

ENTERPRISE AND LIFELONG LEARNING COMMITTEE

Wednesday 24 November 1999
(Morning)

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CONTENTS

Wednesday 24 November 1999

	Col.
LOCAL ECONOMIC DEVELOPMENT	355
WORK PROGRAMME	402
INQUIRIES	404

ENTERPRISE AND LIFELONG LEARNING COMMITTEE 8th Meeting

CONVENER :

*Mr John Swinney (North Tayside) (SNP)

COMMITTEE MEMBERS:

*Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP)

*Miss Annabel Goldie (West of Scotland) (Con)

*Mr Nick Johnston (Mid Scotland and Fife) (Con)

*Marilyn Livingstone (Kirkcaldy) (Lab)

*George Lyon (Argyll and Bute) (LD)

*Ms Margo MacDonald (Lothians) (SNP)

*Mr Duncan McNeil (Greenock and Inverclyde) (Lab)

*Dr Elaine Murray (Dumfries) (Lab)

*Elaine Thomson (Aberdeen North) (Lab)

*Allan Wilson (Cunninghame North) (Lab)

*attended

THE FOLLOWING MEMBER ALSO ATTENDED:

Mr John Munro (Ross, Skye and Inverness West) (LD)

WITNESSES:

Mr Richard Baker (National Union of Students)

Mr Malcolm Barron (Careers Guidance Service)

Mr Alan Brown (Employment Service)

Mr Peter Court (Scottish Trades Union Congress)

Mr Harry Donaldson (Scottish Trades Union Congress)

Ms Norma Falconer (Scottish Trades Union Congress)

Mrs Beth Hall (Careers Guidance Service)

Mr Charles Husband (Employment Service)

Mr Kenryck Lloyd Jones (National Union of Students)

Ms Mary Middleton (National Union of Students)

Mr Grahame Smith (Scottish Trades Union Congress)

Ms Eileen Thomson (Employment Service)

Mr Brian Waddell (Careers Guidance Service)

COMMITTEE CLERK:

Simon Watkins

SENIOR ASSISTANT CLERK:

David McLaren

Scottish Parliament

Enterprise and Lifelong Learning Committee

Wednesday 24 November 1999

(Morning)

[THE CONVENER opened the meeting at 09:37]

Local Economic Development

The Convener (Mr John Swinney): Welcome to the eighth meeting of the Enterprise and Lifelong Learning Committee, at which we will continue our inquiry into local economic development services. Today, we have a series of witnesses who will consider the vocational education and lifelong learning aspects of our inquiry. Four groups of witnesses will attend; we decided to start the meeting a bit earlier to give us the chance to hear those witnesses. Members will be relieved to hear that we will have a break for coffee halfway through the morning, at around 11 o'clock.

Our first witnesses are from the careers guidance service. On behalf of the committee, I welcome Mr Malcolm Barron and invite him to introduce himself and his colleagues and to say a few words of introduction before we open the meeting to questions.

Mr Malcolm Barron (Careers Guidance Service): I am the vice-president of the Institute of Careers Guidance, a national body that covers the careers guidance profession. Most members of the body were formerly with the local authority-run careers services, now careers service companies. A third of that membership now works in other areas, including further education colleges, universities, enterprise companies and various other organisations. At the committee's request, I have brought with me two practitioners who work on the front line. Beth Hall is the senior careers adviser in Glenrothes and Brian Waddell is a careers manager based in Cupar; both have experience in Fife careers service and in other careers services.

I could say a little about careers service companies, but if members have background information already, I will not bother.

The Convener: Thank you. The clerks have provided some background material on the structure of the service; it would probably be most productive if we moved straight to questioning.

How actively involved is the careers service in

detecting demand for vocational training services that would be provided to individuals? Is the service a player in the assessment of demand, or is it more a signposting organisation?

Mr Barron: We see ourselves largely as a signposting organisation. We discuss the range of opportunities that are available, in particular with young people, but also with adults in different parts of the country. However, from our knowledge of the client group, we are also able to indicate to the providers the level of interest in various types of opportunity. We can also interpret what is happening in the labour market and share that information with opportunity providers, so that they can meet those needs.

The Convener: How do the providers of vocational training services respond to your role in assembling that information? What response do you receive when you express your concern about lack of availability or the demand for a particular course?

Mr Barron: There are always differences of opinion among providers about the available information. If we cut to the chase, most of the discussion would be with the enterprise companies on training provision, and a balance has to be struck between the needs of the labour market and the aspirations of clients.

Local enterprise companies exist to meet the needs of the local labour market. Sometimes, we have a broader remit and outlook, which tries to recognise the national labour market. Young people who aspire to that market may have different interests and training demands, because they are seeking a labour market that is further of their immediate area. Tension sometimes exists, but we have regular discussions and opportunities arise to discuss those aspects.

Marilyn Livingstone (Kirkcaldy) (Lab): My first question follows on from John Swinney's remarks; I refer especially to 16 to 18-year-olds who have chosen a vocational training route such as skillseekers. I know the Fife model, with which you have much involvement. What do you feel about the fact that young people at 16 to 18, who take the vocational route, have the choice only of a Scottish vocational qualification?

Secondly, the committee is about lifelong learning, not schools. However, part of lifelong learning is the support given to young people to help them to decide what to do next, and I am quite concerned about what is happening at school. How effective is the careers guidance that is provided in schools by teachers? What effect will higher still have on the delivery of that guidance?

Mr Barron: Your first question concerned provision for 16 to 18-year-olds—did you refer to

the FAST-TRAC model?

Marilyn Livingstone: I asked about SVQs being the only choice for those young people.

Mr Barron: I will make some initial comments about preparation in school, but Brian Waddell has some particular views that are relevant to your question, and it might be useful if he answers.

Most, if not all, young people who go through vocational education training do an SVQ, because there is a desire for competence-delivered qualifications. There is a demand from some employers, and even some young people, for other qualifications that would be equally valid and that would have benefits for the companies. I refer in particular to national certificate courses and—for those with greater capability—higher national certificate courses. Having that flexibility would be helpful.

Mrs Beth Hall (Careers Guidance Service): In Fife, FAST-TRAC is looking to integrate the college model with the employer model. A pilot integrated training scheme is about to start, which will involve a mixture of NCs and VQs. That is quite an exciting opportunity.

Marilyn Livingstone: There was a pilot in Fife on NCs, but once the pilot stopped, nothing happened.

Mrs Hall: Was that the council scheme?

Marilyn Livingstone: Yes. It was not taken forward.

Mrs Hall: A new pilot is about to start. One course will be run at each college. I know that the one at Glenrothes is a catering course, starting in January. That will be interesting, as it harks back to a model from a few years ago, the multi-skills engineering model, which involved an out-placement between periods spent attending college.

09:45

The Convener: The key is that there should be some flexibility in approach and discretion.

Mr Barron: That would be helpful and would be valued by employers.

Marilyn Livingstone: My second point related to preparation in schools.

Mr Barron: I will make some initial comments, before asking Brian Waddell to provide you with more detail.

A national group is currently examining the subject of careers education—that is probably long overdue, but it is helpful. We see careers education as important, but there are pressures in the school timetable, particularly given the

emphasis on raising attainment; schools are feeling those pressures. My concern is—although I have no evidence for this—that time for careers education may be squeezed because of the pressure to achieve.

Mr Brian Waddell (Careers Guidance Service): That is a real danger because the focus, particularly in senior schools, will be on the development of higher still and on young people studying academic subjects. We should make it clear that schools are responsible for delivering careers education. Our primary responsibility is the provision of careers guidance services, but that cannot be done in isolation; it has to be backed up by a high-quality careers education programme in schools.

