OFFICIAL REPORT
AITHISG OIFIGEIL

Economy and Fair Work Committee

Wednesday 23 April 2025

Session 6

The Scottish Parliament
Pàrlamaid na h-Alba

Wednesday 23 April 2025

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ECONOMY AND FAIR WORK COMMITTEE
12th Meeting 2025, Session 6

CONVENER

*Colin Smyth (South Scotland) (Lab)

DEPUTY CONVENER

*Michelle Thomson (Falkirk East) (SNP)

COMMITTEE MEMBERS

*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)
*Murdo Fraser (Mid Scotland and Fife) (Con)
*Jamie Halcro Johnston (Highlands and Islands) (Con)
*Daniel Johnson (Edinburgh Southern) (Lab)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
Lorna Slater (Lothian) (Green)
*Kevin Stewart (Aberdeen Central) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Tony Burns (ACS Clothing)
Jennifer Davies (Scottish Power Energy Networks)
Doug Duguid (Aurora Energy Services)
Stevie Wilson (SCORE Group)

CLERK TO THE COMMITTEE

Anne Peat

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Economy and Fair Work Committee

Wednesday 23 April 2025

[The Convener opened the meeting at 09:31]

Skills Delivery

The Convener (Colin Smyth): Good morning, everyone, and welcome to the 12th meeting in 2025 of the Economy and Fair Work Committee.

Our first item of business is our third evidence session on the skills delivery landscape. The purpose of the sessions is to consider how the current skills system is working and to identify the actions that are needed to support businesses and improve the skills supply chain, including green skills.

I am delighted to welcome Tony Burns, the chief operating officer of ACS Clothing; Jennifer Davies, the strategic workforce manager at Scottish Power Energy Networks; Doug Duguid, the chief executive of Aurora Energy Services; and Stevie Wilson, the global apprenticeship manager at the SCORE Group.

As always, I appeal to members to keep their questions as short as possible—I am sure that I will fail miserably with that request—and to the witnesses to keep their answers as concise as possible.

I will kick off with the first question. I appreciate that apprenticeships are not the only part of the skills system, but the committee has focused on that topic quite heavily during our evidence sessions in recent weeks. What is your general view on the current apprenticeship system in Scotland compared with that in the rest of the United Kingdom? What engagement have you had with that system?

I will bring in Stevie Wilson first, given that his role includes the word “apprenticeship”.

Stevie Wilson (SCORE Group): Good morning, folks. I am the SCORE Group’s global apprenticeship manager. Our apprenticeship offering stretches across the globe, but, in Scotland, we use foundation apprenticeships to support schools, we use modern apprenticeships throughout our operations at our Cowdenbeath and Peterhead sites and we use graduate apprenticeships, too, so we are used to and familiar with the Scottish Government’s current offering.

Our experience is that apprenticeships are funded at a higher level in our English sites—for example, there is roughly £27,000 of funding for an engineering apprentice in England compared with just over £10,000 of funding for an apprentice in Scotland. As a company, we probably support more financial investment for Scottish apprenticeships. The committee might want to consider that balance if we want to encourage more people to go into careers in science, technology, engineering and mathematics.

Across the globe, we have a site and apprenticeships in Holland. In Holland, pupils can go to a technical school for four years or an academic school after what we would call primary school. That model allows the Dutch people to train people in skills. Recently, I went to one of those technical schools, where 11, 12 and 13-year-old pupils work on joinery, construction, motor vehicle manufacturing, electrical installation, pipework and so on. It is remarkable to see that volume of people doing such work, and we are missing that in Scotland.

The Convener: That is really helpful. You have experience of foundation, graduate and modern apprenticeships—the full complement of what is currently available. Can you identify any gaps in the different apprenticeship types in Scotland?

Stevie Wilson: In my experience, there are one or two small gaps. We have worked with Skills Development Scotland to try to get something up and running in relation to non-disruptive examination. Another example is that we can get apprenticeships in painting and decorating but not in industrial painting and coating.

The biggest gap perhaps relates to upskilling adults in the sector. If you are not between 16 and 19—or perhaps a little bit older—you will find it difficult to get an apprenticeship. As a company, as I have said to others, we have to heavily invest to allow those people to come in. We call them trainees rather than apprentices, because they follow a different plan, but none of that is funded. The skills gap is evident to us, and we do everything that we can to fill it. We fill it largely through apprenticeships, but there is a growing number of adult learners who do traineeships, which are not funded at all.

The Convener: That is very helpful.

Daniel Johnson (Edinburgh Southern) (Lab): I have a brief supplementary question. I want to break what has been said apart a little bit, and I will explain why. A few weeks ago, I spoke to a decorator apprentice who had started when he was 30. There is a structural problem, which you alluded to, in relation to funding and the format of learning, but that apprentice said that he had also found there to be a cultural issue in that everyone

treats the apprentices as young lads, but he is not a young lad.

Do you agree that there are multiple strands? As well as the issues with structure and the format of learning, there might be some cultural elements. Are there any other strands to the reskilling challenge? It is really important that we pull apart all the details of what that challenge looks like.

Stevie Wilson: I agree with what you have said. In my experience, there is no age cap for graduate apprenticeships. We have a 35-year-old graduate apprentice who has come straight into our business and is doing an engineering degree with Robert Gordon University, so the cultural issue is less prevalent in graduate apprenticeship schemes, but I accept your point. It is important to recognise that, if you take up an apprenticeship in mechanical engineering, you will be off the job for the first year and will be working in a training environment with 16 to 19-year-olds.

Daniel Johnson: Are there any other structural elements, such as the format of learning? How should we break down the problem in order to address the reskilling issue?

Stevie Wilson: We need to think about how we support older people—I say “older people”, but we are speaking about people who are 25 or older—in an environment where 16, 17 and 18-year-olds are prevalent. SCORE does a bit of work on that. Our modern apprenticeship starts include a range of people up to those aged 25 or 26. However, the funding drops off for some of those people, so, structurally, it is important to do something to address that.

A recent review looked at whether the first year of an apprenticeship, which is done off the job, could be done on the job. We suggest that that would take us in entirely the wrong direction. A lot of young people are coming in less prepared than ever, so they need to be off the job in the first year in order to learn by making mistakes. If they scrap a wee bit of material, they can get another bit and try again, whereas if a mistake is made while working on an £85,000 bit of client kit, that is obviously more commercially damaging. From a health and safety standpoint, getting those skills off the job is really important to us.

The Convener: Tony Burns, do you want to come in on the same question?

Tony Burns (ACS Clothing): I will provide a bit of background first. ACS Clothing is a business that enables circular business models in the fashion industry, including clothing rental. People can relate to renting a kilt for a black-tie event or a wedding—that has been the backbone of the business for many years—but we now rent everything from ladies wear, ski wear and kids wear to Gore-Tex clothing, tents and wetsuits. We also resell and repair clothing. We employ 125 people at Eurocentral.

When I joined ACS 20 years ago, a steady stream of talented and trained individuals walked through the door, so we could cherry pick the best people. However, over the years, for a variety of socioeconomic reasons, that talent pipeline has dried up, and Brexit exacerbated the problem. We engage with apprenticeship programmes because we have needed to create our own talent pipeline. If we can get the right people in the door, we offer foundation, modern and graduate apprenticeships. We had to set up an in-house Scottish Qualifications Authority centre, which underpins our apprenticeship programme, to allow us to do that. If we had not engaged with apprenticeship programmes, we probably would not be here today.

