



OFFICIAL REPORT
AITHISG OIFIGEIL

Culture, Tourism, Europe and External Relations Committee

Thursday 9 November 2017

Session 5



The Scottish Parliament
Pàrlamaid na h-Alba

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CULTURE, TOURISM, EUROPE AND EXTERNAL RELATIONS COMMITTEE
26th Meeting 2017, Session 5

CONVENER

*Joan McAlpine (South Scotland) (SNP)

DEPUTY CONVENER

Lewis Macdonald (North East Scotland) (Lab)

COMMITTEE MEMBERS

Jackson Carlaw (Eastwood) (Con)

*Mairi Gougeon (Angus North and Mearns) (SNP)

*Ross Greer (West Scotland) (Green)

*Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)

*Richard Lochhead (Moray) (SNP)

*Stuart McMillan (Greenock and Inverclyde) (SNP)

Tavish Scott (Shetland Islands) (LD)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Dr Alasdair Allan (Minister for International Development and Europe)

Angela Hallam (Scottish Government)

Dean Lockhart (Mid Scotland and Fife) (Con) (Committee Substitute)

Rachel Sunderland (Scottish Government)

CLERK TO THE COMMITTEE

Katy Orr

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Culture, Tourism, Europe and External Relations Committee

Thursday 9 November 2017

[The Convener opened the meeting at 09:30]

Immigration

The Convener (Joan McAlpine): Good morning, and welcome to the 26th meeting in 2017 of the Culture, Tourism, Europe and External Relations Committee. I remind members and the public to turn off mobile phones. Any members using electronic devices to access committee papers during the meeting should ensure that they are switched to silent. Apologies have been received today from Lewis Macdonald, Tavish Scott and Jackson Carlaw. I welcome to the meeting Dean Lockhart, who is substituting for Jackson Carlaw.

Our first item of business is an evidence session in the committee's immigration inquiry with the Minister for International Development and Europe, Alasdair Allan. I thank the minister and his officials for giving evidence today. Rachel Sunderland is the team leader of European Union strategy and migration, and Angela Hallam is a principal research officer with the Scottish Government. Would the minister like to make an opening statement?

The Minister for International Development and Europe (Dr Alasdair Allan): Thank you. I will be brief. I am delighted to have the opportunity to contribute to the committee's inquiry on immigration.

As I think the committee will agree, Scotland is a progressive and outward-looking country. We recognise that migration strengthens our society and our nation benefits from the skills, experience and expertise of those individuals who have chosen to work or study in Scotland. It has been clear for some time that the one-size-fits-all approach to immigration policy in the United Kingdom will no longer be sustainable in the future, in the face of very different economic, demographic and social needs across the UK. I hope that we can continue to find some degree of common ground across the parties on that issue in Scotland. Therefore, the Scottish Government welcomes inquiries such as this that recognise the potential need for regional variations in the migration system to ensure that the system serves Scotland's needs.

The committee will have seen our response to the UK's Migration Advisory Committee, published yesterday, which sets out the evidence base for why Scotland's needs are different from those of the rest of the UK. I hope that our response will be helpful to the committee. As I highlighted in my response to the committee, as part of the commitment outlined in the Scottish Government's programme for government, we will publish a discussion paper setting out why it is vital to our economy to be able to attract talent from across Europe and the world; why current UK Government policy does not meet Scotland's interests on this issue; and how a more flexible approach, with more power for Scotland on this issue, could operate.

I hope that that is a helpful introduction and, needless to say, I am very happy to answer your questions.

The Convener: Thank you very much. As you know, the committee published its own report on immigration and citizens' rights after taking considerable evidence earlier this year. Some of that evidence certainly reflects what you are talking about, in terms of the skills gap and the contribution that immigrants make to our society.

Another overarching challenge facing Scotland that our report highlighted was the difference between the working-age population and the number of older people if we do not have immigration. Your submission to the MAC, on page 26 of the evidence annex, says:

"Scotland is projected to have the second largest decrease (-1.5%) in the working age ... population across all government office regions between 2014 and 2024."

At the same time, the population aged over 65 is expected to grow by 20 per cent.

What kind of challenge does that pose to our public services, in that we have so many more people over working age, and the number of people paying taxes is predicted to decrease?

Dr Allan: I preface what I will say by welcoming the fact that we are, hopefully, likely to live longer in Scotland, as there is an increase in our life expectancy.