We need to bear in mind the amount of input a careers adviser can have—we may see a young person only for a relatively brief period during their fourth, fifth and sixth years in school. Unless schools are doing a lot of support work with those young people on decision making, self-awareness and opportunity awareness, we are unlikely to have a significant impact. I am very concerned about the quality of careers education in schools and how that will be affected by the introduction of higher still.

The Convener: That raises an interesting issue that underpins much of what we are considering in this inquiry. We are trying to look at the world from the perspective of the consumer. You have said that information may not be clearly available to a 16-year-old consumer seeking guidance on the world of training and employment, or that there is insufficient emphasis on that in the school curriculum. Have I understood you correctly?

Mr Waddell: It is my feeling that careers guidance is not given sufficient importance in schools. That may be a generalisation, but it is my perception.

Miss Annabel Goldie (West of Scotland) (Con): Mr Barron, you referred to knowledge of client demand. Is the client the youngster?

Mr Barron: Yes.

Miss Goldie: The Institute of Careers Guidance has a pivotal role as a conduit between schools, youngsters and the outside world. I am interested in your interface with what is out there. Could you expand a little on the institute's machinery for contact with business and commerce?

Mr Barron: The institute is a professional body and, as such, its interests are its members and providing people with information—

Miss Goldie: And wearing your other professional hat?

Mr Barron: Each of the careers service

companies—for which you have responsibility—is required to update and maintain labour market information. They do so in a range of different ways, most obviously by being in contact with employers in the local area. That is done on a regular basis. We all have different approaches and strategies for gathering that information, in conjunction with other organisations. Careers service companies work in partnership with local economic development departments in councils, with the enterprise companies and with the Employment Service to ensure that we share the information that we gather. Our job is to translate that into something that is understood by young people—who have no experience—their parents, and teaching staff, who have much more regular contact with pupils than we have. It is important that teachers are informed about what is happening in the local labour market.

Miss Goldie: Does that contact extend to chambers of commerce?

Mr Barron: We and all the companies have links with the chambers of commerce, in a number of different ways. First, we are members of the chambers of commerce. Secondly, chambers of commerce are often training providers in local areas. Thirdly, we have links with them through various partnership groups, such as new deal partnerships and vocational education and training partnerships.

Miss Goldie: My next question follows on from Marilyn Livingstone's point. As a committee, we are anxious to establish whether there is a free flow of information both ways at local level, and what you have told me is extremely interesting. If you find from your consultations that there may be a gap between what schools are providing and what is needed by the labour market, can you influence what schools are doing?

Mr Barron: Yes, in a number of ways. First, we can influence it through the information material that we provide, which is freely available to pupils, parents and school staff. Each of the schools has a careers library where that information can be accessed. Secondly, we can provide briefings to careers guidance staff, who are often the first point of contact. Finally, we can encourage employers to visit schools and brief people directly. That is often the best way of getting the message across.

Miss Goldie: If you detected from employers in the area a concern that standards of numeracy and literacy were below the levels that they required—I am not in any way impugning education standards in Fife, about which I know nothing—could you do anything about that, in a proactive sense?

Mr Barron: One should bear it in mind that we are not the sole information providers. In a number

of areas, there are education-business partnerships, which can feed information into the pot.

Miss Goldie: But you could play a role.

Mr Barron: Yes, we certainly could.

Mr Waddell: We have played a significant role, perhaps not with respect to the raising of literacy and numeracy standards, but with respect to other concerns that employers often mention—such as the ability of young people to sell themselves effectively in an interview. We have run concerted campaigns focusing on that issue, using local employers to conduct mock interviews.

Miss Goldie: That is very helpful.

Mrs Hall: As a careers adviser, I would be failing in my job if I did not make young people aware of the availability of jobs in the career that they have identified as their ideal. I want to explain to them how they can go about achieving their goals, but also to broaden their understanding of what is available.

When we dealt with the Manpower Services Commission, it asked how many people were leaving school and what school leavers wanted to do. The MSC then contracted with managing agents and providers to match that need. The main benefit of the FAST-TRAC model is that it is market-driven—we are feeding back information to young people as well as telling FAST-TRAC what school leavers are likely to want to do.

Allan Wilson (Cunninghame North) (Lab): The question of supply and demand interests me. The main difference between what happened when the Manpower Services Commission existed and what happens now is that now a greater proportion of school leavers are going on to further full-time education compared with those going into more traditional apprenticeships. Part and parcel of what is proposed in the modern apprenticeship scheme is addressing skills shortages and rebuilding the bridges from school to work. Does the proliferation of local economic development services help or hinder that process? How does the careers service interface with the local economic development organisations and employers? Has the transition from school to work via modern apprenticeships been eased?

Mr Barron: I will make a point that is worth making, but which might not answer your question. Over the past 10 years, the destination figures for pupils leaving school have shown a steady increase in those who aspire to and those who enter tertiary education. There has been a steady decline in the numbers entering the labour market immediately on leaving school. The committee should understand that the number of young people who leave school at 16 wishing to enter the

labour market is falling considerably. It has fallen again this year because of the impact of higher still.

Vocational training should now be viewed as something that happens after sixth year, or after further education. There is a contradiction between the Executive's aspiration to seek several thousand more modern apprenticeships, and its encouragement of young people—and their parents—to aspire to continued education. People must think about that—we are fishing from the same pool.

Allan Wilson: Does not that increase opportunity?

Mr Barron: The vocational route should come after FE input. That is increasingly appropriate. Young people who aspire to a modern apprenticeship often do a period of further education to develop their skills and knowledge before entering an apprenticeship.

Mrs Hall: Marilyn Livingstone made a point about guidance in schools, but it is important to remember that guidance is also essential in colleges. Many young people are going to college at 16 and 17 who would still be part of a guidance structure had they remained in school. Colleges are addressing that—it is as important as guidance at school, particularly for those who are going on to modern apprenticeships. If they do not get that guidance, there is a danger that they will go on to higher education when at that point it might be better for them to step off.

Allan Wilson: Does anyone slip through the net? Are there people who are not in receipt of the appropriate guidance at school, at college or subsequently?

Mr Barron: Much as I would like to say that there is 100 per cent coverage, it is unlikely that that is the case. For a number of reasons, there will be young people who slip through the net. That can be related to school attendance. Others might feel assured about the direction in which they are going, and that that support is not necessary. They might, however, want to come back to that guidance later when they are thinking about other changes.

Mr Nick Johnston (Mid Scotland and Fife) (Con): I was in industry for 27 years and I employed 500 people, and in all that time I never had any contact with careers guidance. I would like to ask specifically about the apprenticeships. I found that the best method was to take a youngster of 16 who wanted to leave school and enter work. Some streaming took place at that point, because we wanted people who could read and write, which was sometimes difficult. We really did not want people wearing earrings and white socks—but that is, perhaps, just a personal

prejudice.

Do not the witnesses feel that it is preferable for a young person to go into an apprenticeship at 16 and become qualified at 19 or 20, rather than have them go to an FE college and spend two years there before realising that they will not get anywhere? Those people would then have to try to re-enter the apprenticeship market at 18 or 19. My company certainly discriminated against such people.

Mrs Hall: I would like to say something about Mr Johnston's lack of contact with the careers service. Since using FAST-TRAC as a model, we no longer use managing agents as intermediaries and we have had much more direct contact with employers in Fife in the past couple of years. Sometimes in the past, because of the use of intermediaries, employers did not appreciate that the young people being presented had come from the careers service.