Another issue is how we get people to become apprentices. Previous routes such as those that involved employment agencies do not work anymore—there is a poor fill rate and the people who come in do not last long—so we have looked at the disadvantaged workforce. We recruit ex-offenders, current offenders, refugees, staff with disabilities and staff with a long-term care background. We get those people in the door and invest in them via structured programmes in which we offer internationally recognised qualifications. That allows us to mitigate the challenges with the job market.

The Convener: It sounds as though you do a lot of that work in-house; you do not use agencies. Do you do all the training in-house, too? Is there a partnership with colleges, or is it all done in-house?

Tony Burns: We do most of the training in-house when we can. Part of the reason for that is that the training that is required for textile care, for example, does not really exist in the further and higher education market. We teach people about quality control and about cleaning and repairing garments. The industry is growing because we need to reach net zero and waste in the textile industry has such a damaging impact on the planet. Skills in reuse and repair are needed in all sorts of industries, not just for textiles and garments. If we are going to reach net zero as a country and globally, we will need to repair and reuse many things, so what we are doing needs to be done in other industries, too.

Kevin Stewart (Aberdeen Central) (SNP): That is a very interesting story. We have talked previously about young people’s jobs journeys often beginning in school, and you said that some of the skills relating to textiles are not being provided. I have spoken to a couple of constituents lately about their work on textiles and on reuse and repair in schools, which has been

quite interesting. When I was a young loon, we used to get taught those kinds of things in school, but it seems that that happens no more. Do we need to do more at school level to boost the kind of skills that you and your company are looking for?

Tony Burns: Absolutely. You are probably referring to subjects such as home economics that involve sewing—

Kevin Stewart: I am.

Tony Burns: We have a lot of engagement with schools. As part of the 26th United Nations climate change conference of the parties, 500 schoolkids came to our facility for two hours. We tried to teach them how they should engage with fashion, and we said that they should move away from a throw-away culture and have respect for how clothing is repaired and how its lifecycle can be extended. We are trying to change the culture, and that starts with kids at school, at a very young age, acquiring the skills that are required to extend the lifecycle of clothing and other items.

The Convener: Tony, are there any changes that you wish to see in the apprenticeship system as it currently stands?

Tony Burns: We train people and put them through apprenticeship programmes because it is the right thing to do and we need that skill. However—my point is similar to the one that Stevie Wilson made—we get 10 per cent of what organisations like ours south of the border get. It would be nice to get more funds to support the apprenticeship programme. More important, apprenticeship programmes need to be promoted, they need to be given at least parity with other forms of further and higher education and to be respected, and they need to be employer-led.

The Convener: That is very helpful. I put the same question to Jennifer Davies.

09:45

Jennifer Davies (Scottish Power Energy Networks): Good morning, everyone. I work for Scottish Power Energy Networks and my role is to look after our trainees within the organisation, of whom there are more than 500, ranging from those in graduate programmes and apprenticeships, to—this is similar to what Stevie Wilson talked about—career transition programmes, where we are retraining, upskilling or reskilling skilled workers. We also do pre-employment programmes. Our apprenticeships make up about 45 per cent of our programmes and they are crucial for our industry. We must grow our own talent; there is no way for us to source those skills other than growing them ourselves, so apprenticeships are the backbone of our organisation.

I believe that more should be done within schools to raise awareness of the available careers. I mentioned that we have a lot of trainees, but that is within SP Energy Networks. I think that more needs to be done more widely in our supply chain to develop apprenticeship schemes and training programmes to support our industry going forward. A report from Energy & Utility Skills that was published more than a year ago said that, on average, about 4 per cent of workers within organisations are trainees. If you compare that with our 12 per cent, you can see that there is a shortage, and we tend to get into situations where our staff could leave to work for contractors or others in the supply chain. However, we cannot be in that position; we need to work together to grow the apprenticeships, to be able to meet future demand.

Gordon MacDonald (Edinburgh Pentlands) (SNP): Jennifer, you said that you have to grow your own talent. The employer skills survey from 2014 showed that only 14 per cent of employers took on apprenticeships, and by 2022 that had only grown to 16 per cent. What must change to encourage more employers to grow their own talent, as your company and other companies are doing, and what are the benefits of having apprentices?

Jennifer Davies: More needs to be done on awareness of apprenticeships and to have easier access to them. Funding comes into that. For small businesses in the supply chain, it must be easier to access apprenticeships and have an understanding of what is there. The development and design of apprenticeship programmes needs to be quicker. It currently takes about 18 months from start to finish to design and develop an apprenticeship. We are in a situation where we are looking for skills and growth in the next four or five years. Development needs to be quicker, absolutely, and so does working across businesses to raise awareness of the value of apprenticeships.

That brings me on to the value of apprenticeships. We have the full range of foundation, modern and graduate apprenticeships. In our organisation, the apprentices are employees, so they contribute to the economy and are paid good wages. There are huge benefits for them, but the benefits that the organisation receives is that we have productive members of staff from around the six-month point onwards, delivering for the business and delivering a role. For example, for our graduate apprenticeships, we are developing fantastic opportunities in new skill sets in areas such as data and digitalisation, and the benefit for us is that the apprentices are

bringing learning from universities back into the workforce, which ripples throughout our teams. That is an absolute benefit.

The Convener: You can do a lot of this at scale because you are a significant employer in the Scottish economy. I am very familiar with some of the work that you do in Dumfries and Galloway in partnership with colleges around wind turbine technicians and so on. Do you have a lot of partnerships with colleges across Scotland because of the scale of what you can do? Are they responsive to your skills gaps and skills needs as an employer?

Jennifer Davies: We have good partnerships with colleges, which are flexible and adapt to our needs. They listen to us and work with us where we need to adapt things. I know that they are slightly struggling themselves, and where we can support them, we will—for example, through expanding our training, where we are expanding the number of trainees that we are bringing in. They have been adaptable in terms of support.

The Convener: Thank you very much. Doug Duguid, I put the same question to you.

Doug Duguid (Aurora Energy Services): I will give a little bit of background. I am the chief executive officer and founder of Aurora Energy Services. At three years old, it is quite a young business. We have acquired six businesses over that period, all funded by our own equity. We are headquartered in Inverness, with bases in Huntly, Aberdeen and Wick; internationally, we are in the US, Australia and Chile. We are predominantly a wind services business—that is 60 per cent of our business, with the balance being in oil and gas, so we are truly in the middle of the transition. My own history is that I started my career as a mechanical engineer. I was an apprentice—a long time back, obviously—but I have a very strong commitment to that aspect of getting people into the business.

We have all types of apprentices and graduate trainees in our organisation, and we built our own Global Wind Organisation-approved training centre in Inverness. It is predominantly for the wind industry but also does Engineering Construction Industry Training Board training.

We work with some of the colleges. Their response is not always as flexible as we might want, particularly for adult re-trainees. Apprenticeship is a well-trodden path, I think, and the colleges understand that. We work with the University of the Highlands and Islands in Inverness and with the North East Scotland College in Fraserburgh—our apprentices from Huntly go to Fraserburgh—and there are some issues around the logistics of getting people to those locations. However, I would say that the colleges are pretty constrained in terms of the number of people that they can take. For example, we wanted eight apprenticeship places at Fraserburgh last year and we received two. That means there are a lot of people who cannot take up apprenticeships. Looking at the overall numbers, I think that there are 25,000 places in Scotland but demand for 40,000. Somehow, that gap of 15,000 needs to be picked up in other ways of getting into the workforce and getting pre-apprenticeship-type work experience. There are some structural challenges.

