottish National Party, Liberal Democrats
<b>End the two-child cap on Universal Credit.</b>	Scottish National Party, Liberal Democrats
<b>Introduce a higher rate of child benefit for one-year olds.</b> There is not currently a different benefit rate based on the child's age.	Liberal Democrats
<b>Increase child benefit thresholds to £120,000 (£160,000 when benefits are removed entirely) for households.</b> Currently benefits step down when one adult in a household earns £60,000, regardless of the earnings of another adult.	Conservatives
<b>Remove benefits for long-term unemployed after 12 months rather than 18.</b>	Conservatives
<b>Remove benefits for certain mental health conditions.</b>	Conservatives
<b>Uphold the pension "triple lock,"</b> a government commitment that the state pension will uprate every year by inflation, 2.5%, or earnings growth, whichever is highest.	Scottish National Party, Labour, Conservatives, Liberal Democrats



# THE LABOUR MARKET

**Labour market policies directed towards addressing inequalities cover three main themes: (1) low-paid work and pay equity, (2) insecure work, and (3) sick and parental leave.**

In general, there are not differences in labour market policies in the Scottish versions of the manifestos, although these manifestos typically highlight working with the Scottish Government to deliver policies in devolved matters.

Labour market policy is significant in addressing health inequalities. **Low pay, job insecurity, and low quality work is highly associated with negative health outcomes, especially poor mental health outcomes.**

All four major parties discuss minimum wage policy. Labour and the Liberal Democrats particularly propose changing policies on differential pay rates by age and apprenticeship status.

Low pay is an important consideration in understanding poverty, although low pay and poverty are not necessarily the same thing – a household can have an adult earning the minimum wage but with a partner on a much higher income. However, around 60% of adults in poverty live in a household where someone is in paid work and in many cases this in-work poverty will at least be partly a result of these low wages.

In the UK, younger workers (under 20) are currently subject to a lower minimum wage than older workers, in spite of having the highest rates of poverty of any age group – **nearly 40% of people in Scotland between 16 and 24 are in relative poverty.** Raising the minimum wage will help relive poverty, but on its own will not eradicate poverty.

Policy	Party
<b>Scrap the lower apprentice pay rate.</b> Apprentices currently are entitled to £6.40 an hour if they are under 19, or over 19 and in their first year of their apprenticeship.	Liberal Democrats
<b>Make sure that the minimum wage is a genuine living wage and remove minimum wage age bands.</b> The minimum hourly wage for workers under age 18 is £6.40; this rises to £8.40 for workers between 18 and 20 years old, and the minimum wage for workers over 21 is £11.44 an hour.	Labour
<b>Devolve minimum wage so that Scotland has the ability to uprate it as they see fit.</b> Setting wage limits is currently a reserved power.	Scottish National Party
<b>Maintain the National Living Wage at two-thirds of median earnings.</b>	Conservatives

Pay inequality is also an issue for minority ethnic groups, where **poverty rates across the UK (including Scotland) are significantly higher for ethnic minorities than the general population.**

Refugees often arrive to the UK with a range of health issues. They also often spend months waiting on their cases to be approved, while earning very little. Once their cases are approved, they are given between 7 and 28 days to find housing – a difficult task, given that this group has essentially no access to work whilst waiting for their cases to be processed.



# THE LABOUR MARKET

Policy	Party
<b>Grant asylum seekers the right to work.</b> Asylum seekers are not currently permitted to work until their cases have been approved, or if their cases have taken longer than a year. They are provided with accommodation and some financial support to meet essential living needs.	Scottish National Party, Liberal Democrats
<b>Introduce the Race Equality Act to ensure equal pay for ethnic minorities.</b>	Labour

**Labour, SNP, and the Liberal Democrats addressed two facets of labour market practices that involve insecure work:** zero-hour contracts, which refer to any contract that does not state a minimum number of working hours; and “fire and rehire” practices, where employers terminate workers and rehire them under new contracts (that may feature less favourable terms).

The Liberal Democrats also addressed the benefits available to “gig workers,” who are generally treated as independent contractors with little access to employment protections.

Employability funding and services can prevent and mitigate socioeconomic inequalities. The Scottish Government has been transferred powers and funds for employability, although some schemes implemented by the UK Government occasionally operate UK-wide. Labour and the Liberal Democrats both addressed some aspect of employability.