However, you make a very fair point. In fact, the figures over the next 25 years are even more pronounced. The expectation is that over the next 25 years, the population aged over 75 will increase by 79 per cent. That is to be welcomed, but the only way in which we are able to sustain that situation in Scotland is by increasing the number of working-age people in our society. The projections for what would happen if we did not have people coming from other countries to live in this country show that the number of people in the working-age population would go down by 3 per cent and our population overall would flatline.

We have an ageing demographic but what is distinctive about Scotland's situation is that it is much more pronounced than the situation for the rest of the UK. Over the next 10 or 25 years, the reason why Scotland's population will go up will be—100 per cent—because people will come from other countries. In the UK overall the figure is 50 per cent, but 100 per cent of the reason why our population will go up is that people will come here from other countries.

The Convener: That is exactly what our report showed as well: the crisis facing the country if we do not have a supply of migrants. Are there any alternatives to new people coming?

Dr Allan: We want to address the skills gaps in the Scottish economy by skilling people up. We seek to do that. We put a lot of effort as a society into making sure that there are educational and training opportunities, and that jobs are filled.

We have relatively high employment in Scotland and relatively low unemployment. There is not a huge pool of people who can step in and take the jobs that are currently filled by migrants. There are many sectors—you will be more than familiar with them, because you named them in your own report—that simply could not fill, from some mysterious source, the places that are currently filled by migrants.

The Convener: Your document is a substantial contribution to the UK Government's evidence gathering through the Migration Advisory Committee. However, the MAC's report, which the UK Government asked it to produce, will not come out until next September, whereas an immigration bill will be published long before that. Realistically, how will you influence UK Government policy if the report that you are contributing to does not come out until next September?

Dr Allan: That is a very interesting question, which should be posed to the UK Government; I think that the Scottish Government has done that. The UK Government proposes a process that will extend, in terms of the MAC, long beyond the date at which legislation on immigration will be brought in by the UK Government. It is difficult to see how the MAC findings will influence the legislation at UK Government level.

The Scottish Government seeks to influence, not just through the MAC but through other routes such as the joint ministerial committees between the devolved Administrations and the UK—when they meet. We seek to influence the UK Government both privately and publicly about our real concerns. These are not merely political points; they are real workforce planning concerns about how we can plan for the future unless we can make it very clear to people that they really are welcome and needed in Scotland.

The Convener: There has been quite a lot of cross-party consensus on this issue in the past. The previous Labour Government introduced the post-study work visa for Scotland, which became a UK-wide initiative, but was then abolished. It was quite noteworthy that when the present Government launched a pilot to bring back the post-study work visa, Scotland was not included, despite cross-party consensus in asking for its return. That was probably the only significant example of Scotland having differentiation in these areas. Given that behaviour in the past, how likely is it that you will be able to bring pressure to bear for a differentiated system in Scotland?

Dr Allan: I do not think that I have ever seen anything that attracted quite so much consensus in Scotland as the post-study work visa did. Things do not generally attract consensus in Scotland, but the university sector, businesses and the private sector, the public sector and the political world, across the political spectrum, all said the same thing.

The many efforts to reintroduce the post-study work visa to Scotland have all been rebuffed. Despite that, there is no doubt that the benefits that the scheme provided to the university sector and wider society in Scotland were undeniable. We continue to make that argument and we have very publicly expressed our disappointment that none of the four universities in the UK that were chosen to take part in a pilot was in Scotland. Therefore, it is disappointing that so far the argument has not been heeded by the UK Government.

Despite that list of criticisms of the UK Government, I want, nonetheless, to find common ground within this Parliament to continue to make the argument, in a positive way, for these things to happen. The role of the committee in doing that is very helpful.

The Convener: Our committee took evidence from the Quebec Government on how a differentiated immigration system involving regional or sub-national governments could work perfectly well. We examined examples of such systems elsewhere, such as in Switzerland. Is achieving such a system possible?

Dr Allan: I would go further and say that it is not only eminently possible, but necessary for the reasons that I have given about our demography and economy. It is necessary that we find a solution that is tailored to Scotland's needs.

You have, rightly, cited examples in which there is a degree of flexibility on immigration policy at a sub-state level. Those immigration systems are all very different—Australia has a very different immigration policy from that in Canada or Switzerland. Those countries, however, all share

the principle and political will to allow these things to happen at a sub-state level.

Although this may sound as if I am going off at a tangent, the fact that the UK Government is now ceding certain arguments on how the post-Brexit world might work in Northern Ireland, and that we are talking about Northern Ireland in a new way in this context, shows that where there is a will, a differentiated immigration policy can work—and work quite successfully. I really do not understand the argument that it could not work successfully within the United Kingdom with regard to Scotland.