Oriel Training Services, which operates in Fife, has found that the young people who present for apprenticeships at 17 and 18 tend to be mature and can settle into their apprenticeship better than 16-year-olds. They can work through their ideas and are more focused on what they want to do.

Mr Johnston: That is possibly a function of the selection process.

10:00

Mr Waddell: What we feel is immaterial. We might think that we know what the correct action is for a young person to take, but at the end of the day, what is important is what the young person feels is most appropriate. We find it difficult to promote the route that Mr Johnston mentioned because the culture encourages staying in education. That is what young people want, that is what their parents want and that is what schools promote. Local colleges are marketing that idea heavily. We might advise large numbers of young people, but do they take cognisance of our advice?

Mr Johnston: That comes back to the point that Annabel Goldie made, that we should take account of what employers want. I will give you a practical example.

The Convener: Can we have practical examples translated into questions?

Mr Johnston: Do the witnesses know about the model used at Stevenson College, which offers higher national certificates and higher national diplomas in motor vehicle engineering? People leave that college at 20 with absolutely no practical skills and little employability.

Mr Barron: I am not familiar with that model, but

I am familiar with Elmwood College in Fife, which provides national certificate courses. That college has high success rates for placing students in industry because they have good practical skills.

Marilyn Livingstone: I wanted to comment on the link between staying at school, going on to FE and HE, and modern apprenticeships. There are many pilot schemes in which achievement of a higher national certificate will underpin a larger part of the modern apprenticeship. Vocational skills need only be topped up.

I have worked in the administration of HE and FE. If a student did an HNC, then went on to do a modern apprenticeship, Napier University would exempt them from the first year of a degree course in their subject. It is important that what people do is seen as part of a framework. Allan Wilson is right about modern apprenticeships—they should be a building block. That is what we are striving for.

Mr Barron: I accept that. People should be assured that previous work will be recognised when they move on to the next stage.

The Convener: Marilyn has given us an example of training that was done elsewhere being recognised in an institution. How good is the recognition process? How comprehensive is the facility for skills acquired in one place to be recognised and acknowledged in another part of the education system?

Mr Barron: I have no detailed knowledge that would provide an accurate answer to that question, but my impression is that cognisance is not always taken of what students have done in the past.

The Convener: Should a careers service not be able to tell a 16-year-old what the circuitous and more direct routes are to where they want to be in six years' time? You said that the careers service offered a signposting service; how clear can that service be about the integration of different educational opportunities?

Mr Barron: Careers advisers can maintain regular contact with the various providers of education and training and can map how people progress. There are a number of information resources that can assist in that process. Institutions are trying to adapt what they offer to match the way in which the market is moving. That process is well developed in certain areas and is developing in others, so the question of credit accumulation and transfer is being addressed.

Mr Waddell: On the clarity of articulation routes, I am confident that we make it clear to young people what qualifications they have to achieve and where they can acquire them.

The Convener: Is the compatibility of courses

and educational opportunities in different institutions made clear to young people? Is that information readily accessible to the careers service? Does it hang together, or is it a difficult process to signpost?

Mr Waddell: It is a difficult process for the young person to go through, as the routes are complex. We are very clear about what is available, but the difficulty lies in the process of the young person understanding it and making it relevant to their situation.

Ms Margo MacDonald (Lothians) (SNP): So it is not user friendly.

Mr Waddell: Elements of the process are user friendly, but for a young person to understand the implications of career decisions takes time working on those issues. Before you came in, we were arguing that, possibly, young people are not given enough time while they are still at school to understand all the implications of the decisions that they are about to make.

Mrs Hall: We could benefit from a longer-term tracking exercise. At the moment, we do first-destination statistics for the Scottish Executive, but we do not have longer-term information on what people are doing two or three years after they have been on a college course.

Dr Elaine Murray (Dumfries) (Lab): Could you expand a little on that point? Is there a need for the service to span a much longer period of younger people's lives as they go through various transitions? The service should maybe start earlier—it is possible that young people will have lost hope by the time they receive careers guidance—and take young people through further education, so that they can come back to a source of advice that already has a record of their interests and skills.

Mrs Hall: An initiative in Fife with which we are involved is the development of the opportunity centres, which would be one-stop shops for people seeking guidance. Instead of adults coming in for information and feeling as if they should apologise for using the facilities, as some do at present, they would feel that the facilities were for all members of the public.

The Convener: Perhaps you could tell us about opportunity centres, as they sound like the Employment Service equivalent of business shops.

Mr Barron: At present, the client group that you pay for is any individual in school or college, any 16-year-old or 17-year-old, and any person of any age with a disability. That is the statutory requirement, but there is a permissive capability to see young people up to the age of 24. That creates curious anomalies. For example, Beth Hall

could give someone careers advice on the day they started college, but not before they had chosen their course.

I have no doubt that the careers service review group will consider the requirement for continuing guidance as people make various transitions throughout their lives, particularly in the context of the lifelong learning agenda. I notice a number of people in this room who have had career movements as they have gone through life; whether they would have benefited from careers guidance is another matter.

The Convener: I have to tell you that that was the wrong thing to say as some of us fear having careers guidance forced upon us.

Ms MacDonald: Although I am very sorry for your tragic history, convener, you should hear my sad story. I needed advice when I was 15 or 16. I needed continuity from then until I started having babies, which was quite young, but we do not need to get into that. I am surprised to hear that there is an artificial break between school and afterwards.

Mr Barron: I agree. Sixteen-year-olds and 17-year-olds have no experience and need people to help them and to ease the transition that they are making. That is critical, but people returning to labour markets, which, as we know, can change radically over five or 10 years, also need support. They may have to upgrade their skills and need advice on the best areas to develop. I appreciate your point, but I would not underestimate the need for guidance later on.

Ms MacDonald: I do not underestimate it.

The Convener: There is uncertainty about whether a single point of access to advice is available. How easily accessible are the services that you have mentioned? The concept of an opportunity shop—a single place where the map of available services can be accessed—is an interesting one to explore. Does that exist across the board or only in one part of the country?

Mr Barron: Young people have access at any time, because they are entitled to advice. Careers advisers regularly visit schools and colleges to make services available. There are careers centres in most towns throughout Scotland where young people who have left school, and their parents, can gain access to services.

Those services are not necessarily available to young people once they reach the age of 24; availability depends on a host of other factors such as what other funding there is to support that type of activity. Funding has come from such sources as Europe, local economic development projects and local enterprise companies.

The opportunity centre development is an

attempt in Fife to bring together in one place a range of services for employment, education and training advice. In Fife there is the adult guidance service, which is funded by the council, the careers service, colleges and adult basic education. The intention is to bring all those organisations and local economic development workers into the one place so that a person can get access to all those services in one place.

The Convener: How different is that from what happens in the rest of the country?

Mr Barron: I think that, other than in Orkney, it is unique.

George Lyon (Argyll and Bute) (LD): As I understand it, the university for industry will adopt a role that is similar to the one that you are describing—a single stop for accessing information on all types of training in further and higher education. How will that sit alongside the opportunity shops, and how will the careers service interact with that new organisation? Will there be any interaction? I think that there will have to be.

10:15

Mr Barron: The university for industry will have outlets in the opportunity centre. That will be a point of contact. The opportunity centre will also offer additional services. The university for industry will have information points at the learning centres. The difference is that people will have access to advice and guidance from experienced professionals over and above the services that would be provided through the university for industry.

There have been links between the university for industry and careers service companies. They will continue as the university for industry develops. One of the areas of interest to us will be the information resource that supports the university for industry. We are keen that it should maintain its present quality and breadth.

