



Inline's guide to the 2019 General Election

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Snapshot: Where the main parties stand

Policy Area	 Conservatives	 Labour	 Liberal Democrats	 SNP
Business 	Rowback in promised cuts on corporation tax	Corporation tax raised to 26%, strong workers' rights	Corporation tax stays at 20%	No tax cuts for wealth and devolution of taxation and employment law
Immigration 	New "Australian style" points system	Freedom of movement in EU, review of immigration if not	Maintain existing rules for EU nationals; scrap the hostile environment	Devolution of powers; maintenance of freedom of movement
Digital 	Online harms legislation, highspeed broadband rollout	Free broadband through taxation of multinationals	Public to receive share of profits generated from their data	Superfast broadband to every home/business in Scotland; online harms measures
Sharing Economy 	Flexible working will be encouraged	Scrap "bogus self-employment"	Modernise employment rights in light of digital economy	Address tax challenges arising from the digitalisation of the economy, reduced tourism VAT
Climate 	Ensure carbon neutrality by 2050, investment in renewables	Decarbonisation by 2030, climate emergency legislation	More investment in green tech; carbon neutrality by 2045	Net zero carbon emissions by 2040; New Green Energy Deal
Transport 	Review HS2, power up regional rail, expand Heathrow	Nationalise railways, People's Zipcar, review Uber regulations	Encourage walking, cycling, and car sharing schemes	Extra funding for EVs and better, greener, public transport
Brexit 	Withdrawal Agreement Bill, no extension beyond 2020	Renegotiate a new deal, then have a referendum with that deal vs. Remain	Revoke Article 50 if in government; support a second referendum if not	Second referendum on Brexit and Scottish independence



Business



State of play

The UK has one of the lowest rates of corporation tax in the G20, at 19%. Whilst London continues to be a global financial sector, there is increasing concern that brick and mortar businesses are facing unfair competition from online retailers, leading to cross-party call for reform to the way in which online businesses are taxed.



Conservatives

Conservative policies are oriented towards small businesses, with the Tories promising a review of business rates with a view to a reduction for retail businesses, an increase in the employment allowance for SMEs, and the abolition of employer National Insurance contributions for under-21s and apprentices under 25.

Outside of the world of SMEs, the Conservatives have not included a cut in corporation tax in their manifesto, and have also promised to go ahead with the Digital Services Tax, a levy on a range of business models which was initially proposed by Theresa May and Phillip Hammond.



Labour


A Labour Government would pursue its ambitions to create what it sees as a “fairer taxation system” by raising corporation tax to 26%. It would mandate that one third of boards be reserved for elected worker-directors, and that companies give 10% of their shares to workers. The party would make it compulsory for companies to demonstrate a contribution to tackling climate change in order to be listed on the London Stock Exchange.

As a result of concern about the state of high street retailers, Labour would develop a retail sector industrial strategy and review the current status quo for business rates. Furthermore, a Business Development Agency would be established to provide support for those launching or growing businesses, and a new National Investment Bank would provide £250 billion of lending for enterprise, infrastructure and innovation.

Liberal Democrats

The Liberal Democrats have sought to position themselves as the party of sound economic governance, contrasting themselves against fiscally loose Labour and Conservative parties. Corporation tax would remain at 20%, and the Lib Dems are in support of Digital Service Tax proposals.

Their manifesto calls for the clustering of businesses with universities which have certain specialisations to give the UK competitive advantage in these sectors. The Lib Dems are proposing support for fast growing scale ups and a new start up allowance, as well as prioritising SMEs in high speed broadband rollout. The party is also calling for large companies to give employees a right to request shares, for more worker representation in decision-making, and for companies to have a general duty of care for the environment and human rights. They would also require shareholder votes on executive pay policies.

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Scottish National Party

The SNP's main ask is that tax powers and employment law be devolved to the Scottish Government. The manifesto proposes to help businesses flourish by implementing National Insurance discounts and ensuring the protection of worker's rights, including fairer wages and enhanced representation. They also call for further multilateral action to address tax challenges deriving from the digitalisation of the economy, including by introducing a fit-for-purpose online retailer tax.

They particularly take aim at big business and the wealthiest by opposing tax cuts and supporting a crackdown on tax avoidance and evasion in an attempt at reversing the "race-to-the bottom tax policy of the Tories".



Immigration



State of play

EU and EEA nationals currently benefit from the freedom of movement principle enshrined in the Single Market of the European Union, although as the UK is not part of the Schengen Area, passport checks still exist at the border. Third country nationals are subject to a range of visa requirements which are negotiated bilaterally.



Conservatives

After years of failing to meet a self-imposed net migration cap of 10,000 per year, the Conservatives have dropped the commitment, and pledged instead to introduce an "Australian-style points system." The system would prioritise migrants with a "good grasp" of English, clear job offers, and educational qualifications. The party are also proposing new visa schemes for migrants filling shortages in public services.