Richard Lochhead (Moray) (SNP): Good morning, minister. I will pick up on the convener's question. What is the real reason for the UK Government's opposition to the devolution of immigration powers to Scotland, given the disproportionate challenge that we face demographically?

Dr Allan: I will, unavoidably, give some political answers to that question. At the moment, the UK Government seems to simply be of the view that immigration policy is indivisible for political or doctrinal reasons. I like to think that at some point it will listen to reason, and certainly listen to the consensus view in the Scottish Parliament that we need to do something else. You will have to ask the UK Government, but it has not been willing to move.

Richard Lochhead: Clearly, there is a lot of unity in Scotland. Even Alistair Darling, the head of the no campaign in the 2014 referendum, has indicated that he now supports some kind of differentiated immigration policy in Scotland. I hope that that unity will continue and have an impact on the UK Government.

I have a couple of constituency cases to raise, because I want to know whether there is a role for the Scottish Government in helping to lobby the UK Government even more than it is doing now, and in trying to influence decisions made at the Home Office. As you may know, the shortage of teachers in Moray is well documented. A well-publicised case in my constituency in the past few weeks concerns Heather Cattanach—a woman from Canada, working in a school in Forres, who was not able to get her visa sorted out even though she is married to a Scot, and then had to leave that post. There has been a lot of publicity on that case.

Another case concerns a woman from America who is registered with the General Teaching Council for Scotland. She is desperate to work in a Moray school but cannot get her sponsored visa because, for some reason, Moray Council will sponsor visas only for teachers of science, technology, engineering and mathematics subjects.

Moray is an example of a part of Scotland in which the demographic challenge is even more challenging than the national challenge in Scotland: the number of people of pensionable age is set to increase by 33 per cent over the next 25 years, with the working age population decreasing. Young people want to live and work in Moray and other parts of Scotland, taking on posts where there is a current shortage, yet we cannot get the visas for them to work in this county. The situation is ridiculous; it is damaging our economy, education system and future. Could the Scottish Government play more of a role in addressing some of those cases?

09:45

Dr Allan: We certainly try to highlight some of them. I absolutely agree with the concerns that the member is voicing.

Speaking more generally rather than on education specifically, one of the problems is that the target that the UK Government has set itself for many years on reducing net inward migration to the tens of thousands has a completely distorting effect. Every aspect of migration policy becomes a slave to the target, regardless of the merits of individual cases or sectors. If we stick to the target, the demographics for Scotland become quite frightening. That is before we even consider the possibility of theoretical nil inward migration.

You are quite right in saying that in some parts of Scotland, such as Moray, there is a real issue in education. We want teachers from other countries to make their homes and have their jobs and careers in Scotland. We seek to help where we can; we do not have any power over individual cases when it comes to dealing with the UK authorities, but we seek to raise those cases and I am very happy to raise them again.

Richard Lochhead: The statistics that you have outlined on our country's demographic challenge are eye-watering. What more can the Scottish Government do to convey to the people of Scotland just how big the challenge is? Clearly the argument is based on statistics, therefore raising awareness can be quite difficult. Could the Scottish Government think of more ways in which we can publicise the demographic challenges facing this country, and the implications for our future?

Dr Allan: You are right that it has to be about more than statistics; a hearts-and-minds argument has to be made. There is more of a broad understanding of the problem than the media in Scotland sometimes give credit for. For example, yesterday I was at Edinburgh royal infirmary talking about the real problem that the national health service in Scotland would face without the

contribution of European citizens living in Scotland. That is the kind of hearts-and-minds argument that we can make on the importance of EU citizens—not just demographically, but for our public services, too.

I am mindful of the need not to raise false fears on the issue. We are doing our best to work with the UK Government to find solutions, but every time that I—and other ministers—engage with people from the health service, other sectors or other European countries, I hear that they have had real concerns over the past year or more. It is very difficult to make financial plans for yourself and your family, be that for a mortgage or business, when there is so much uncertainty surrounding you. We have to make the argument. We will make it—and we will use more than statistics in making it.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): Good morning, minister. Are Scotland's needs so different from those of the rest of the UK that devolving control over immigration would be justified? Looking at soft fruit producers in Angus and cherry growers in Herefordshire, do you not believe that they have the same requirements for seasonal migrant labour? Do you agree that Scotland's needs are almost identical to those of the rest of the UK?

Dr Allan: No, I do not agree that our needs are identical to those of the rest of the UK, for the reasons that I have been trying to set out—demographically our situation is twice as extreme as the situation in the rest of the UK.