The Convener: I have one final question. You mentioned that the careers service was involved with other partners—local enterprise companies and the Employment Service—in the gathering of data on labour market information and trends in a given area. You also mentioned the role of education and business partnerships that exist locally. To what extent do they interrelate effectively? Do they address some of the core questions, such as whether we have a clear concept of our expectations of labour market patterns, and whether we are able to respond—through the various institutions that are involved—positively and learn from the lessons that emerge from that gathering of data?

Mr Barron: The situation is quite different in different parts of the country. The number of education and business partnerships varies, as do their roles and the way in which they develop.

The partnership in Fife is very active. We have a co-operative means of gathering information. We allocate targets to certain organisations. The basic premise is to gather information once and use it many times. As we all probably know, the difficulty with labour market information is that it is tremendously fickle and subject to influences outwith a UK context, which can have quite serious impacts. The most obvious example would be the impact that far eastern problems had on the Hyundai development in Fife.

General trends can be perceived, which indicate the way in which the labour market is moving, as well as specific information on companies within a certain area. That information is shared. People are using that to inform themselves about what type of education and training provision there should be and to inform young people and their parents of the way in which the labour market is moving—to say that certain opportunities are on the decrease, and that other industries are coming in.

Miss Goldie: In summary, you have given us a full explanation of how all this works. Is there anything that you think can be improved?

Mr Barron: In terms of what we are doing at present? Brian Waddell has already alluded to the fact that we hope, following publication of new guidelines on careers education, for an improvement in the quality of pupils' preparation on leaving school. There is scope for developing guidance support for adults who are seeking to re-enter the labour market, or seeking a change of career. Those are important issues that need to be addressed.

Mr Waddell: Some consideration must be given to the bottom 20 per cent of school leavers, who seem to struggle to find an appropriate destination for themselves, whether a college place or a place with an employer. A large number of young people are having great difficulty making that transition, and that must be addressed by a number of different people.

The Convener: What are the problems? Are they wider social issues, or are there aspects of provision and access to information that require to be improved to address those difficulties?

Mr Waddell: You have answered the question. Yes, the difficulty is that there is a lack of suitable provision, a lack of guidance for young people in making the appropriate choices and a lack of support for the critical transitional age of 16. Those are all creating difficulties and must be addressed.

Mr Barron: There is now a plethora of training programmes, each of which has different requirements, rules and regulations. They can be complex both for young people who are undergoing training and for training providers. Training providers tell me that they can be sitting in a room with three people who are largely undertaking the same form of training—working towards the same qualification—but who are subject to quite different payment regulations and holiday entitlements: one may be training for work; another on the new deal programme; another a skillseeker. They ask why that should be. That must be given some consideration.

The Convener: I thank Mr Barron, Mr Waddell and Mrs Hall for attending the meeting today and for giving their opinions and answering our questions. We appreciate the contribution that they have made to the inquiry.

Mr Barron: Thank you very much for the opportunity.

10:22

Meeting suspended.

10:23

On resuming—

The Convener: I welcome representatives of the National Union of Students. I ask Richard Baker, the president of the union, to introduce himself and his colleague.

I understand that your other colleague has been delayed.

Mr Richard Baker (National Union of Students): We are waiting for a colleague from Inverness, Mary Middleton, who is the president of Inverness College student association. She is also involved in the University of the Highlands and Islands. It will be good for us to have somebody who is at the chalk face of the issues that we will be discussing this morning. Unfortunately, as she is travelling from up north, she will be slightly delayed.

My name is Richard Baker, and I am the president of NUS Scotland. Next to me is Kenryck Lloyd Jones, our Scottish affairs officer who deals with our relations with the Parliament. It is the first time that we have given evidence to a committee of the Parliament, and we are happy to be doing so to this committee. Thank you for the invitation. We hope to give evidence to the committee again in the new year, on the issue of student finance.

The Convener: You are very welcome, Richard. I am glad that it is the Enterprise and Lifelong Learning Committee to which you are making your first presentation, and on this important subject. As

you will appreciate, we are undertaking an inquiry into the delivery of local business support and vocational education and training services, and the way in which those services are integrated. We are particularly interested in hearing the views of consumers about the delivery and availability of those services.

Please outline any feedback that you have had from student organisations or from your own members about the flexibility of the provision of vocational training services. It seems that a comprehensive range of services is available, but does it meet the real demand?

Mr Baker: There are two points to consider. First, there are issues surrounding getting feedback from consumers. Student associations often find it difficult to get feedback from people on vocational courses. We must consider the whole issue of how we encourage feedback from people on those courses. Beyond that, a problem that is common to many FE courses is the problem of getting materials and resources.

Secondly, one of our wider concerns is about the input of local businesses and enterprise agencies into the delivery of courses. We often hear that employers are not satisfied with the people who are coming through vocational courses, and want to retrain them once they are in the workplace.

Mr Kenryck Lloyd Jones (National Union of Students): We think that access to information is crucial. My research shows that there are numerous websites devoted to the input of business in industry, but that even Scottish Enterprise's site has no section dealing with education and training. Looking further afield, there is a website called GETS—a Guide to Education and Training in Scotland—that gives brief information. We would like a website to advise people who are looking for education and training, but that seems to be outside the scope of the current Scottish Enterprise and further education system, although I understand that a network site is being developed independently.

People should be able, through their local library, for example, to access information on what courses are available in what colleges throughout their area. Sometimes there will be only one college and that would be the obvious place to look, but we would like more information to be available. Our submission mentions students' need for such information prior to entering courses and when they leave them. Those are distinct and separate needs, rather than a general need for information.

Ms MacDonald: Is the training access point service still operational? There was a Scottish database of every course in Scotland and people

could access it from all sorts of places. It was operated through the enterprise system.

Mr Lloyd Jones: It was not a website system; it was a specific programme.

Ms MacDonald: It was. Is it still there? If the information is there, it could be used.

Mr Lloyd Jones: As far as I am aware, it has not been changed.

Ms MacDonald: I just wanted to clear up that wee point. A lot of money went into that.

Dr Murray: You mentioned difficulties finding out what courses are available. Some of that would come under the auspices of the university for industry when it is up and running. How do you feel about the sort of support and guidance that students can obtain while they are in further education? Do you think it adequate, or is there a need for more advice about the most suitable courses throughout the period of further education and beyond?

Mr Lloyd Jones: A great deal more needs to be done in terms of guidance and support. The funding system encourages colleges to get lots of students on their courses. That can lead to the temptation—I will call it merely that—to say, "Yes, yes. Come and do this course. It's really what you're looking for." That can lead to a greater sense of disillusionment. It may be better at the outset to consider what people want and say, "Maybe we can't provide that specifically, but we can provide another course that may be of advantage to you."

The bums-on-seats mentality leads to colleges saying yes to every question and repenting later. Every week, we speak to students who feel, for one reason or another, a sense of grievance. They have nowhere to take their grievances, because student associations are so grossly underfunded in further education, compared with higher education. In our view, that is in itself a form of social exclusion.

Miss Goldie: Is the problem attributable to the quality of information available to students at school, before they go on to college?

Mr Baker: That is an important point. There are resources for making people aware of what courses are available. There are websites, but a lot of people do not know of their existence. Money is being made available, but more effort needs to go into pointing out what facilities are available. For example, many students are not aware of the training access point system. If things exist, we should be advertising them.

10:30

Ms MacDonald: They do not know about it.

Mr Baker: Organisations such as ours, especially if given funding, would be willing to publicise those things. We do our best but, as Kenryck said, there are problems of resourcing local student associations. Often, student associations have just one member of staff, or none at all, especially in smaller colleges. Those staff must do everything, including advising students. It is an impossible situation. Student services and careers guidance are available in colleges, but only a small proportion of students know about them or make proper use of them. Those services are also hard pressed, and more money must be invested in them.

