Cabinet Secretary for the Economy, Fair Work and Culture

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Dear Gordon

Ahead of the Committee session on Tuesday to discuss the Budget Bill, I thought it would be helpful to update you on how the Scottish government intends to utilise the additional Covid consequentials to continue to support jobs.

As you will be aware the Cabinet Secretary for Finance has allocated £500m of anticipated Covid consequentials to portfolios in the draft Scottish Budget. This includes £147m for my Portfolio area with £125m of those consequentials allocated for labour market support. This letter outlines some further detail on the proposed use of the £125m.

The funding allocated in the table below reflects the importance of supporting our young people through the pandemic as well as providing opportunities for those already in employment to upskill or retrain. The Scottish Government will continue to prioritise those who are further from the labour market in partnership with local authorities, third and private sectors to ensure no one is left behind.

Intervention	Purpose	Amount
Young Person's	Continue to deliver the ambition of supporting	£70m
Guarantee	every young person into work, through	
	investment in local partnerships, colleges and	
	Developing the Young Workforce.	
Skills	Continue support for skills and retraining,	£35m
	including delivery of National Transition	
	Training Fund.	
No One Left	Provide additional employability investment	£20m
Behind	to those who are at risk of long-term	
	unemployment through existing Scottish and	
	Local Government partnership agreement.	

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The investment that we have outlined to existing employability and skills interventions, recognises the increasing challenges we are likely to see in the Labour Market this year, whilst also contributing to our National mission for new green and good jobs and wider Fair Work commitments.

I am committed to working closely with the Committee as we continue to make our way out of the current public health emergency and towards economic recovery. I look forward to appearing before you on Tuesday to discuss further how we can work together to support those individuals most impacted by the pandemic.

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