On the question whether soft fruit growers have the same workforce planning issues, whether they are in Angus or Herefordshire, I do not dispute that the nature of the business is similar. However, it is possible to argue that for some regions, and certainly for Scotland, these industries have particular importance. My point is that the situation demographically for Scotland will be twice as bad if we do not get it sorted out.

Rachael Hamilton: Why is Scotland not attracting a higher share of migrants? Only 3.4 per cent of Scotland's population is from the EU, compared with 4.9 per cent across the UK as a whole.

Dr Allan: With respect, I do not know where you got that figure from. The figure I have is that it is roughly 7 per cent and that is roughly in line with the population share.

Rachael Hamilton: Am I right in saying that the Migration Advisory Committee provides independent advice to ministers on the skills that should be included on the UK's shortage occupation list? The MAC reviews the list after consulting Scottish employers. There is a separate list of job titles and occupations for Scotland,

which allows employers to recruit migrants into jobs that are officially in shortage without the need to first conduct a resident labour market test. Is it not true that the Scottish list mostly matches the UK version?

Dr Allan: Certainly we seek to influence the list, and we have done so, but it is not entirely easy. For example, when the MAC opened its consultation on this, it was very difficult to get information from it, and numerous meetings that were offered with ministers and others were then reneged on—at a Government level, I should say, rather than at a committee level. Nonetheless, we engage and we put evidence forward.

It is true to say that the lists are broadly similar, but we have put forward our own ideas on different sectors and we seek to have influence where we can. The problem is that this is a workforce-wide issue and, without labouring the point about the benefits of the freedom of movement of people, we cannot solve this problem in Scotland by looking at it purely on a sector-by-sector basis. There needs to be a much wider openness to people from other countries living here, or our demographic problem will not be solved.

The Convener: The Convention of Scottish Local Authorities, which contributed evidence to the committee, said that it had been engaging with the MAC for many years and that it had

“to date had little success in influencing the Shortage Occupation List (SOL) for Scotland”.

Dr Allan: There are frustrations around this. You pointed to one of the major frustrations, which is that the MAC—without any disrespect to it—is clearly unlikely to influence the big decisions about immigration policy that will be made by the UK, given the timescales that have been set. One of the other frustrations is that it is far from simple for anyone in Scotland, far less the Scottish Government, to have any direct influence upon that policy.

We have to try to find our way through those frustrations, and the more that we can speak with one voice on this, and indicate that Scotland has different interests and that they should be listened to, the better.

Mairi Gougeon (Angus North and Mearns) (SNP): My question follows on from the convener's question. That part of COSLA's evidence stood out to me as well.

COSLA said that if European Economic Area citizens are to be subject to the UK's tier 2 immigration framework criteria, the minimum salary thresholds would effectively remove all people working in social care, where we need those spaces filled. What are your views on that? How can we overcome those issues when we

need people to come here to work in such sectors and fill the gaps in the market?

Dr Allan: That is certainly true of that sector. It is also true of other sectors, including agricultural ones such as the fruit industry, and many others. If I may, I will call on officials to answer your specific question about some of those issues.

Rachel Sunderland (Scottish Government): I am happy to do so. The concern is that the current system for non-EU nationals coming in is skills and salary based. The evidence that we presented in the report that we published yesterday clearly demonstrates the positive impact that EU nationals are having in a wide range of sectors. The risk is that once a scale or a salary threshold is put in place, significant sectors will be disadvantaged, including, for example, the voluntary sector. We give the example of Camphill Scotland, which is very dependent upon volunteers. There are big concerns there.

Also, having such a system means that there would be quite a bureaucratic and lengthy process, whereas businesses and employers are saying that they want something that is quite fluid, easy and very responsive.

Mairi Gougeon: In its evidence, Unison made a similar point about influencing changes to the Scottish shortage occupation list. It raised an issue about supporting evidence that is presented to the MAC, which is sometimes formatted in a way that the MAC does not find acceptable. Unison said:

"The MAC has argued that it found it difficult to get evidence about shortages in Scotland in the format it requires."

How do we overcome that formatting problem, when clearly evidence is there about the shortages we have?

Dr Allan: With respect, if the question is about formatting, I might defer to officials on that. Clearly, we do not want to get ourselves into a situation where there is not that flow of information. I am afraid that I will have to call upon help for that question.