George Lyon: Earlier, you mentioned burns on seats. I want to link that point with employability. When students have finished further or higher education, employability is the key issue. Do you feel that the funding system leads to courses being offered that do not add value to the students and enable them to take on a job in the labour market? Is a funding mechanism that tries to increase student numbers the wrong driver for the training and education system?

Mr Lloyd Jones: It is important that people who come through the system and gain qualifications are provided with the means of relating the activities that they have engaged in to their employability in the marketplace. That need is not unique to vocational education. It is true of all education that there is not a good way of translating what has been learnt during a period of education into the skills that will have to be developed for employers.

Sometimes, the simplest thing can be the most useful. For example, if one has spent a lot of time writing essays, one has been developing communications skills. If one has spent time using computers, one has information technology skills. Students need to be given the opportunity to reflect on the skills that they have developed and how they can help them in the job market. Very often, the ability to articulate the skills that they have can improve students' employment prospects.

George Lyon: Do students feel that businesses engage enough with higher and further education, by speaking to students and articulating what they are looking for when students finish their courses, or is there still a yawning chasm between the business community and the higher and further education sectors? That is crucial, if links are to be put in place.

Mr Baker: On a more general point, business has had an input to the management and delivery of further education. For years, we have been encouraging people in the business community to sit on boards of management, and boards have many business people on them. However, that

does not amount to contact with the people who deliver the courses and the students who study them. Mary Middleton is at the chalk face more than I am.

The Convener: Before we continue, I welcome Mary to the committee. Please carry on.

Ms Mary Middleton (National Union of Students): My name is Mary Middleton and I am from Inverness College. The first time that I sat on the board of management at Inverness College, board members talked about going out and meeting the people, so the will is there. However, that has not happened, although we invite people to events such as our freshers fair event. The businessmen on the board often come in just for the meetings. It remains to be seen what will happen. We have training going on next week, so I hope to have input into the training of the board of management.

Mr Baker: Many times I have heard employers say, "The students that we get are not trained properly for us and we have to spend so much money retraining them." It is probably true, in Scotland, that business spends more on training than does the Government. Business spends more on training its workers than the Government spends on higher education. There is not a good enough link between the business community and the courses that are run in colleges, with regard to what business wants as a product.

The Convener: That gets to the nub of our area of interest. How do we tackle that problem?

Mr Baker: Steps have been taken to try to tackle the problem by putting business people on to boards of management, because it is thought that they will have an input into the way that colleges are run.

Miss Goldie: I would hope that the inclusion of businessmen or women on boards of management has more to do with the good management of the enterprise or the college than with establishing a link between business and education.

Mr Baker: I accept that point, and I was about to say that businessmen and women are also on boards to assist with management, but of course the boards also have overall control of matters such as the provision of courses. The board of management is the highest board in the college and, at the moment, is the only formal link between business and education, but it does not provide enough of a link with regard to informing colleges about course delivery.

The Convener: Is not the issue how you gather the information about the demand, and how the plethora of provision responds to that demand in a way that satisfies the needs of your members or

consumers, or organisations such as the Confederation of British Industry and the Federation of Small Businesses?

George Lyon: Do we have any figures on that?

Ms Middleton: It worries me when people are trained for specific demands, because demands disappear. In the Highlands, whole communities have lost their jobs because a particular type of business has disappeared. In the case of students who are returning to education to retrain, it would be useful if we could say to the business community, "We have trained people to be trainable. We have produced people who can engage in the business of being trained. You go on from there." Through talking to students in Inverness, I know that they need to access training and to make that training useful. Then they can convey to the business community that they are capable of being trained and that they have engaged in lifelong education. That is a far more useful outcome.

Allan Wilson: My point concerns access, and subsequent guidance and support. I suspect that your membership base will change over the years, given our joint promotion of the principle of seamless lifelong learning. Do you detect any demand from adults who are re-entering the labour market for guidance and support that differs intrinsically from that which is available to 16 to 24-year-olds?

Ms Middleton: There is a huge gap in guidance and support. Through sitting in the classroom and talking with members of my association, I know that often they start a course and do not know where they are going with it. They say, "I am doing this course, but what comes after it?" A big gap exists between courses and career opportunities; that must be tackled.

I talked to some adult returners yesterday. There is a need for an assessment of where they stand educationally and where they are going when they begin their courses. Returners said that skills for effective learning—which I studied—should be included in all courses.

We have also looked at the European computer driving licence. I do not know whether anyone knows what that is. It means assessing people's computer skills before they begin their courses. Mature students say that they would like such testing of all the core skills. It would eliminate many of the difficulties that arise between different age groups and student profiles in one class.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): Access is important, but so is the outcome. As you said, in certain communities we trained people for specific jobs and, for example, some of them worked for 20 years as welders. That gave the communities good money over those 20 years

and the outcome was successful. There was a point in going back to college—the communities benefited. My colleagues did not all travel up from the west of Scotland and take those jobs.

I am more interested in access. This morning we talked about almost a Cinderella service, and I feel strongly that that is how things are. With regard to education, we have heard that the NUS does not know what is happening because it does not have a good network that feeds back information. I hoped that we would find some sort of agenda. I am aware of the NUS's agenda on other matters, but what is its agenda for mature students? What barriers stop those students going back to college?

How can we increase access for people returning to education? How can we provide students with a choice, when there are many pressures on them—pressure to take courses just to get bums on seats or pressure from businessmen who want to know what colour of socks they wear?

Mr Lloyd Jones: First, better collaboration is required between educationalists and business. Business people know the skills that they want the colleges to produce, but they do not necessarily know how to put those skills there in the first place. Businessmen are not educationalists; they may know the skills they want, but they may not know how to get them, particularly if they are considering communications skills. We hear complaints such as, "Engineers can't spell." I have never known an engineering course to include a spelling test and so one would not get that skill from that particular course. Such issues need to be discussed by educationalists and businesses.

As far as access is concerned, there should be sources of impartial advice and guidance that people can approach in order to boost their confidence, rather than being left to feel that they are lost in a big system that they do not understand.

10:45

Mr Baker: With the best will in the world, we can have the best possible network of consultation—a vastly well-funded representative structure—that gets input from people on courses and gives people advice about how to get on to courses. However, unless students are funded properly, there is no incentive for them to go to college.

The Convener: No one disputes that a lot of money goes into training provision in Scotland. The question is whether we know what is being done with that money.

Mr McNeil: That is not the issue.

George Lyon: How do we create the link

between business and educationalists? You have identified the problem—do you have any idea what the solutions are?

Mr Lloyd Jones: Are you asking whether there are methods of collaboration?

George Lyon: Are there examples of best practice, or is there a great gulf between the business community and the educational establishments?

Mr Lloyd Jones: I do not know of any specific examples of best practice, although I know that some large companies look carefully at education and training and the role of student development. Off the top of my head, I think that BP has taken that approach. However, such programmes need to be formalised. For example, I would like to see students on every further education course in Scotland—and, incidentally in higher education, although that might shock a lot of people—gain transferable skills and take them into the marketplace, or the world of employment. That would be better than students saying, “I did a qualification in this subject, and that means I know a lot about it.”

Education is not merely about knowledge—if it was, a library could replace it. Education is about developing skills as clear learning objectives. Employers need to collaborate in setting the objectives of what businesses and industry are looking for in their employees. If they are looking for skills in customer care, educationalists need to consider what is involved, which may be a complex mixture of communication skills, patience, role-playing tasks and so on. Such skills could be learned at various levels—at a basic, repeat-after-me level, or at a deeper level, involving the psychology of communication interaction.