There are also definitely some funding challenges. Our apprentices are all employees. They are funded by us. For the training centre that we built in Inverness, we received 10 per cent of the cost from Highlands and Islands Enterprise. We do 2,000 courses a year, but the training centre is not integrated with the colleges. We need to work on getting that collaboration and interface working better.

The Convener: That is very helpful. I am going to bring in Murdo Fraser, who wants to follow up on issues around apprenticeships and funding.

Murdo Fraser (Mid Scotland and Fife) (Con): Good morning to the witnesses. One issue we are interested in looking at as a committee is how the apprenticeship landscape in Scotland differs from that elsewhere in the UK, which Tony Burns and Stevie Wilson have both alluded to. I am interested in getting views from any of you who operate in places other than Scotland on what the differences are. Tony and Stevie mentioned a difference in funding. When the committee visited Lothian Buses, it said that funding for apprentices in Scotland is substantially lower than it is down south. I am interested to get your perspective on that as well as on the broader issue of the apprenticeship levy, which we know is paid right across the UK, but is handled differently in Scotland compared to England. Stevie, do you want to kick off with any thoughts?

Stevie Wilson: I will start with the apprenticeship levy. For English sites, I see a levy account through Her Majesty's Inspectorate of Education and I can assign apprenticeships and draw funding down through that system. It is almost a gift that keeps giving. If I overspend on my apprenticeship levy, I only have to supplement 5 per cent of the difference, so I can overspend by £20,000 for an apprentice but only pay 5 per cent of that, so it is heavily supported in that regard. That allows companies that use the apprenticeship system to maximise the benefit of that system. That is on the levy side of things.

The Scottish system had the flexible workforce offering, which I think was capped at £15,000 or something. For a company the size of SCORE, it was not very much benefit at all, given the scale of

our operation. There are differences in how that works.

I was challenged to find out why colleges in Scotland seem to shy away from engineering places, as Doug Duguid suggested, whereas colleges in England welcome them. There was obviously a fundamental difference in strategy or structure.

When I investigated that, it appeared that a college in England has a sum of money that it needs to spend on apprenticeships but, in Scotland, colleges get an assigned number of apprentice places that they need to fill. Let us say that your target is to fill apprenticeship places. You can get one-year apprenticeships for a lifeguard at a local pool, for example, which are more easily delivered, potentially, than a four or five-year apprenticeship in engineering, which is a more challenging delivery. The emphasis on numbers might be unhelpful when it comes to encouraging colleges to support more challenging apprenticeship routes because it is just the one apprenticeship, if you like, whether it follows a four-year route or a one-year route.

I hope that that answers the question.

Murdo Fraser: Thank you. That is helpful.

Tony Burns: We do not have any sites in England. However, as a small and medium-sized enterprise that has a turnover of £10 million, we tapped into the flexible workforce development fund in the past. To us, the £5,000 from the fund was key. We put it to good use, and it is a shame that we do not have it any more.

On working with organisations south of the border, we have worked with our lead body, the UK Fashion and Textile Association, to design and develop training for apprenticeship programmes that are used across the United Kingdom, but we have had to do that in conjunction with the UKFTA for our needs in Scotland.

One of the challenges that we have had with doing lots of things in-house is that how we do things is audited by many different bodies in Scotland. To us, that does not add much value. I understand why it needs to be done, but it takes a lot of time and effort. We do not get much funding, but we still need to deliver these programmes. It is the right thing to do but we get audited by many different bodies, which is a challenge.

Murdo Fraser: You do not know whether that also relates to companies elsewhere in the UK because you do not have experience of that.

Tony Burns: I believe that we are audited more because we have UK-wide auditing and we have Scotland-specific programmes, so it is quite heavy.

Murdo Fraser: Right, okay.

Jennifer, I do not know whether you have experience of delivering apprenticeships elsewhere in the UK.

Jennifer Davies: Being from a larger organisation, I am fortunate in that our models for apprenticeships in Scotland are similar to those in the English and Welsh licence areas. The only difference is with the levy, in that that transparency and how funding is distributed could be better in Scotland. Our models are run similarly. We have built good relationships with colleges to deliver programmes and we have our own training centres where we deliver training for apprenticeships. It is a complete partnership across the board.

Murdo Fraser: We heard a moment ago about some of the issues with colleges in Scotland. What is your experience of dealing with colleges in Scotland?

Jennifer Davies: We have built relationships with them. Absolutely key is that we need to be clear about what our needs are and have those discussions early on. If things are not working or we need to make changes, it is all about having those conversations, and the colleges are adaptable to that. Again, perhaps as a larger employer we can have more influence in that sense, but we have good collaboration with the colleges in England.

Doug Duguid: We have just opened a facility in Teesside and we do not have any apprentices there yet but, as Stevie Wilson said, the funding is different and is significantly higher.

Another thing is that in Scotland we have to fund everything we do on adult reskilling ourselves. In England, there is a green skills passport, for example. That is worth between £2,000 and £2,500, which goes to the individual so that they can reskill to go into green renewables industries. There is none of that in Scotland. That is quite a big challenge, in that there are a lot of people who are in their mid to late 20s or early 30s and who have either gone into other industries, such as retail or hospitality, but who want to reskill into a more technically orientated job. It is worth understanding the salary levels for those jobs when they are fully skilled. The basic salary for all our craft guys and technicians is £38,000, and it goes up from there. Getting those adults reskilled and into those higher-tech jobs is crucial for growing the economy and for all the aspirations that we have as a country. The skills shortage is acute and becoming more so. In the Highlands, where we are headquartered, thousands of long-term manufacturing-based jobs are coming, and the scale of that demand is not being addressed by what we are doing. We work with Haventus, the

owners of Ardersier, and we are putting together a programme for floating wind hull assembly with Hyundai Heavy Industries from Korea and Mingyang for China. We are talking about 2,200 people by the end of the decade, starting in the second half of 2027. I was chatting with Stevie Wilson before the meeting about where those people are going to come from. We need to try to address some of that more quickly than we are currently.

10:00

Murdo Fraser: On that point, every year, we have a cohort of young people leaving school. Do you think that enough being done to signpost young people at that stage in their lives towards career opportunities in the future economy?

Doug Duguid: No, I do not. I look at my own experience. In the late 1970s and early 1980s, many people were encouraged to go into trades and vocational-type technical training, and in the intervening 40-odd years there has been a bias towards university. I see that with my own children, and it still prevails. My youngest is 18. He has just come out of school, and the whole time he was told, "Uni is the answer." We also chatted about that beforehand. It is a cultural thing, and one of my concerns about SDS funding going to the Scottish Funding Council is about whether that bias will continue. I would like to see more emphasis on adult retraining and apprentices, because they create highly skilled jobs that are permanent and long term.

Murdo Fraser: Thank you. That is very interesting.