Rachel Sunderland: That is fine. We have certainly had feedback from the Migration Advisory Committee that sometimes it is taking a very economic-focused approach and is looking particularly for hard evidence at the sector level. The evidence that we published yesterday provides a lot of that. Previously, the type of evidence that it has been possible to provide has maybe been softer and more anecdotal. Sometimes there has been a mismatch with the nature of evidence that the Migration Advisory Committee has been looking for, but the report that we published yesterday pulls a lot of that together very clearly.

Mairi Gougeon: Does the Scottish Government believe that there should be Scottish representation on the MAC?

Dr Allan: Yes. It would be helpful if we had more direct representation on the MAC. Much as it is useful to look at sector-by-sector approaches, it is important to look at nation-by-nation or region-by-region approaches as well. Political debate at UK level seems to have conceded the idea of different approaches to immigration for different sectors. That begs the question why there cannot be different approaches at the national, regional or sub-state level as well.

Stuart McMillan (Greenock and Inverclyde) (SNP): Good morning, minister. You spoke about the situation regarding powers. On page 48 of your document, which we received yesterday, you say:

"International students in the UK should ... not be included in the net migration target."

As somebody who studied in Europe through an Erasmus scheme—a couple of weeks ago, I hosted an event here on 30 years of the Erasmus plus scheme—I genuinely understand the importance of the cultural exchange of EU students coming here and students from here going to the EU. In your policy suggestion to the MAC, what importance does the Scottish Government place on international students coming to Scotland and having the opportunity to contribute to the Scottish economy after their studies, if they have the chance to stay?

10:00

Dr Allan: It is right to point to both the economic and the cultural benefits. The economic benefit is clear, not just to our university and college sector, but because many of these people bring their skills and are willing to live and work in Scotland after they graduate.

The point that you make about the inclusion of students within the 100,000 net migration figure is very important. Unlike in the UK political scene, in Scotland there is, as I understand it, a political consensus across all the parties that students should not be included in that figure. I have said why I do not think the figure is very helpful for migration policy as it affects Scotland more generally. It is my understanding, from statements from all the parties, that—whatever our differences—we agree that students should not be included in that figure, because it totally distorts our understanding of migration policy and distorts our understanding of the benefits that students from other countries bring us.

Stuart McMillan: The Scottish Government is preparing an evidence-based paper on immigration. How will you take into account any

evidence that you hear from this committee when you put your paper together?

Dr Allan: The Scottish Government will be more than happy to take on board evidence that the committee has produced. You have produced some substantial papers on migration policy as it affects Scotland. The task that we now face is to imagine what a distinctive, tailored, differentiated—whichever word you want to use—solution for Scotland would look like in policy terms. We have made it clear that our preferred solution is freedom of movement of people throughout Europe, including Scotland, but we now have to think about what a differentiated solution for Scotland would look like and what policy options and levers we might use if, constitutionally, we had the power to use them. I am not in a position to set that out for you today. In the coming months, however, I will be more than willing to come back to this committee to talk about our proposals as they develop, and I would be very happy indeed to take on board any views and recommendations that the committee has on that area.

Stuart McMillan: You have touched on Brexit. Various UK ministers have come to various committees at this Parliament to answer questions on Brexit and how it is going to affect this Parliament. Yesterday, the Delegated Powers and Law Reform Committee took evidence from Robin Walker MP and Chris Skidmore MP, both of whom are ministers in the UK Government. This is all on the record. They were extremely—"repetitive" is probably too strong a word. They consistently made the point that they are in listening mode; that they wanted to come to Scotland to talk to us but also to listen, so that they could take back issues and then hopefully make some changes.

You have touched on how you have found it difficult to get the UK Government to listen to recommendations from the Scottish Government. How much of a challenge is the Scottish Government finding it to have the UK Government consider a differentiated approach or some other type of approach to immigration for Scotland?

Dr Allan: Since the Brexit vote, we have tried to put forward a series of compromise proposals. There is no point in rehearsing the different political perspectives that we have on the solutions, but the point is that it has been no simple task. There are two joint ministerial committees—one on EU negotiations and one on Europe, on which I sit—and one did not sit for, I think, eight months. Those committees are convened by the UK Government, I should say. We are working to try to make those bodies work so that we exchange ideas and work with each other. I have an outstanding meeting request for a meeting with the UK immigration minister and I

seek to make sure that those meetings happen. However, I would not like to give you the picture that the UK Government has in the past seen its role as more than informing us of what it is doing.

Stuart McMillan: There has been a suggestion of a potential JMC on immigration. Is that something that you would welcome?

Dr Allan: I would welcome any kind of engagement. I would not say that the joint ministerial committee model has been the most successful attempt ever devised to include the devolved administrations in the workings of UK policy, but I certainly would not be against anything that tried to promote that conversation. I would certainly not oppose such a JMC if it was meaningful and had a proper secretariat and proper, regular meetings.