Miss Goldie: Kenryck, you are articulating a fascinating concept.

Mary, is it the case that further education colleges, by their nature, tend to have closer ties with local communities than is the case with universities?

Ms Middleton: Yes, I think so.

Miss Goldie: If that is the case, how do we achieve that liaison between businesses and education, Kenryck? It seems to me that the natural relationship is perhaps between the students and the business community. However, Richard said that there is a huge disparity in the provision of student association services throughout the Scottish colleges. Have you any more detailed information about that, Richard, and could you make it available to the committee?

Mr Baker: About the disparity—

Miss Goldie: About the strengths of

associations in all the colleges.

Mr Baker: Absolutely.

Miss Goldie: Is it viable to propose that there could well be a meaningful relationship between student associations and the local business community?

Ms Middleton: My experience of student associations in further education is that the provision is minuscule in most colleges. We are lucky in Inverness to have a lot of support between management and the student association. However, that support does not involve the business community, which is an important point. I am aware that there is contact between schools and the business community, which is quite a useful way to go. If people are making such contact before they start further education, they have some idea of what they need to get out of further education to go back into that area of work.

Dr Murray: The main issue is the development of transferable skills. However, that does not involve only those transferable skills that students can learn from within their courses—they are aware of the skills that they gain as they study. The business community must be aware of the transferable skills that they require from their work force. The main issue is bringing those two areas together, which is difficult. It is less simple than it sounds to make those skills apparent, but it is an important part of the structure of a course. It touches on what Mary said about students being trained and offering skills. Is it your experience of being trained that you have something to offer when you move on?

Ms Middleton: Yes, it is about helping people to engage in the process of learning and to take ownership of that. That also applies to students taking ownership of what is going on in the college and being aware of how the institution works. That could extend into students being aware of what is going on in the business community.

Miss Goldie: The students seem to be the living mass of the college.

Ms MacDonald: Do you agree that a change of attitude is needed on the part of the employer? In a big company, an employer may take on a graduate lawyer and not expect that person's skills to be honed to perfection to accomplish the tasks that will be set for him or her. However, the employer may expect a college leaver who comes to look after the heating system to have the ready-made skills to accomplish that task, instead of understanding that that person will also need to undergo a period of post-graduate training in the same way as any professional would.

Mr Lloyd Jones: I agree.

The Convener: Thank you—simple question,

simple answer.

Elaine Thomson (Aberdeen North) (Lab): Many questions that I wanted to ask have been covered already. However, I was surprised to hear some of Kenryck's comments. It sounds as if there is a considerable mismatch. He talked about people coming out with certificates that state that they have knowledge in a particular area, whereas employers are looking for competency-based skills, such as literacy in information technology.

I was also interested in what Mary Middleton said about having a pool of people who are trainable, or who are willing to be trained. How do you get to the stage of training those people in a skill that will lead to better employability? How could that be better developed? Are we lacking a lot of labour market information? How do we develop better links between the business community and colleges and provide courses that meet those needs?

Ms Middleton: A start could be made by inviting more businesses into institutions, not just to talk to the people who devise the courses but to meet the students. Businesses should be talking to students on a one-to-one basis and asking them about what is going on in the college. The students would then know that the transferable skills they gain are worth while, as would the business community.

Degrees from the University of the Highlands and Islands include an element called personal and professional capabilities, which should be expanded throughout the further education sector. There have been teething problems with that, but it will be recognisable. There will be a certificate to say that you have done teamwork and you have done planning and organising; you have all those skills. That should spread through the further education sector.

Mr Lloyd Jones: There must be a degree of central steering as well as local initiatives. Local initiatives often start up because there is a central steer that local initiatives would be a good thing. In most fields, and certainly in education, a degree of central steering is required to get the ball rolling.

Marilyn Livingstone: I was interested in what you were saying and I agree. I emphasise that we are examining further education and a slight correction is that means-tested bursaries exist in further education. We are also examining the new deal and skillseekers.

This question is for Ms Middleton. I come from a further and higher education college background and I know that many colleges are worried about their retention rate, especially in further education. The retention rate in further education is much worse than it is in higher education. Often that is somebody's first step back into education, whether it is a mature student or a young person. Why do

you think that there is still such a problem with the retention rate in further education?

Ms Middleton: People do not take ownership of the institute and the course that they are on. They do not feel that they have a voice. Students must have an input and be listened to; for example, through the class rep scheme where they sit on course team meetings and have real input and can say what is working. That can work very well.

The other issue is funding. Although there is bursary funding, the huge uptake in access funding this year, as it is now available to all age groups, has shown that the funding is not adequate. We have a small welfare fund and students come to me and say, "Can I have my bus fare home?" They have had to walk into college.

There is a real problem with younger students, in that they may be on a year course and they never engage with the idea of what they are doing there. They get to the end of it and walk away because they have not taken on board what they are doing there. It has been suggested to me that there should be some sort of sixth form, as there is in the English system, so that young students do another year before they go into FE. The transition between school and FE seems to cause problems for lots of younger students.

Mr Johnston: This follows on from Duncan McNeil's point about the provision of access to women returners and the barriers that are put up for them. Do you have any thoughts on that?

Mr Lloyd Jones: Child care. That should not be specifically a women's issue, but in 98 per cent of cases it is women who are looking after children. If they cannot get funded child care, they cannot attend college. It is as simple as that.

Ms Middleton: You can get access funding for child care, but people do not know for sure that they will get that funding. They have to start the course, get child care organised and pay for it, then apply and wait for the application to go through the system. That is beyond a lot of people's means. Another problem is that child care does not cover half term or after school. Those are problems for women returners.

Ms MacDonald: People that we spoke to before said that there was confusion on the part of students going into further education about the new deal, skillseekers and so on. Would you back that up?

Mr Lloyd Jones: Yes. There is a degree of confusion and a desire for information. However, too much information without clear pointers and guidance may also be a problem.

George Lyon: On the links between business and further and higher education, do you think that business should be involved in funding courses, to

ensure that they engage because they have a financial interest in it?

Mr Baker: Absolutely. We have said from the beginning that we were pleased that this is the Enterprise and Lifelong Learning Committee and that policy making brings those two matters together. We have argued for that for a long time. We still feel that education should be led by educationalists, so we do not want business to come in and handle the whole matter, but we want business to take a greater responsibility in funding tertiary education.

The Convener: I draw this section of the committee hearing to a close. I thank Richard Baker and his colleagues for their presentations and for responding to our questions. We look forward to seeing you again in the fullness of time.

11:00

Meeting suspended.

11:11

On resuming—

The Convener: I welcome the representatives of the Scottish Trades Union Congress, including Grahame Smith. I ask him to introduce his team. We will then move to questions.

Mr Grahame Smith (Scottish Trades Union Congress): We welcome the opportunity to meet the committee again. I understand that the committee wants to hear our views on workplace training and wants us to give some examples of best practice and not-so-good practice.

I will introduce my colleagues and say something about the areas of knowledge on which they will be happy to answer questions.

Peter Court is convener of the Amalgamated Engineering and Electrical Union at Michelin Tyre plc in Dundee. He has been involved in the company's initiatives to offer vocational and non-vocational education to the work force.

Norma Falconer is a medical secretary at the Western general hospital in Edinburgh and is a member of Unison. She has accessed opportunities to learn through Unison's return-to-learn programme.

Harry Donaldson is a national secretary with the GMB. He has knowledge of a wide range of training agreements that have been implemented in a number of companies and in a number of industries. He knows a number of examples of good practice and not-so-good practice.

I am Grahame Smith, deputy general secretary of the Scottish Trades Union Congress.