Kevin Stewart: Doug has just said that trying to find 2,200 people before the end of the decade will be challenging. I was recently at a company called nexos in Aberdeen to talk to apprentices there. Some of them come in from Aberdeenshire and some from Angus, and there are often difficulties with transport at various points. Doug, you described folk travelling from Huntly to Fraserburgh for college. For a non-driver, that is a difficult journey. It is aa right to go to the Broch fae Stevie's base in Peterheid, but it is not so easy to go fae Huntly. How do you overcome some of those logistical difficulties? Do those kinds of things put some young folk off entering your apprenticeship schemes?

Doug Duguid: That is interesting, as we were also chatting about that earlier. I am originally from Turriff and a number of people who work for Stevie's organisation come from there. They are fortunate enough to have parents who are wealthy enough to be able to buy them cars and get them through driving tests and pay for the fuel but a lot of kids in Huntly, for example, dinna have that opportunity.

Before I ran Aurora, I ran a large business called EnerMech, which I sold in 2020. It employed 4,000 people, 1,100 of them in Scotland. We laid on the transport to Fraserburgh from Aberdeen ourselves, because they got better training in the Broch. We are doing that again from Huntly. We are funding that, but many smaller organisations cannot afford to do that. Is it a deterrent? I think that it is, up to a point—not so much in Inverness, because the colleges and UHI and our own training centre are in Inverness, but if you live in Wick or Alness, it is a long trek to the college in Inverness every day, particularly for the first year, which is usually off-the-job training. However, I think that a bigger deterrent is not promoting that career path at school.

When I was in EnerMech, we were based in Northfield. We used to go to Northfield academy three or four times a year and we gave a lot of kids there work experience. We had 35 apprentices every year and they came from that background but we were on their doorstep and we bussed them to Fraserburgh for college. I think that transport is a deterrent but not promoting that path into the workforce is more of a deterrent.

Stevie Wilson: On the transport issue, as Doug suggested, we have people from the Turriff, Banff, and Macduff area. My issue with that is that we can attract people from those remote villages in Aberdeenshire into Peterhead but without the free bus availability for those towns into Peterhead, you are only attracting people from an affluent postcode. You are not working with the talent that exists in some of the more deprived areas, which we need as a community of people. We need to try to get those people leveraged into good careers and into a healthy place from a career and economic standpoint.

Kevin Stewart: Can I clarify something, Stevie? Free bus travel is there for people up to the age of 22 but are you saying that, with some of those buses fae Banff and Macduff, it is nae sae easy to get to Peterhead?

Stevie Wilson: There are no buses from Turriff or Banff to Peterhead. The lack of transport is the issue, because there is no bus, even from New Pitsligo, which is a 20-minute drive from Peterhead. There is no transport from New Pitsligo into Peterhead and there is no transport home again in the evening.

Kevin Stewart: How long has there been no service there? I can remember going through New Pitsligo to—

Stevie Wilson: Twenty-plus years.

Kevin Stewart: I am maybe showing my age now, Stevie.

Stevie Wilson: Me, too. I know the feeling.

The Convener: That was a while ago now. I will bring in Tony next.

Tony Burns: There is something that we are trying to do to mitigate the challenges for young people. If young people come to work sustainably—if they come to work by bus or if they walk, cycle, or run—we give them a free lunch. That also helps with the challenges for some young people who maybe do not have money for lunch but who get free bus travel. At the same time, it tackles our scope 3 emissions, because our biggest scope 3 emission is our staff commute, so it is a win-win.

Jamie Halcro Johnston (Highlands and Islands) (Con): I am glad that this issue came up because I visited Serimax as part of apprenticeship week and this is exactly the issue that they were talking about—the lack of transport and the fact that, even if there is a bus, it does not always run to the timings that young folk need to get in to their apprenticeships.

Another issue that was raised, which is a particular concern in a lot of rural areas where there is limited choice, is the lack of accommodation, housing and the like. I know that that is something that has come up. How does that impact on you? It is perhaps easier when folk are living at home but if we are looking at 2,000 jobs in our area, which are competing with other jobs as well, we simply do not have the accommodation to be able to accommodate a lot of these people. What are your thoughts on that?

Doug Duguid: It is a significant challenge if you look at the Highland area, whether it is along the Moray coast or on the other side of the Firth. As a company, we are part of the Highlands and Islands integrated attempt to try to address some of that. There are also a lot of construction jobs for Scottish and Southern Electricity Networks. We work on part of that and, as you will know, there are people building camps for significant numbers of foreign workers as well. None of that is easily solved but we must relocate people to the Highlands because the population simply does not allow for that level of growth.

If we look at places such as Port Talbot in Wales where there have been 3,000 redundancies recently, there a lot of people with technical skills who could be retrained to address some of these jobs; similarly at Grangemouth. However, I agree with Stevie Wilson. There are other deprived areas in Scotland particularly where we are not picking up those people and encouraging them to relocate. The jobs that are coming are not project or construction related. These are long-term manufacturing jobs with high skill levels and we would want those people to relocate and live in the community.

Frankly, that is a problem for the Government to address, not industry, but it is a real restriction when it comes to getting people to relocate. The Highlands is a wonderful place to live. Two of my five kids have moved there. I do not think that we do enough to promote that. These jobs are coming—they are not far away—but I do not hear a lot of positive promotion of that.

Jamie Halcro Johnston: The timescales and the timelines that we are talking about, particularly for the freeport, just do not seem to add up in terms of what we need and when we need it and what we will be able to deliver.

Jennifer Davies: In relation to the data on the number of roles that are needed and the resources that are required, more work is required to fully understand the issue. I agree with Doug Duguid that all the new roles are not necessarily going to involve just new people. We are very much looking at the opportunities around reskilling and upskilling.

You touched on Grangemouth. We are very interested in taking the opportunity to reskill and upskill for our engineering and craft roles, and we can do that at a quicker pace than through apprenticeships. That is really important for us. We are also looking at bringing in ex-forces personnel and reskilling and upskilling them. It is not necessarily just about bringing in new people but about looking at what exists and how we can support other industries.

Stevie Wilson: On the accommodation piece, if you fast forward to a place where you had a pocket and there was an available Unite-type accommodation block of some description, supported by the Government, it would allow people in that early part of their apprenticeship or career to get supported accommodation during their early training period. That does not exist at the moment but it might be an option to consider.

Gordon MacDonald: Doug raised the point earlier that we need to do more to promote apprenticeships in schools, which I 100 per cent agree with. What do you think the role of employers is in relation to that? I am aware of an example in my own constituency where the national roofing contractors have agreed that a new national 5 course will start after the summer to introduce young people to traditional roofing skills and to give them an interest in possibly taking an apprenticeship in a roofing career when they leave school. The course is being run by a local company called Compass Roofing Ltd. I agree that we need to put more young people through the apprenticeship route rather than

university—I am as guilty as you are in that respect, Doug, because my two sons went to university—but what is the role of employers in relation to encouraging young people to go down the apprenticeship route?

Doug Duguid: I think that all businesses that are looking for apprentices should have that as a fundamental commitment. Aurora is a relatively new business but in my previous business, EnerMech, I used to go to Northfield academy as the CEO of that business, because my history is that I came up off the tools and did an apprenticeship. I have a very solid belief in that. One of my five kids did an apprenticeship, so one of them escaped going to uni. I think that it is a fundamental responsibility of business but it is not particularly encouraged. We were very fortunate in Northfield, as there was a deputy head who wanted us to come in to talk to the kids.