Labour

The Labour manifesto states that its immigration policy would be to "recruit the people we need" to meet skills and labour shortages in the UK. To this end, the party would pursue freedom of movement in future Brexit negotiations, granting EU nationals the automatic right to continue living and working in the UK. It would also restore the overseas domestic workers' visa and get rid of the 2014 Immigration Act.

A Labour government would also seek increased rights for migrants and their families, including ending minimum income requirements separating families; ending indefinite detention and reviewing alternatives to detection centres altogether; and financial support for those impacted by the Windrush scandal or people trafficking, for example. Refugees would also be given the right to work and access public services.

Liberal Democrats

The Lib Dems' immigration policy is tied to their Brexit policy; by revoking Article 50 the Lib Dems would effectively maintain the existing freedom of movement enjoyed by EU citizens. Beyond that, the party is proposing a softening stance on immigration, promising to scrap the Conservatives' "hostile environment" policy. They are also seeking to tie immigration more explicitly to the needs of the economy by taking responsibility for it away from the Home Office and placing it in the hands of the Department for Business, Energy, and Industrial Strategy.

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Scottish National Party

Given the party's long-standing opposition to Brexit, its main policy with regards to immigration is to stop Brexit and retain freedom of movement. Were Brexit to happen, the manifesto also presents a plan to introduce a Scottish Visa as an additional route of migration to Scotland, which could operate within a UK framework, but with the requirements being set by the Scottish government.

The party also opposes the Government's Immigration Skills Charge that is to be paid by employers for non-EEA workers, as well as the Tories' plan to introduce a minimum salary threshold for admission in the UK. Overall, the SNP is committed to presenting Scotland as an open, warm and welcoming destination, whether Brexit happens or not.



Digital



State of play

As a member of the European Union, the UK enforces a number of EU directives and regulations pertaining to the digital economy. The most noteworthy of these are the General Data Protection Regulation (GDPR - known as the Data Protection Act in the UK), and the eCommerce Directive.



Conservatives

One of Boris Johnson's pledges during his campaign to succeed Theresa May as party leader was to rollout high speed broadband across the UK by 2025, and that pledge remains in the manifesto. The Conservatives are also seeking to build British competitive advantage in a number of spheres, including robotics, Artificial Intelligence, and computing.

The manifesto also promises the creation of a regulatory framework dealing with online harms, pledging to make the UK "one of the safest places to be online in the world".



Labour

One of the headline takeaways from the Labour manifesto has been their pledge to provide free full-fibre broadband across the country by 2030, delivered by a newly established body called British Broadband and funded by the taxation of multinationals, including 'tech giants'. Additionally, a Charter of Digital Rights would be developed, a legal duty of care to protect children online would be enforced, and fines would be imposed on companies that fall short on online abuse.

A Labour government would place additional focus on cybersecurity, creating a coordinating Cybersecurity Minister and reviewing whether the National Cyber Security Centre should be given powers as an auditing body.

Liberal Democrats

The Lib Dems have promised to teach core skills such as logic and verbal reasoning in schools, as well as setting a UK-wide target for digital literacy, and ensure that those whose jobs may be lost to automation have access to retraining.

The party also proposes to introduce a Code of Ethics to ensure that new technologies are used responsibly, and would seek to strengthen the rights that individuals have with respect to large tech companies. This last proposal would entail developing a mechanism to allow members of the public to share in the profits generated from the use of their data, and reforming rules around terms and conditions to make them shorter and clearer.

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Scottish National Party

On matters related to the digital economy, the SNP pays particular consideration to the state of Scotland's connectivity vis-à-vis the rest of the UK. The manifesto states that the party will invest £600 million to provide access to superfast broadband to every home and business in Scotland, and ensure that Scotland gets its fair share of UK Government funding to roll out gigabit broadband to all rural areas, as well as 4G mobile coverage to the same extent as in the rest of the UK.

With regards to tackling online harms, the party calls for new standards and measures to be set for social media platforms, gaming and tech organisations to protect children from online harm. This would include introducing a statutory duty of care and mandatory obligations to tackle unsuitable content. Furthermore, the manifesto proposes the appointment of a new independent Online Regulator that can impose fines in case of non-compliance. Such a regulator would be financed through a levy applied on technology companies.



Sharing Economy

State of play

A range of laws govern how different sharing economy platforms can operate in the UK, but generally speaking regulation has not been updated to deal with the emergence of the sharing economy. Accommodation rentals (e.g. via platforms like Airbnb) are restricted by UK law to a maximum of 90-nights in London, but similar restrictions do not exist elsewhere in the UK. The previous Government also commissioned and carried out a review into the rules governing taxis and private hire vehicles, seeking to update them in the context of ride hailing platforms like Uber. This work remains to be completed however.