The STUC has been involved in a number of initiatives, including the bargaining for skills initiative and, more recently, the lifelong learning unit, which aims to develop capacity within the trade union movement to participate in learning initiatives in the workplace. We are happy to answer any questions on those or any other issues.

The Convener: Thank you, Grahame. You are all very welcome. We are carrying out an inquiry into the delivery of local business support and vocational training services. Our aim is to establish, primarily from the consumer's perspective, whether the availability of services meets the requirements of individuals and businesses.

We have just heard from representatives of the National Union of Students who suggested that there was a lack of linkage between the educational and business communities in assessing the requirements for skills in the marketplace. We discussed how provision for that assessment could be made either by institutions or by the wider business community. Do you agree that there is a lack of linkage? Can you highlight some examples of best practice in Scotland? We want to locate best practice so that we can begin to learn some lessons.

11:15

Mr Smith: The best way to handle that question will be to ask my colleagues to say something about the links that they are aware of in their workplace, which should demonstrate the nature of the connection between education and workplace learning. Peter will be able to talk about the situation at Michelin Tyre in Dundee, which is a very good example of best practice. Harry Donaldson and Norma Falconer will be able to give other examples.

Mr Peter Court (Scottish Trades Union Congress): I am Peter Court from Michelin Tyre in Dundee. Michelin Tyre is a multinational company. We have four factories in the United Kingdom, but I will talk specifically about the Dundee plant.

Some time ago, the company decided to change its philosophy and to restructure how it went about its business to pursue the company's business interests. We are not competing only against other tyre manufacturers but against others in the Michelin chain. The company decided that its people were its fundamental asset. Gone were the days of asking members of the work force to hang their brains on the gate when they came in, do their job and then leave. The company decided to invest in its people.

Thus, a whole new philosophy was started, which focused on education and lifelong learning.

A whole host of aspects of training and lifelong learning were introduced, not just workplace training, for which there is a huge budget, but apprenticeships, additional skills training for engineers and a range of employment training.

Employees were also encouraged to participate in whatever form of external education they wanted. An education centre was set up in the factory so that employees could tap into all sorts of information and decide what they wanted to do outside the workplace. As a result, we have had everything from qualified, time-served engineers doing engineering degrees, to a couple of guys doing residential courses with the mountain rescue squad, who are now on call for Tayside mountain rescue team, and everything in between: languages, IT training and all sorts of other things.

The philosophy behind the move was that the company wanted its work force to see that it was prepared to invest in its people, that it believed in them and that it believed that they would come back better equipped, better trained and more knowledgeable. The aim was for people to deal with the problems facing our industry in the workplace. That is what has happened. The results can be seen. The company is not a charity.

The Convener: I am interested in your experience. I visited Scottish Power on Monday and heard about a similar example of a company's commitment to workplace learning. Was the arrangement put in place solely by the company, or was the company supported in the process by external agencies, through links with colleges and so on? Did the company do it to meet a business requirement?

Mr Court: It was done mainly to meet a business requirement, but once the company decided to invest in its people, it set up a chain of networks with the education establishments in the city: various colleges, both universities and so on. The company encouraged people to get on board. People from the colleges were brought to the factory and an information centre has been set up. The decision was industry based to begin with, but the commitment is real.

There is huge pressure on the training budget—£1.7 million was spent last year on on-plant and off-plant training.

The Convener: In your factory alone?

Mr Court: Yes. That includes spending on the apprenticeship training centre through to all the other initiatives. There is huge pressure for the funding—which is not called a cost; it is an investment—to be used for more plant, machinery or whatever, particularly as we export most of our product and there have been economic problems, such as the strength of the pound. There is huge pressure for that funding, but the company has not

slackened its commitment to that continuing educational budget.

George Lyon: Is that unique in Scotland, or are a number of companies involved in that type of initiative? Given that the company is spending a lot of money on education, what benefits has the initiative delivered in terms of the skill levels of the work force? Has the company become more efficient or been able to employ fewer workers?

Mr Court: A major benefit is that the workers have received a clear message that the management is prepared to invest in them and is committed to their personal development.

The economic returns have been sensational. Because of the development of the work force, the company can work 24 hours a day, seven days a week. From 5 o'clock on Friday until 7 o'clock on Monday morning, there are no managers in the factory apart from one site manager who is there simply because the law requires him to be. The work force has responsibility for the running of the factory. When things do not go right, the teams are able to come up with solutions.

Before the philosophical change was made, the work force was not equipped to think laterally and do things differently. The change has allowed the company to become more efficient. We have had to accept that the extra efficiency has meant that fewer people are employed. That is the nature of industry. We have to be competitive. However, the workers enjoy their jobs more now because of the responsibility that they have been given.

Mr Harry Donaldson (Scottish Trades Union Congress): The initiative is part of a wider movement in the country at the moment. As my colleague said, because of increased global competition, shorter product life-cycles and other factors in business, people have become central to the process. Today, most companies are able to have the same kit, which means that differences in efficiency are down to the work force. Employers have realised that, as people make the difference, they must invest in people.

We have been working on a lot of joint projects, particularly in the food and drink industry in Scotland. The whisky industry is very traditional but has been dynamic in its involvement in training people as a key resource. There seems to be a lack of connection between education and business. People were lacking in core communication skills and in literacy and numeracy skills. Working in partnership with employers, we were able to use external providers to deliver on-site training across a broad spectrum of companies.

When companies are downsizing—to use a piece of jargon—it is important to allow people to enter the labour market with specific skills to make

them as employable as possible. That can be done through training and development work. One of my colleagues in this room worked with a major whisky company to deliver a project similar to the one at Michelin Tyre but whose budget was managed by the stewards. The skills training was not specifically vocational, but the payback for the employer was that people participated more as their communication skills improved. As team working has become more important, the need for people to communicate effectively in the workplace has become key. Companies that have tapped into the rich reservoir of talent that exists on the shop floor have all seen major improvements.

Allan Wilson: Both you and your partners in industry, the Confederation of British Industry, identified the same problems from different perspectives. The CBI identified why workplace training was important from a business perspective and you identified why it was important in terms of personal development. Studies have shown that there is a major disparity between large companies and small companies when it comes to workplace training. The same applies to the public and private sectors. We must facilitate the expansion of best practice.

Should the trade unions prioritise—I hate to say modernise—their negotiating agenda to put workplace training on the same level as pay and conditions? Michelin International and Scottish Power—one a French multinational, the other a major player in the north American market—recognise the importance of workplace training from the point of view of their business success. Is the trade union movement similarly aware?

Mr Smith: We have identified as a problem the fact that the unions do not have the issue of training far enough up the collective bargaining agenda. To rectify that, we developed a bargaining for skills programme, which was launched by the Scottish Trades Union Congress four or five years ago.

There is a problem in Scotland in relation to the capacity to take the issue forward. We identified a gap in the knowledge of trade union officials in relation to the ever-changing learning environment. Our bargaining for skills programme was aimed at training trade union representatives in training issues. In two or three years, we trained more than 100 trade union representatives, which, although not enough, is all that we were able to do with the funds available.

That led to the development of workplace initiatives, notable examples of which are at Yarrow in Glasgow and at Stoddard Carpets near Paisley. The Stoddard example is interesting because the company is small and recognised that it needed to modernise its operations and allow its

staff to become involved in the way that the organisation was run. It did that through training. There are a number of similar examples.

Allan Wilson: Could you tell us more about those examples so that we could study them with a view to possible replication elsewhere?

Mr Smith: I would be happy to. That would also allow you to see some of the problems that were involved in the process.