I think that we should start much earlier. Oftentimes, pupils have already made their choices by the time that these opportunities are presented to them. STEM-type courses should be promoted in late primary school. With EnerMech, we used to have some of the Inverness schools round our training centre, and we are going to do that again with Aurora. It was about trying to open up their minds to the possibilities. There is such a wide range of engineering opportunities, but you need the school to engage with you to allow you that access and to be able to present the options.

We used to get our apprentices to do the tour around the workshops with the school kids because they relate much more to them than they would to somebody like me, for example. We had a good apprenticeship programme and we had a great relationship with our local school; we would like to do that again with Aurora. In the Highlands, it is more difficult because the schools are distributed over a much larger geographic area, but that doesna mean that we shouldna be trying to make that happen.

Tony Burns: We have developed a foundation apprenticeship. It is normally a six-month process but we have worked with the lead body and compressed it into three weeks. That allows school leavers or school kids to come in and engage with us for three weeks, go through it, and get the flavour of everything relative to textile care. If they like it, there is potentially a job with us in the longer term. They probably would not endure the full six-month process, but they can do three weeks and it is fit for purpose for school kids or school leavers.

10:15

Stevie Wilson: SCORE's engagement with schools is important. We have about 36 STEM ambassadors based in Peterhead, and they work through a range of primary and secondary schools within our catchment area. We get involved in career days and tours, and with kids who are studying certain subjects, we contextualise their learning by getting them in and letting them see part of the operation that they might be studying.

We are also involved in work experience. In Aberdeenshire—perhaps it is the same across Scotland; I am not sure what is happening in the rest of the country—we have, since Covid, stepped away from mandatory work experience in secondary 3. Instead of all secondary kids receiving work experience, the focus is now on foundation apprenticeships, which has been a step change, and our response as a company has been to offer three work experience opportunities per year: one in the first three days of the October break, one in three days in the February mid-term break, and one in three days in the April break. That allows it to happen without impacting the students' journey, either at college or at school.

That portion of work experience, which lets people go in for three days—or, as others have suggested, three weeks—to see a business, is one of the only mechanisms that, as far as I can see, allows young people to see the industry that they might be walking into. It gives them almost a try-before-you-buy option, which is really important. Young people need confidence in their decision making; they are not going to start an apprenticeship after reading your website. They want to get some experience to give them confidence that it is the right thing for them; indeed, that is just as important for the company as it is for the young person.

Gordon MacDonald: How many go down the same route as ACS Clothing or SCORE?

Stevie Wilson: Do you mean young people or companies?

Gordon MacDonald: I am talking about encouraging young people to come in, engage with and understand the business and think about a career in your area. Are a lot of companies doing that or are you an exception?

Stevie Wilson: Our local academy—Peterhead academy—has a good range of companies working with it through developing the young workforce schemes. DYW is prominent in the process and provides the connection between industry and the schools. That mechanism is important in not throwing the baby out with the bath water if there are changes in the area, in ensuring that the link from employers to schools works well and in giving credit and incentive to employers and schools to ensure that the door remains open, even to the point where you are an

"influencing partner"—which I think is the phrase that is used—delivering in the classroom.

That includes maths. Across Scotland, we are struggling to deliver in that area and in getting young people up to the standard in national 5 maths. Equally, in the technical subjects, we are struggling to retain teachers, and therefore there are fewer opportunities for people to try engineering and have a career in it. Without being able to sample that sort of thing, people are not going to choose it as a career option, and it is detrimental to the skills gap as we see it.

Gordon MacDonald: Thanks very much.

The Convener: Kevin Stewart has a supplementary.

Kevin Stewart: Thank you again, convener. I am interested in the relationship with schools. Doug Duguid highlighted the relationship with Northfield academy—Northfield is not in my patch in Aberdeen, but I did represent the area on the council for several years—and the relationship that he mentioned was with a former deputy head teacher. Stevie Wilson also talked about his relationship with Peterhead academy.

People are important in such relationships. Do you think that all schools should be mandated in some way, shape or form to engage more with businesses like yours? Obviously, the open-door policy that you had at Northfield benefited everyone. Should there be a wee bit of mandation with those schools that are not doing what Northfield did in the past and what Peterhead is doing at the moment? Do you want to go first, Stevie?

Stevie Wilson: I absolutely agree. I have to wonder about how we measure schools at the moment. If a school is in a "comfortable"—in inverted commas—place in the league tables on attainment, they might have less of an aspiration to do anything different, whereas schools that, I feel, are hungry for change and improvement are more likely to engage with us. If we were to mandate this sort of thing across all schools, we would improve engagement, and it would mean that the careers that we as an industry wish to offer could be clearly signposted in each of the schools locally.

Kevin Stewart: What do you think, Doug?

Doug Duguid: I am not sure about mandating it. It would certainly give better access. What we have found—we have this now in Huntly and are starting to get it in Inverness—is that the schools are engaging with us, because there is some recognition that vocational and apprenticeship-type training is important. There is some willingness to allow that. However, I would like it to happen earlier, because by the time that kids are in their third year in secondary school, it is very difficult to influence where they are headed.

To be fair, DYW was responsible for taking the kids to our training centre in Inverness, and it does good work in our area. I just think that there could be a lot more of it—that is how I would see it.

Kevin Stewart: Jennifer or Tony, do you want to add anything?

Jennifer Davies: I think that more can be done in the early education pathways in the way that has been suggested—say, at national 5 level in high school. We need to explore that more to give young people a taster of what industry is looking for and what that interest is. There might also be an opportunity in that early education pathway to fast track into a modern apprenticeship and help industry produce those skills quicker. There is a gap there, and it might not be about mandating high schools or schools to engage with us but about creating programmes for learners to have that experience.

Tony Burns: I agree. If we could build something into the curriculum about sustainable fashion, clothing repair, sewing and so on, that would be ideal. Indeed, we have been trying to do that by engaging with schools on many fronts, and we have had great successes. Currently we have a project in collaboration with the United Nations in which multiple schools in the local area are taking one of the sustainable development goals and looking at how they can relate it to sustainable fashion and what we do at ACS.

That is one of the ways in which we can liaise with schools and start to embed the right thoughts at a young age. We have had great support from Education Scotland, and, indeed, the UN has said that it has not had the same impact south of the border.

Kevin Stewart: Thank you, folks.

The Convener: Thanks very much for that. There have been lots of mentions of Northfield academy. That is where I did my very first teacher training placement—which was not yesterday, I have to say.

Daniel Johnson has a supplementary.

Daniel Johnson: I think that this has been covered, in a sense, but I am interested in this gap that has been mentioned. Is one of the issues that a foundation apprenticeship is a bit of a commitment and work experience is no commitment at all? Do we need to have something in between? Do we need a bit more structure to work experience—say, a degree of certification—while at the same time ensuring that we do not necessarily have something that involves the same commitment as a full-time course that lasts the whole of an academic year? Is that what we

are vaguely reaching towards in this discussion? In Manchester, for example, they have skills boot camps. Could we be looking at those kinds of more structured but shorter-term models and opportunities for young people?

Jennifer Davies: If there were that sort of opportunity to experience, for a shorter period, the skills that industry is looking for, that would absolutely work. In SP Energy Networks, we are looking for engineering and craft skills, but we are also looking for data and commercial skills and other skill sets that we might not be recognised or known for. It would be an opportunity to raise awareness of what we are looking for with regard to future growth roles.