Ross Greer (West Scotland) (Green): The sectoral issues that we have in attracting inward migration and filling skills shortages have been covered, but obviously the demographic issues that we have with ageing populations are quite geographically acute, too. What tools does the Scottish Government currently have? What tools do you employ to ensure an effective geographic distribution of those coming in? I do not mean to use language that makes people sound simply like units of labour, but there is obviously a need, particularly in rural areas; Dumfries and Galloway in particular has very acute needs. What tools does the Government employ to ensure that people are attracted to those areas?

Dr Allan: You are right to say that it is about attracting people rather than moving people around. We are of one view on that. I represent the Western Isles in Parliament and I am very conscious that our population as a region is set to come down by 14 per cent over the next 25 years and that many communities in my area—like communities in Dumfries and Galloway, I am sure—have benefited greatly from people from other European countries making it their home. I can think of communities in rural Scotland where the school is open probably largely because that community has people from other European countries working in it. There are particular sectors in rural Scotland, such as fish processing—and to some degree the fishing industry overall—and certain types of agriculture, as we have talked about, where those people are very important, and we should make sure that we make rural Scotland attractive to people who are coming from other countries.

Perhaps the most important thing that we can do overall is make it clear to people, again and again, that they are welcome. People feel welcome in their communities, particularly in rural Scotland, but they also need us, as politicians, to repeat that message over and over again.

Ross Greer: What role do you see for local government? We have discussed the need for differentiated solutions in the UK. There is obviously a need for a level of differentiation within Scotland. What role would you see for local government in that?

Dr Allan: We are going to come forward with proposals as to how we could see a differentiated solution working. I am very open to looking at solutions that take account of the issues that you mention and the fact that different parts of Scotland have very different needs. We will want to include those issues in the exercise when we look at what a differentiated immigration policy could look like. We need to take account of some of those issues when we do that.

On a completely different subject, local government in Scotland has shown itself to be very helpful and positive in its contribution to volunteering to provide services to refugees. That is a completely different issue, but I am sure that local government will be similarly involved in the process when it comes to thinking about how we make sure that we have a policy for European citizens that fits the needs of local economies.

Ross Greer: COSLA has been very engaged on this issue for some time. Did it contribute to your response to the Migration Advisory Committee?

Dr Allan: We work closely with COSLA's migration team and we are in touch with it on a regular basis. We would certainly want to have its views as we develop our policy. We work with it regularly.

Dean Lockhart (Mid Scotland and Fife) (Con): Good morning, minister. I want to follow up on a couple of points on the tier 2 shortage occupation list. I understand that at the moment there are two additional occupations for Scotland: medical practitioners, in some areas, and physical scientists. Will you talk us through any plans that the Scottish Government has to propose additional shortage occupations specifically for Scotland? Will you also talk us through the process, the evidence and the analysis that you do to identify what those specific areas for Scotland are?

Dr Allan: We have done some studies on that. When I visited the Edinburgh royal infirmary yesterday, the message came across loud and clear that although there is a certain amount that can be done to identify new sectors or additional areas of work, the need is across the board. In the medical physics department at the hospital, people were saying that the variety of specialisms is so wide, and the specialisms so specialist, that drawing up a list would almost be beside the point. That is not to take away from the fact that the list is important, but our needs are so wide and so

general that we need to have, as Rachel Sunderland said, a system that is responsive to everyone and is fluid.

Dean Lockhart: Will you expect to put forward additional specific occupations for Scotland?

Dr Allan: If we have evidence that there are specific shortages, as a government we will be more than happy to put forward additional areas.

Dean Lockhart: Will you talk us through any plans for the Scottish Government to prepare an annual population strategy for Scotland?

Dr Allan: We have a wider population strategy as things stand. I am going to look to Rachel Sunderland to see when we most recently provided that to Parliament. We certainly have an on-going population policy—I am talking about it just now. We have provided evidence to the committee. We also have the population strategy for Scotland in the national performance framework, which includes a target to match our population growth with the EU15 average. Our population policy is essentially built around the EU15 average and we regularly make statements and comment about how, as a country, we are meeting that target.

Dean Lockhart: As part of that, or maybe in addition to that, what plans do you have to promote Scotland as a destination for migrants across the world, beyond the European Union? Are there particular countries to which the Scottish Government would be looking to promote Scotland as a destination?