Conservatives

The Conservative manifesto is quiet on the subject of the sharing economy. Unlike its main rivals, it does not have anything specific to say on short term accommodation, nor on on-demand transport, perhaps the two most instantly recognisable faces of the sharing economy. The party does commit to flexible working, but this is the only intervention which it makes on the subject.

Labour

In many respects, a Labour government would crack down on the sharing economy in its current form. For example, the party's manifesto includes new powers for local councils to regulate short-term lets – explicitly naming Airbnb as an example – and states the intention to bring in a national levy on second homes used as holiday homes.

Similarly, Labour has targeted the current system of employment status which is the basis for many gig economy business models, making clear its ambition to end “bogus self-employment” by creating a single status of ‘worker’ for everyone apart from those ‘genuinely’ self-employed with their own business. Guarding these new rights afforded to workers would be a host of protective measures including empowered trade unions, a Workers’ Protection Agency and even a newly established Ministry for Employment Rights.

Liberal Democrats

The Lib Dem manifesto seeks to embrace the emergence of the sharing economy, particularly with respect to workers’ rights. The party is proposing a new category of employment, known as “dependent contractor” status, which would sit somewhere in between employment and self-employment. It would also strengthen the hand of gig workers by shifting the burden of proof regarding what employment relationship exists from the employee to the employer.

The party passed a resolution at its conference in September to allow local authorities to introduce a register of all short-term lets, and to control the number of registrations, but this policy has not made it into the final manifesto. However, the party has proposed a tourism levy, which would be levied on all kinds of accommodation, including sharing economy rental platforms like Airbnb and HomeAway.

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Scottish National Party

The SNP Manifesto highlights the need to address tax challenges arising from the digitalisation of the economy as part of the party’s broader strategy to ensure that Scotland and the UK remain an innovative market.

They particularly stress the importance of the tourism sector for the country’s economy, saying that any restriction to freedom of movement will have a catastrophic impact in this sense. As such, the SNP believes that the UK government should examine a reduction in VAT for the hospitality sector.



Climate



State of play

The UK is a signatory to a range of climate change agreements, including the Paris Agreement, and in 2019 became the first nation on Earth to introduce a legally-binding carbon neutrality target (2050). However, many have warned that the UK's target is insufficiently ambitious, whilst others have argued that the UK's rate of decarbonisation is actually slowing down.



Conservatives

The Conservatives have stuck to their pre-election policy of carbon neutrality before 2050. The party is also looking to phase out petrol and diesel vehicles as early as possible, to create new clean air legislation, and to invest in the electric vehicle charging network.

On renewable energy, the Conservatives are promising a shift towards offshore wind power, aiming for 40GW of generation by 2030. They have also pledged their support for other forms of renewable energy, including hydrogen and nuclear power. The party has called a moratorium on fracking, unless there is proof that it can be done safely, and said that it will invest £800 million in carbon capture and storage.



Labour

Labour has made clear that it would push for ambitious changes in government policy, seeking a net zero UK during the 2030s. This will be achieved via a Green Transformation Fund (£250 billion), dedicated to renewable and low-carbon energy and transport, biodiversity and environmental restoration. Tidal energy would be trialled and expanded, 7,000 new offshore wind turbines would be built, 2,000 new onshore wind turbines, enough solar panels to cover 22,000 football pitches and new sources of nuclear power. By contrast, a windfall tax would be introduced on oil companies.

There are no illusions about Labour's approach to large companies who produce large quantities of carbon emissions, described in the manifesto as the catalysts of "wanton corporate destruction" and threatened with being delisted from the London Stock Exchange unless they take measures to improve their approach.



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Liberal Democrats

The Lib Dems have pledged an earlier target for net zero than the Conservatives, setting it at 2045. They would also reform how climate change policy is directed within Government by creating a new Department for Climate Change and Resources, and creating a new cabinet-level Minister for Sustainability, who would sit in the Treasury.

The party would create a new Green Investment Bank to attract private investment for zero carbon priorities, require UK-listed companies to set targets for compliance with the Paris Agreement, and require all local authorities to produce plans for carbon neutrality. The Lib Dems will seek to end existing restrictions on solar and wind power, as well as to invest in interconnectors in order to guarantee energy supply. Finally, the party has pledged to end all fossil fuel subsidies by 2025.



Scottish National Party

Combating climate change and building a more sustainable society is perhaps the second key priority (after Scottish independence) for the SNP. The manifesto presents a Green New Energy Deal, under which Scotland will aim to reduce 75% of emissions by 2035 and achieve carbon neutrality by 2040.

The party also proposes to introduce substantial reforms to the UK tax system so as to support businesses' and incentivise greener choices, including tax incentives for new, greener vehicles and mobility systems.