Stevie Wilson: The pre-apprenticeship piece is important. When we talk about work before apprenticeships or career signposting, we cannot ignore the fact that the college sector does a lot of work in this area. If a candidate presents who maybe does not have the necessary hand skills or who has not had any hand skill preparation at school, we might suggest that they go to college for a year, do a bit of work and apply again next year. College can be used as a tool by industry and companies like ourselves to upskill and prepare people in a fashion that allows them to present perhaps the year after and then take on a successful engineering career. A bit of that work already exists through the college template.

Daniel Johnson: As an add-on—I know that this is a mild tangent, but I do not know where else I would throw this question in—do we also need to tease apart, a little bit, the technical and the vocational sides of things? I think that, sometimes, we say that something is either academic or skills based, and there is also a difference between practical hands-on learning and the applied theoretical side, which is technical. In other countries, they keep those three categories quite distinct. Is that something else that we need to think about? Do we need to make sure that, at school level, we are providing opportunities across those three areas, not taking some binary approach that sees just academic subjects and skills-based subjects?

Stevie, you seem to be nodding.

Stevie Wilson: The ideal candidate for our engineering apprenticeship, for example, would be one who has had skills preparation—that is, they have hand skills. When I talk about skills, I mean technical hand skills preparation. They will also have academic preparation—for us, the gold standard would be a national 5 qualification in maths and science—that type of thing. They will have had behavioural preparation, too.

Those are three pillars that we measure candidates on. There is the skills preparation piece—that is, what they have done to prepare their skills, and their hand skills technically; there is what they have done to prepare their academic profile, which is their knowledge base; and, finally, there is what they have done from a behavioural standpoint. By that, I mean how prepared they are for work, what their maturity level is, what examples they have of, say, working for a club or playing an instrument—all that commitment, focus and meta skills stuff.

Daniel Johnson: I find that interesting, because I think sometimes we treat skills as an alternative to academic things. From what you have just described, it is just a different blend of academic subjects, relative to the other things that you should be learning at school. Is that a fair summary?

Stevie Wilson: Yes, you need all three things, even if you are going down the vocational route.

Daniel Johnson: I will leave that there, convener, unless anyone else on the panel wants to respond.

Doug Duguid: There are other locations internationally where we see more preparation at high school level—and it is not just vocational, technical or academic; it is a blend of all three. In Germany, for example, they start almost streaming kids—if that is the right terminology—into vocational and technical routes when they are 14 years old, and the kids start their apprenticeships much earlier, because they already have some of those skills.

Traditionally, four or five decades ago, we had day-release apprenticeships, and the technical side of things was taken alongside the vocational during that four-year apprenticeship. I would say that that happens much less now than used to be the case, and it is restricting the range of opportunities available at the end of an apprenticeship. In the past, it was easier to move into an engineering role at the end of an apprenticeship, perhaps into a design environment or whatever, because you had had that technical training alongside the vocational.

Jennifer Davies: At SP Energy Networks, we offer pre-apprenticeship programmes, and they are a really good way of capturing high school students who have not achieved the qualifications needed for a modern apprenticeship. They spend a 10-month period at a college that we work with, and then they come into our technical training centres for a period of time. That allows them to get experience; we monitor their progress throughout the course and, once they have completed the programme, we look to involve them in our assessment centres for our modern apprenticeships.

It is another entry-point pathway into our modern apprenticeships, and it captures those students who did not get those qualifications originally but whom we recognise have put the work in and have developed those skills over the 10 months. When they do not get the grades that they need for an apprenticeship, it focuses their minds, and they work hard to get their places on our programmes.

Daniel Johnson: That is interesting.

The Convener: Thanks very much. I call the deputy convener.

Michelle Thomson (Falkirk East) (SNP): Good morning, and thank you for joining us. I want to pick up a thread that, I think, Tony Burns started on when he talked about underrepresented groups. In your industries, how can you target girls and women? What are your reflections on the skills system for them? If we are bringing in a the pairts, obviously, some of your industries tend to be male dominated, so I would appreciate your thoughts and reflections on that.

Tony Burns: Without a doubt, there is underrepresentation in some areas, such as logistics. We have gone out of our way to try to engage with a variety of underrepresented groups, and to balance what we do in terms of gender. We have looked at that. As a B corp, we are measured on many levels, such as the gender pay gap and so on, all of which are important to us.

Michelle Thomson: To be clear, I am not seeking to have a pop at any of you; I am trying to understand how you see the skills system as currently structured in your industry and whether it positively encourages women. It is more of a generic question.

I see that Stevie Wilson wants to come in.

10:30

Stevie Wilson: If you go into an engineering class at college to give them an idea of what opportunities you may have for the forthcoming year, most of the class will not be female. You might have one in 10, potentially. However, if you go into a primary 7 class to speak about engineering, you will have a 50:50 split. The point of engagement, which Doug Duguid mentioned, is important for us in a male-dominated engineering environment. We send our female apprentices who are doing well into the school environment to talk about their story and what they are doing. They can be role models and can create a soft space for young people so that they get the impression that it is not a male-dominated environment and that, whether you are female or male, you can do well if you have the right skill set.

It is about messaging at the right point, and getting access to people. Tomorrow, I am going into a college to speak to business administration and higher national certificate business management students. Most of them will be female, but we have a group apprenticeship starting at the end of May and those classes are the target group for us in recruiting. If you go in at that end, it is too late to have a lot of influence in terms of gender. Going in earlier is important.

Jennifer Davies: I absolutely agree about going in earlier, at primary school level, to raise awareness of the wide range of careers that are available. At SP Energy Networks, about 14 per cent of our trainees are female. The figure is about 13 per cent in apprenticeships, and it rises to 23 per cent in our graduate programmes, so more females are coming through higher education. Our trainee programmes are predominantly in engineering and crafts. We have made a huge increase because, five years ago, 2 per cent of trainees were females. That has been a great increase, although there is much more to be done.

It is absolutely about raising awareness early on and having positive role models in our organisation. It is important that females are represented at all levels throughout our organisation, including in important roles. The issue needs to be addressed and tackled not just early on in primary schools but with the influencers of children, so we look to parents to provide support.

Through our employee network, a lot of people get recommendations to go into our apprenticeship programmes. That is from parents who say, “These are really good programmes. Can I put forward my child for those roles?”, although people still go through the assessment centres. More needs to be done with parents across Scotland to make them aware of the available careers.

Michelle Thomson: I will move on to something that has not come up yet. To what extent are the views of industry fairly reflected in shaping the policy and provision? It is good that you are here this morning, but I am talking about apart from that.

Tony Burns: I sit on the industry leadership group for the Fashion and Textile Association Scotland, and we had a conversation about that just last week. Yes, it is great to share experiences about what we do. However, if we are going to have more impact, we need to share experiences directly with policy makers and make sure that they are listening to the points on the challenges that are preventing us from growing and making a more profitable, wealthier, fairer and more equitable society by growing businesses.

Michelle Thomson: What about you, Jennifer? Obviously, I appreciate that this is sometimes a function of scale.

Jennifer Davies: Absolutely. I believe that more needs to be done to make the connection between what we need for future skills and education—the two need to meet on that. I have recently taken on the role of co-chair of the apprenticeship approvals group through the Scottish Apprenticeship Advisory Board. Employers' voices are extremely important in that, in driving the skills that we need and approving the apprenticeships that we need across all sectors. That is extremely important. On whether we have a voice with policy makers, I agree with Tony Burns that more needs to be done on making that connection.