Dr Allan: There are obviously particular countries outside the EU with which we have a strong association, whether that is historic or based on something else. It was noticeable that the abolition of the post-study work visa resulted in a halving of the number of people from Nigeria coming to study and perhaps work in Scotland. There are countries with which we have a particular connection. Perhaps the more obvious ones that leap to mind are countries with which we have familial connections—Australia, Canada, New Zealand and so forth—but by far the biggest immediate source of new people coming to Scotland, apart from the UK itself, is the European Union.

Dean Lockhart: You mentioned other steps that might be taken by the Government to address shortages in Scotland. Looking at the Scottish workforce and availability within Scotland, we see that there are, I believe, 730,000 economically inactive people of working age here. What plans do you have to look at bringing those people into the workforce, to address workforce shortages?

Dr Allan: I might be wrong, but I think that the figure you are quoting will include students, for

instance. It will also include people who are ill. I am not sure that I would recognise that figure completely, although I am happy to come back to you on that.

Obviously we need to make sure that people are work ready and have opportunities to be trained and educated. However, the point that I have been emphasising, I hope from the beginning of my evidence today, is that if we found ourselves in a situation where we did not have a system in place for European Union citizens to feel welcome and feel that they had a future here, we would not be able to make up the shortfalls in many of the sectors that have them from the group of people that you are talking about. It simply would not be practical to do that in the time available. However, that does not take away from the fact that it is important to make people work ready.

The Convener: I turn again to the forthcoming UK immigration bill. At the start, we discussed your submission to the MAC, and how the MAC will not publish until next September, although the immigration bill will come out before then. Have you received any information about how new-arrival EU citizens after Brexit—should it go ahead—will be treated in a new immigration system? I know that the Prime Minister has suggested that they will be treated in the same way as EEA citizens are now. What is your understanding of the direction of travel on that?

10:15

Dr Allan: I am only a Scottish Government minister, so I only have leaks on that from the UK Government to go on, I am afraid. The signs so far are, obviously, not entirely positive. At the moment, we are living from month to month, trying to get information about what is being proposed for existing EU citizens and for incoming ones, but we really have nothing more to go on than what the Prime Minister has said, and none of that has been negotiated with the EU27 to any satisfactory conclusion.

The Convener: A particular concern of many people who have engaged with the committee is the minimum-income requirement for non-EU family members who are in the UK at the moment. A report by the migration observatory last year examined the issue. The observatory knows that 40 per cent of British citizens who were employed in 2015 did not meet the income criteria to sponsor a family member, but one of the very interesting things that the report threw up is gender disparity and discrimination against women in this respect. For example, when you look at the number of people who are not eligible to sponsor a spouse because of their income, 27 per cent of men fall into that category, whereas for women the figure is 55 per cent.

Women who have two children are even more likely to be discriminated against; 69 per cent of women with two children would not meet the eligibility criteria to allow their spouse to stay in the UK. It would be very worrying if that were to be applied to EU citizens. Does that gender discrimination concern you?

Dr Allan: That does concern me: it is a concern from a human point of view. It certainly seems to be a very crude way to determine the future of citizens of other European nations who seek to come to our country. It appears to discriminate against women and against some of the sectors in which people are working and doing valuable jobs in Scotland. We have mentioned some sectors including agriculture and fish processing, in which, I am sure, new applicants for entry to the UK would find themselves falling foul of rules for non-Europeans being applied to new-entrant EU citizens. At a human level, it does not seem to be very sensible to apply those rules to EU citizens. It does not seem to be very sensible on an economic level, either.

The Convener: Finally, Rachel Sunderland mentioned Camphill communities, which—if you do not mind—I want to raise as a constituency issue, because there is a Camphill community in South Scotland, at Loch Arthur, which I visited on Friday. The people there wanted me to visit so that they could raise the issue that they are concerned about, which is their volunteers. Basically, the community's volunteers come from Europe because it follows the Rudolf Steiner approach to working with people with learning disabilities. The visit was an absolutely humbling experience. Many people had lived there as volunteers for 20 years, contributing and supporting people in a familial situation, but not drawing a wage. Because they do not draw a wage, they would not fit the minimum-income criteria. Is there anything that we can do to influence the UK Government to ensure that those wonderful communities that do so much to help vulnerable people are sustainable?