Transport



State of play

UK cities face high levels of pollution and congestion and there are fears that the country lacks the necessary charging infrastructure to effect a shift towards EVs. The subject of additional airport capacity is also a contentious one; Parliament gave its consent to a third runway at Heathrow this year, despite fierce opposition. Finally, many argue that more needs to be done to connect the UK's regions to one another, and less to connect them individually to London.



Conservatives

In an attempt to woo voters in Brexit-voting Labour heartlands, the Conservatives have promised a great deal of investment in regional railway services, including both reopening closed branch lines, and connecting UK cities with one another via high speed rail links. They have also promised to review HS2, a flagship high speed rail line proposed during the David Cameron era.

The party also promised that no public money will be used for the expansion of Heathrow Airport, although it has stopped short of blocking that expansion. Unlike other parties, the Conservatives have not included anything around reducing individual car use, although they have pledged investment in cycling infrastructure.



Labour

In line with Labour's ambitious environmental policies, the party would invest in electric vehicle charging infrastructure, accelerate the transition of public buses and car fleets to zero-emissions vehicles, and implement a full rolling programme of electrification of the rail network. There would also be increased funding made available for electric community car clubs, cycling and walking. Railways would be brought back into public ownership and councils would be allowed to regulate and take ownership of bus networks too.

Separately, the party would also see increased scrutiny of taxi and private hire services, including a review of licensing authority jurisdictions and setting national minimum standards. The Labour manifesto also emphasises the importance of connectivity to certain rural and Northern regions of the country; it would therefore reinstate 3,000 bus routes that had previously been cut, reopen railway branch lines; and deliver Crossrail for the North.

Liberal Democrats

The Lib Dems have dedicated an entire section of their manifesto to reducing the need for car travel. As part of this aim the party will invest in new bus routes, promote walking and cycling via a nationwide strategy, and invest in car sharing schemes.

Outside of cutting down on car journeys, the party will also introduce new legislation on air quality and create more low emission zones in cities across the UK. It will also cut VAT on electric vehicles to encourage uptake, and invest to improve the charging infrastructure.



UK cities face high levels of pollution and congestion and there are fears that the country lacks the necessary charging infrastructure to effect a shift towards EVs.

Scottish National Party

SNP transport policy is very much part of the party's bigger plan to tackle climate change, proposing to bring forward plans for investment in more sustainable mobility, from electric cars to improved public transport infrastructure.

The manifesto also mentions a plan to introduce a Net Zero Fund to help the country pay for the energy transition through investment in renewable energies, electric vehicles and carbon capture utilisation, and proposes to make the Highlands and Islands the world's first net zero aviation region by 2040.



Brexit



State of play

The UK has extended the Article 50 deadline to 31 January 2020. Currently a Withdrawal Agreement has been agreed between the UK and the European Council, but has not been ratified by either the UK Parliament, nor the EU Parliament. If no Withdrawal Agreement is ratified before 31 January, the UK will exit on World Trade Organisation terms, or a “No Deal” Brexit.



Conservatives

The party has put Brexit at the front and centre of its election campaign, even going so far as to title its manifesto “Get Brexit Done, Unleash Britain’s Potential.” The position is fairly straightforward: if the Tories win a majority they will return Boris Johnson’s Deal to the House of Commons, with a view to getting it passed before 31 January. Assuming it is passed, the party will seek to negotiate a comprehensive free trade deal with the EU before the end of the transition period in December 2020. Some have suggested that committed Brexiteers have eyed this latter date as a possibility for a “No Deal” exit.



Labour

Labour’s Brexit policy has been the subject of much ridicule by people from all across the political spectrum. The party has committed to negotiating a new deal with the EU. This deal would entail an extremely close relationship with the bloc: Labour is aiming for a permanent customs union and very close alignment with the Single Market. This deal will then be subject to a confirmatory referendum, with Remain as the other option on the ballot paper.



Liberal Democrats

The Liberal Democrats’ position on Brexit is very simple: a Lib Dem majority will instantly revoke Article 50 and cancel Brexit. Of course, the chances of a Lib Dem majority are slim, and the party has said that it will campaign for a second referendum on EU membership should it fail to win one.



Scottish National Party

The SNP position in Brexit is also quite straightforward. The party is overall opposed to Brexit and supports a second referendum with Remain on the ballot paper. If Brexit were to happen, the party would support the revocation of Article 50, if it were the only alternative to a “no deal” Brexit. Moreover, the party would seek EU membership for an independent Scotland.

Get in touch with Inline

If you would like more information about the issues affecting you, or to discuss the political and regulatory challenges that your business faces, then please get in touch.



Matthew Niblett

Senior Policy Analyst

matthew.niblett@inlinepolicy.com



Olaf Cramme

Managing Partner

olaf.cramme@inlinepolicy.com

@olafcramme



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