Michelle Thomson: I have one more question that I will roll in. This morning, we have all mentioned the rapid change driven by net zero and artificial intelligence. I would appreciate your reflections on what flexibility needs to be built into the system so that we are poised and ready. I appreciate that that is a massive area.

Doug, perhaps you can answer that and pick up on the earlier point.

Doug Duguid: As an organisation, we are truly an energy transition business, because we have a chunk of oil and gas and a chunk of renewables.

Does the policy reflect what the industry is looking for? To an extent, it does, but more could be done. One issue that I see is that engagement of colleges and universities with industry is not as good as it could be to understand what we need at the end of the processes. I would like more flexibility, particularly on things such as adult reskilling, because a number of people will want to transition from other industries into renewables and net-zero-focused areas—effectively, it will be a new industry.

To address your earlier question about greater engagement with the female workforce, there is an opportunity for that through adult reskilling in things such as renewables. For example, in the wind industry, blade repair skills can be built incrementally, but there needs to be flexibility in colleges so that people can work in industry and go back to college to increase their skills. That is quite difficult at the moment, because the colleges are somewhat constrained in what they can deliver, in terms of blocks of technical education to go alongside those practical skills.

Stevie Wilson: The biggest take-home from me on flex points is that, although we can talk about meta skills, soft skills and so on, the absolute core and a necessity for us on this side and the next side of net zero is practical hand skills delivery—that is about training people to be able to do things with their hands and machines and embracing technology in that sense. The big lack that I see in our skills shortage stems from the lack of supply of technical experiences and hand skills in schools and potentially colleges.

Michelle Thomson: Thank you very much.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): Good morning, everybody. The discussion is fascinating, and I want to explore a couple of issues in a wee bit more detail. The first is on the STEM issue and how we intervene at the earliest stage possible to direct youngsters into the STEM professions. The other area is the relationship with the colleges that I have been picking up on in discussions with colleagues.

On STEM, over my time in Parliament, which is about 18 years now, I have been involved in many school visits to Parliament. At every opportunity, I ask the youngsters, "How many of you are doing software development or engineering?", and no hands go up. I am mindful of Doug Duguid's point that we need to intervene earlier, and probably at primary level, because when kids go from primary into secondary, a lot of them, particularly females, will drop their interest in science and engineering, software development and so on. What is the secret to trying to reverse that?

I listened carefully to Stevie Wilson when he said that he regularly visits schools and colleges to bring youngsters' attention to the possibilities of careers in science and engineering. What is the magic ingredient that we could share around Scotland to try to influence the situation?

Stevie Wilson: The biggest issue that I see with recruiting and retaining technical teachers is the current requirement to have a degree to teach in Scotland. I understand that that is a General Teaching Council for Scotland requirement, and it is there for the right reasons for practitioners and professional teachers and so on. However, the core delivery of technical hand skills is normally done best by people who have been in jobs and careers doing technical hand skills. The population of those people is vast and they may well wish to come into a secondary school post and deliver training to young people, but you immediately cut the pack significantly by asking for people to have done a degree programme.

We should do one of two things. One would be to run pilots or whatever to allow technical teachers to gain experience in delivering training in schools. Secondly, we could find a mechanism through a graduate apprenticeship programme or something similar to allow people who choose that vocation to get their degree in teaching and training, as part of a pilot. If you can get practitioners in front of young people delivering hand skills in schools, you will go some way towards dealing with the issue, because the

demand is there. When subject choices are made in local schools, they are filtering 80 kids down to 16, because they have only one class for national 5 metalwork or whatever. The demand is there from the young people, but the delivery is not there.

Willie Coffey: That is fascinating. Is that sort of approach happening elsewhere in Europe?

Doug Duguid: I agree whole-heartedly with Stevie Wilson. I have guys in my organisation who would happily go to colleges and deliver practical courses, but they do not have the prerequisites to get into that environment. That is partly what I meant when I talked about flexibility and working with the colleges. I have guys in Huntly with 40 years' experience who would happily go to Fraserburgh to teach welding, but they are not allowed to. I would be happy to fund that, at least part time. That is what I mean by more flexibility with the colleges. They are constrained by the policy and regulation that they have to adhere to. That is one aspect.

Engineering is a fantastic career if you can inspire people. In EnerMech, we had quite a number of women engineers, project managers and apprentices, and we would send them out to the schools to visit primary 6 and 7 classes to talk with enthusiasm about their careers. That is more engaging. On Kevin Stewart's point, maybe that should be mandatory—I do not know.

The Scottish Council for Development and Industry used to have a young engineers club, which a lot of companies supported, but which has faded a bit. That is another way of engaging much younger kids. Engineering offers a wide range of careers. If you can get people who are enthusiastic about it to deliver that message, and if kids understood that maths and science are prerequisites to getting into those careers, that would inspire kids to make those choices.

Willie Coffey: Jennifer, do you have any views on the magic ingredient that we need?

Jennifer Davies: I agree that, as organisations, we are individually doing our STEM outreach and attending primary schools and high schools to raise awareness of STEM careers. However, that is as individual organisations, and we need something more structured and national that involves all schools in all areas. It feels as if we do it at our level, but we need something more national.

Willie Coffey: Is it working, or is it not working as well as it could?

Jennifer Davies: The number of applications that we get for apprenticeships outstrips the roles that we can offer. This year, we had more than 9,000 applicants for 100 positions in our graduate programme and roughly 4,000 applications for the 140 apprenticeships that we had. The demand is there, and we are getting successful candidates through our programmes. However, I go back to the wider point about what we can do with our supply chain companies to get them involved in apprenticeships and to grow the support systems that are there.

Willie Coffey: Tony, do you have any views on the magic ingredient that we need to deploy?

Tony Burns: Do the career advisers in schools have enough visibility of what is available in vocational and green jobs? That is the first question. We try to visit schools, but we cannot do everything, so we use schemes such as developing the young workforce and we have worked with organisations such as Young Enterprise Scotland, the King's Trust and the King's Foundation. We work with them as a vehicle to have more impact and to help us with our message on what jobs are available and what we are trying to do to transition the fashion industry to a more sustainable place. What we are doing fits well with the goals and ambitions of those organisations and what they are interested in speaking to schools about.

10:45

Willie Coffey: Thank you—that was fascinating.

My other question is about the relationship with colleges. I have picked up on a few comments that you have made in the course of the discussion. Tony, you said that you had to create your own talent pipeline. Jennifer, you said that you needed to grow your own talent pipeline, because there was no other way of sourcing it. Doug, you said that your training centre is not completely integrated with the college.

Forgive me if I picked that up wrong, but that tells me that you are not getting what you need from the college sector in order for your business or your industry to be ready and available, and that you have to intervene significantly to get the talent and the skills shaped in the way that you want and need them to be. Is that a fair reflection of your view of what you are getting from the college sector, or is it a different picture?

Doug Duguid: There are two aspects to that. The issue is partly about volume—the number of people that colleges can produce as a result of budgetary and other resource constraints. That is one aspect. There is also the aspect of colleges delivering people who have the right skill sets at the end of training courses. What is required is changing, because the nature of some of our industries is changing with the move to net zero and more renewables.