Dr Allan: There are lots of issues in that. We certainly raise, and will continue to raise, the issue of voluntary work, partly because it should not be overlooked that so many people from other European countries contribute to their own communities and are so keen to contribute through voluntary work, but also because of the uncertainty that surrounds so much of what is being proposed—for instance, around the rule under which people will have to prove that they have been resident here for five years in order to get settled status, and so on. Somebody from Spain said to me recently, “I can prove the time I was doing paid work; how on earth do I prove the time I was doing voluntary work? Does it count towards my getting settled status, or not?” The voluntary sector raises all sorts of questions: it is

good to see that the organisations that represent the voluntary sector in Scotland have been raising the matter very publicly. The Scottish Government is also happy to do so.

Mairi Gougeon: Can I ask a supplementary question on that point?

The Convener: Yes.

Mairi Gougeon: Have you sounded out the UK Government about people who are in that position? I know that there are lots of examples of people who have been in cash-in-hand employment, as well, which has the same issues. Do you have any sense of where the thinking is on that?

Dr Allan: No.

I recently took up an individual case as minister, and have taken up cases—as, I am sure, others have—as a constituency MSP, to try to get an answer to that question. So far, I have had no answer. There may be one in the post.

There is a wealth of detail missing regarding the question how people can prove their five years' residence and their status in order to qualify for different types of settled status in the future—however those types are ultimately defined. The problem is that the longer this goes on—I probably do not need to tell members—the more uncomfortable the situation becomes. We should not be putting people in that situation for much longer.

Ross Greer: I noticed, in looking at the Scottish Government report, that the Government highlights an issue about data from rural areas seeming to be largely qualitative. Can you talk us through the issues in that respect?

Dr Allan: I will call for help on that question, if I may. We have qualitative information about the situation in rural Scotland, which is different in a number of ways. For instance, employment levels are deceptively high in rural areas, as members will be aware, because young people who do not have jobs simply move out of rural areas. That does not take away from the fact that there is often the economic problem of a major skills shortage. We have some qualitative information about that and how its impact in terms of there being a need for people from other European countries to live in those areas. Perhaps I can call on a colleague to come in on that.

Angela Hallam (Scottish Government): I am happy to do that. The best source of information that we have on population is the census, but that comes only every 10 years, and it is carried out in March, so we do not pick up seasonal workers at all. Rural areas are particularly dependent on seasonal workers, especially in agriculture. Rural policy colleagues have done some work on the

agricultural census in order to try to estimate of the number of seasonal workers. We believe that the number is between 15,000 and 22,000, but it is obviously very difficult to count because seasonal workers are very mobile: they follow the work. We have commissioned research to look in greater detail specifically at seasonal agricultural workers, from which we expect an interim report next month.

Ross Greer: That is excellent. Thank you.

The Convener: We talked earlier about having a different system for Scotland; our experience as MSPs is that the system for non-EEA migrants is very complex. How could you ensure that any differentiated system for Scotland works better for businesses in the sense that it is cheaper and less complex? Many people who have given written evidence to the committee have said they are quite open to that—they understand that Scotland has particular needs—but they want to know how it will work. We understand why they want reassurance that such a system would not cost their businesses more. What reassurance can you give on that?

Dr Allan: Those are fair and understandable questions from businesses; they are ones that we want to take into account over the coming months as we put together our proposals.

Setting aside the idea of a new policy, one thing that is becoming clear is that there is a movement within the UK towards businesses having a bigger role as gatekeepers in the immigration system than they used to have. We need to take account of the fact that businesses have concerns about the workload around immigration, but the situation perhaps also provides us with opportunities that I think overcome some arguments that have in the past been thrown at the idea of regional immigration policies. It is clear that this is not particularly about monitoring people on substate borders, but is about ensuring that businesses can access the workforce that they need, and us devising a policy that ensures that they can. It is not inevitable, but any system could end up being more complicated. We want to devise a policy that will avoid that, and we want a policy that is informed not just by the needs of individual workers but by businesses themselves.

The Convener: Thank you.

Rachael Hamilton: I will ask a supplementary on that, if I may. I know that some industries have expressed concerns about the financial implications of devolved immigration. Are you planning to do some financial modelling of devolved immigration, in particular for small businesses—I know that the Federation of Small Business had expressed concern about this—that

do not have human resources departments. What implications would it have on local authorities?

Dr Allan: We will certainly want to take into account any concerns that are brought to us about that, but businesses, including small businesses, and indeed the housing sector, already have a role in monitoring or dealing with some of those questions. The biggest concern in this respect that is being brought to us by the business world is not about that; it is that businesses have skills shortages and they do not know how they will meet them if we do not have a tailored solution to the problem.

The Convener: Thank you. I will draw the meeting to a close. I thank the minister and his officials for coming to give evidence today.

10:27

Meeting continued in private until 11:01.

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