Policy	Parties
<b>Ban zero-hour contracts, end "fire and rehire", introduce basic rights on protection from unfair dismissal</b>	Labour
<b>Set a 20% higher minimum wage for people on zero-hour contracts to compensate for uncertainty of hours; give workers on zero-hour contracts the ability to request a fixed-hour contract after a year</b>	Liberal Democrats
<b>Devolve employment rights so that Scotland has the ability to end zero-hour contracts and "fire and rehire" practices</b>	Scottish National Party
<b>Establish a dependent contractor employment status to ensure minimum earning levels, holiday, and sick pay for “gig workers.”</b>	Liberal Democrats
<b>Develop a national career and jobs service.</b> <i>Employability is a devolved power, although Labour explicitly stated that they intend to work with the devolved nations.</i>	Labour
<b>Implementing a targeted strategy to lessen the disability employment gap.</b> <i>This is a devolved power, although the Liberal Democrats discussed working with devolved nations on this.</i>	Liberal Democrats



# THE LABOUR MARKET

Young workers (aged 16-25) and workers from ethnic minority backgrounds are more likely to be on zero-hour contracts than the general population, and women are more likely to be on them than men. The number of workers on zero-hour contracts has grown over time. **Workers on zero-hour contracts are more likely to be on low pay and less likely to feel secure in their jobs** than workers on standard contracts, and **gig workers are likely to earn below minimum wage**. Furthermore, in Scotland, **only around 50% of working-aged disabled adults are in employment, compared to around 55% in the UK as a whole**.

**Sick pay and parental leave are the final areas of devolved labour market policy that the parties addressed.** SNP and the Liberal Democrats both addressed removing the threshold on earning statutory sick pay, which is only available to workers earning at least an average of £123 per week.

**Low rates of statutory sick pay can be a vicious cycle, wherein the low pay may compel people to work when unwell, risking worsening conditions.**

Furthermore, policy on parental leave, especially increasing paternity leave, can be a way of reducing the gender pay gap, wherein mothers tend to earn less throughout their lifetimes compared to men.

Policy	Party
<b>Remove the sick pay threshold.</b> To earn statutory sick pay, workers need to earn an average of £123 per week.	Scottish National Party, Liberal Democrats
<b>Make the statutory sick pay system aligned to national minimum wage.</b> Currently, eligible workers receive up to £116.75 per week.	Liberal Democrats
<b>Double statutory maternity and shared parental pay to £350 a week and introduce an extra month for fathers or partners.</b>	Liberal Democrats
<b>Increase paid maternity leave to 1 year</b>	Scottish National Party
<b>Introduce basic rights on parental leave and sick pay</b>	Labour

# HOUSING AND THE COST OF LIVING

Housing is one of the largest costs that low income households face, but is largely a devolved policy area. One element relating to housing affordability that remains reserved is the local housing allowance which determines the level of housing benefit (or the housing element of Universal Credit) that claimants can receive.

Energy affordability is also an important issue for Scotland, which has colder winters than other parts of the UK. **In 2022, 31% of Scottish households were estimated to be in fuel poverty** – which is to say that more than 10% of a household’s income after paying housing costs would be required to heat their home adequately. Definitions vary for “fuel poverty” across the UK, but rates are generally much higher in Scotland and Northern Ireland compared to England and Wales. Fuel poverty is an important aspect of health inequality. Cold homes can worsen a variety of health problems, including respiratory, circulatory, and mental health conditions, and directly contribute to excess winter mortality.

All parties discuss energy affordability, albeit with different tactics. While specific policies to address fuel poverty directly are devolved, energy policy in general is reserved. The Labour manifesto includes two proposals on energy prices: (1) bring down the cost of energy and (2) reduce fuel poverty. Policies related to reducing energy costs are likely to be UK-wide and so to impact Scotland. However, policies related to reducing fuel poverty are devolved so this commitment may not impact Scotland (although any additional expenditure will influence the amount of money Scotland has at its disposal).

In terms of cost-of-living, the Scottish manifestos once again mirrored the UK manifestos, although the Scottish Conservative Party discussed discounting the costs of public transport for island residents on ferries, bus fares, and making ScotRail off-peak fares permanent. This is an entirely devolved policy area, however, so it is not clear how this could be implemented outside of Scottish Government.

Policy	Party
<b>Devolve Housing Benefit and Local Housing Allowance; push for an annual uplift of local housing allowance</b>	Scottish National Party
<b>Bring down the cost of energy; reduce fuel poverty.</b> <i>Fuel poverty policy is devolved to Scotland, although the UK Government has the ability to implement policies around the cost of energy.</i>	Labour
<b>Cut energy bills</b> through a variety of programmes, such as a home energy upgrade programme, and free insulation and heat pumps available to those on low income. <i>Some aspects of these programmes are likely to be devolved, such as those which are for housing upgrades.</i>	Liberal Democrats
<b>Introduce local markets for electricity and certain smart energy tariffs to reduce energy costs for households.</b>	Conservatives
<b>Create a single, flexible fuel poverty scheme; introduce a fuel rebate scheme for Highland and Islands residents.</b>	Scottish National Party