On the industry side, we could engage better with the colleges. We must articulate what we need. In our training centre in Inverness, we are doing a lot of safety-related and basic technical training that could feed people into the technical colleges and the universities. At the moment, that does not happen. It might be partly a communication problem.

We need to engage. That might depend on the scale of the organisation. As we are a reasonably sized organisation, we have the capacity to engage with the colleges, up to a point, but there are a lot of much smaller businesses. For example, SSEN's supply chain includes businesses that do not have that capacity. It is really difficult for them to take on trainees and to engage with the training process. That is an area that needs to be addressed. How can the funding get to those SMEs as opposed to bigger businesses such as ours and SCORE?

Willie Coffey: Jennifer, you said that there is no other way of sourcing the right staff. Could you elaborate on what you meant by that?

Jennifer Davies: When it comes to our craft apprenticeship for jointers or overhead lines people, we cannot recruit directly from the market. We have tried, but there is no supply from the market, so we have to train our own talent. We have to grow our own talent through apprenticeships and through our adult programmes or our career transition programmes.

Willie Coffey: Is it possible to create courses to develop those skills at college or wherever?

Jennifer Davies: For our apprenticeships, we work closely with the colleges. I talked about us growing our own talent, but we do that in partnership with our colleges. We work closely with Forth Valley College on our craft apprenticeship. Forth Valley College is one pillar, and we have our own technical training school, which is another pillar. We also offer workplace learning, whereby our trainees go out to shadow people and develop skills. We support them through our workforce renewals team. It takes our four pillars to build that apprenticeship.

Willie Coffey: Tony, you said in your opening remarks that people need to think differently about your industry. Rather than throwing things away, they should think about repurposing them. Your website talks about access rather than ownership. How do you embed that skill in the people who work for you? Do you get it from the colleges or do you train people?

Tony Burns: We are creating our own talent pipeline, but we also work closely with multiple colleges and universities, including New College Lanarkshire, City of Glasgow College and Glasgow Caledonian University, on student placements and internships. We co-design some of the training that we do.

However, we are a relatively nascent industry, and colleges might be trying to catch up with some of the things that we are talking about. There are good, well-established training programmes for jobs that have been around for many years, but when it comes to the type of thing that we are doing to realise net zero in the fashion industry, we probably lag a little bit behind where we need to be in that regard.

Willie Coffey: Stevie Wilson, I will give you the final word. Are you getting the skills that you need from the colleges?

Stevie Wilson: The two colleges that I deal with in Scotland are Fife College and North East Scotland College. From the point of view of approach and engagement, the service that both colleges give us is more than what is expected. We get what we need from both colleges. They have teams that are focused towards the business, which engage with us on individual apprentice progress and the talent pipeline for next year's apprentice intake. That all works well in both college settings.

Another vital service that the colleges provide is that, if someone wants to leave school at the end of their fourth year because they think, "I'm not doing a fifth year. I'm sick of calling somebody 'Mr'. I want to go into a real-world environment," they offer a massive help to us as a country in giving those young people the opportunity to do a full-time programme in an area in which they have taken a notion that they might like to have a career. Rather than gambling on a commitment to an apprenticeship, they can go into an area such as engineering, textiles or information technology by committing to a college programme for a year.

I believe that it is essential that young people in Scotland are given such opportunities to expand their horizons and try something new, and if they do not like it, they can try a different course the next year. That ability to experience and try things as a full-time unemployed student is important. At some point, they will say, "I've found something I like and I'll try to find a career in it." It is important that we give our young people the space to do that. The colleges do that for us, and we cannot ignore that.

Willie Coffey: Thank you very much for those answers. It is appreciated.

The Convener: I would like to ask a final question. You will be aware that an independent review of the skills delivery landscape in Scotland was recently carried out by James Withers. Do any of our witnesses have any reflections on that review? Is what the review has proposed the right direction of travel for our skills landscape?

As that was the final question, I will give you the opportunity to pitch any last points that you want to raise that have not been picked up on during the session. It is over to you.

I cannot believe that that pitch has been met with silence. We will kick off with Tony Burns.

Tony Burns: I think that the main takeaway from the Withers report is that provision needs to be aligned with employers. Like Jennifer's company, my company is involved with the Scottish Apprenticeship Advisory Board. Three of us at ACS Clothing are involved at different levels: the apprenticeship approvals group, the advisory board and the employer engagement group.

The Withers report talks about alignment with employers. The SAAB is the only independent body that is available to promote apprenticeship programmes and to talk about the quality and number of the programmes that are provided. Whatever we take away from the Withers report, it is important that we make sure that we do not lose the membership of all the different companies that have been involved in the SAAB or the experience that exists there among the volunteers who are trying to do their best to promote apprenticeships and to ensure that they remain employer aligned, because, without employers, we will not have any apprenticeships.

The Convener: You are not the first person to highlight how effective the SAAB is. Are you concerned that although the SAAB might not disappear, there seems to be a vacuum with regard to what might replace it, and you might end up losing something that most people say is quite effective?

Tony Burns: Absolutely. I should add that I am not impartial. However, we need to make sure that there is a vehicle to promote apprenticeships and to ensure that they are given parity with other forms of education. The SAAB provides the industry with a voice to ensure that that happens.

Willie Coffey: Do our witnesses want to make any final pitches on issues that we have missed?

Jennifer Davies: I agree with Tony Burns on the issue of SAAB being an employer voice. It also offers an opportunity to provide a voice for apprentices. It is an important system that is there to provide support. If the SAAB were wound down or changed, given that, as employers, we are in a situation in which we need to move at pace to fill all the roles with skilled people, would that change take us back? Would it have a detrimental effect on us as we transition to a system the shape of which we do not yet know? There are huge concerns about what a different organisation might look like. I agree that there are improvements that can or should be made, but perhaps the focus should be on improving the existing system.

The Convener: Are there any other reflections on the Withers report?

Doug Duguid: I do not think that anyone could disagree with the report's main point about alignment with employers. The current landscape is a bit fragmented. The SAAB does a lot of good work as an independent voice—that is how I would put it.

Overall, I emphasise a point that I made earlier, which relates somewhat to policy. Free university tuition in Scotland has been a great thing, but an unintended consequence of that is that, because that opportunity exists, fewer people are going into technical and vocational careers. We have produced a lot of graduates who are not in graduate-level jobs, whereas jobs that require technical skills can produce a high-earning, high-tax economy, which I think is where we want to head. When it comes to the policy balance in how that funding works, I think that it would be a good thing for more funding to go to apprenticeships and adult retraining.

The Convener: I will give the final word to Stevie Wilson.

Stevie Wilson: I have a couple of points to make on the move to the Scottish Funding Council receiving the pot of money that gets distributed, rather than SDS. I understand and probably accept the idea of simplifying the landscape, but I am concerned about all the private providers. The SFC has a good relationship with colleges, but what does its relationship with private providers look like? That is a concern in my mind.

There is a lot in the report about leadership and the Scottish Government taking the power as the leading authority, with decisions being devolved to local level to suit local needs, but we need to understand that relationship. How much autonomy will local decision makers have in ensuring that the local needs of local employers are met? That is really important.

The Convener: We have come to the end of our evidence session. I want to say a huge thank you to the members of our panel, whose insights have been incredibly helpful to the committee. Thank you very much indeed for your time.

We now move into private session.

10:57

Meeting continued in private until 11:22.

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