Miss Goldie: When I was in business, one of our practical problems was how to sustain the release of an employee for training or further education—it created a gap in the work force. Is that a problem for smaller business organisations? Is there a need for greater flexibility on the part of the provider?

11:30

Mr Smith: There are difficulties that smaller companies face that are not as important for larger companies. One of the problems faced by companies is in continuing the production process while employees are released for training. That is exacerbated in smaller companies that do not have the required flexibility in their work force.

One initiative that I mentioned last time I met the committee is the job rotation scheme that is being run through the Workers Educational Association in partnership with Glasgow Development Agency and other organisations. The scheme allows unemployed people, trained over six to 12 months, to fill in for employees in small businesses who are released for off-the-job training. The evaluations of the scheme suggest that that is one way of addressing some of those difficulties.

Mr Donaldson: The provider, the employer and the employee all need to be flexible; it is a tripartite approach. In the end it leads to increased flexibility in the work force. Once they are committed to learning, everything starts to move. In some cases, there has been a quid pro quo—the employer has funded half the time and the other half has been funded by the employee. Particularly in smaller companies, where it might be difficult to backfill the jobs, we have looked towards the new deal to bring in people from the intermediary labour market.

Large companies have similar problems, but we have been able to negotiate a flexible approach on availability times. However, that may present a particular difficulty for female employees; we need to be aware of their needs and care responsibilities. By and large, employers have moved towards a more flexible approach. We have followed several models in order to meet the needs of employers, employees and providers. So far, we have been fairly successful.

Miss Goldie: It might be helpful, convener, to get more information about the pilot scheme that Grahame Smith has mentioned.

I have a follow-up question for Harry Donaldson. Assuming a happy scenario where release is possible and training is needed—I am talking about a small business, where the problems are more critical—have you any information about whether further education college provision is meeting the needs of your members' workplaces?

Mr Donaldson: We have been delivering not through the colleges, but through a partnership between CBI Scotland and the STUC—workbase Scotland. We have been working with trade unions and employers to deliver training packages. We have taken a focused and co-ordinated approach to deliver that at minimum cost to employers. We are providing the key skills that people need as a foundation to move on to higher education or quality skills training.

The Convener: That is an important point. I compliment the success of the ventures that you have mentioned in delivering skill-based training from which employees and businesses benefit. Does not that tell us something about the amount of money that we are spending on a plethora of training agencies, organisations and colleges requiring the partnership that you have discussed?

Mr Donaldson: There seems to be a gap between education and business needs. That leaves people in a vulnerable situation. In many of the workplaces where we are working, the majority of people are 35 to 45 years old; they have been out of formal education for a long time and are frightened because they think that it is exam based. The fear factor is tremendous. Giving people foundation skills allows them to see their own success—it gives them self-confidence and increases their self-esteem.

Mr McNeil: I am glad that we are getting into the subject. You can imagine our frustration after listening to weeks of evidence about access to colleges and funding and so on. I appreciate the difficulty of your task of responding quickly to create a learning environment that ensures the continued success and survival of the company.

Do you want to say anything about the co-ordination of providers? The colleges are not there when they are needed, the funding takes too long to put in place and employers must press on. Do you have any comments on the gaps and how we can work with colleges better to ensure that they respond more quickly? What can we do to promote workplace learning and to emphasise the good practice of the trade unions in working with employers to deliver that? We want to encourage other employers to do similar good work.

Mr Smith: I will make a few comments before

passing over to my colleagues, who have more practical experience in that area. Perhaps I may speak as someone who manages a small business—the STUC, which does not have many employees.

Our experience of working with colleges to train our staff has been very good. We have talked to the college about providing training flexibly, on our premises and tailored to our needs. It has responded effectively. I do not know whether that is related to the fact that I am a member of the college's board of management. There have been many problems in further education over the past few years—we could spend a whole meeting talking about them. Perhaps it is because of such problems that colleges have not kept their eye on the ball in relation to workplace training.

Duncan McNeil hoped to be relieved of whinges about funding, but funding is an important issue. The lack of funding for training people in employment is a huge problem. Employers should invest in training their work forces, but in many cases they do not. They need to be encouraged with funding from public sources to make that happen.

There are grounds for some sort of Scottish strategic forum to address the issue of workplace training and to consider good practice and how it can be disseminated. We need to know how employers and employees can be given greater encouragement to address the issue.

Mr Court: My experience of workplace training relates to Michelin Tyre in Dundee. We have a fairly large internal training centre, which is used for a range of training activities, from craft to information technology. We are fairly fortunate in that respect. Michelin is a major employer; we cannot expect the same thing from smaller employers.

Annabel Goldie mentioned small employers. If, in a small company, someone is screaming for training, they tend to be told to get on with it and to learn to make do.

Training in the workplace is the employer's responsibility, but for some time my colleagues and I have been considering the difficulties that positive, progressive employers face in continuing funding for lifelong learning and vocational and non-vocational training. We accept that employers should fund workplace training, but we need to examine how we can assist successful companies, as well as those that are experiencing difficulties.

Funding is always a problem. When there is a limited amount for investment and somebody is screaming for new machines, new equipment or a new production line, it is a huge challenge to use that money for training. If some additional funding

were available, those problems would ease and it would help companies survive. Sometimes, we fail to take action until after the horse has bolted.

The Convener: More value could be generated from the money that is spent.

Dr Murray: The issue of training is partly about strengthening the work force, but also about personal development. Some people may have been out of education for a long time and lack confidence in their learning skills. What sort of support or advice is available to such people to get them interested in training? How is that advice best delivered? How are people best encouraged to identify the skills that they have and would like to develop? However much emphasis we put on lifelong learning, unless we can find a way of persuading the horse to drink people will not get involved in training or feel that it is worth while. They also have to feel that they can learn.

Mr Smith: In Norma Falconer, we have with us someone who has been part of the return to learn scheme. She may be able to deal with some of Dr Murray's questions by describing how she got back into learning after a long time away.

Ms Norma Falconer (Scottish Trades Union Congress): I received a brochure on the return to learn course at the hospital department where I work. The qualification it offered was lower than the one I had—I have a higher in English—but I did not have the confidence to get back into education. I took the course, which was mostly in communications skills. It started in February and finished in October. From that, I became aware of courses being offered at Telford College, and I am now participating in an HNC course in administration and information management. I have had to struggle to get my employer's backing for that. I am doing the course through open learning, and it has been made clear that I must bring what I have learnt into my work.

The Convener: You also gained access in a reactive way—the brochure just happened to arrive on your desk. There was no contact point.

Ms Falconer: Day courses are offered throughout the hospital, but I wanted to get into proper education. I did not see that being promoted in the hospital.

Mr Smith: It is important to mention that the course in which Norma became involved was run by her trade union, Unison. Unison put the course together as a way of introducing people to education, after identifying some of the issues that its members face when getting back into education after a long period away. If employers were far-sighted, they would see the advantages of such training and look to continue the development of their staff, who have taken the initial step through the return to learn programme.

Ms MacDonald: I appreciate that you are not speaking for the Confederation of British Industry, your partners in crime, but you must have had discussions with a full range of companies—big, medium and small—about the philosophy of training and lifelong learning. Norma's experience is particularly relevant to the question I want to ask, which relates to the turnover of employees in companies that pursue a programme of lifelong learning and continuing training.

You may be able to anticipate my next question. What percentage of employers are under the impression that if, like Norma, their employees take a course in management and become qualified in that, they will lose them? Does that fear underlie employers' reluctance to think of training as an investment, in the same way as plant and so on?

11:45

Mr Smith: You may have heard this before, but someone once said to me that they would rather have a trained employee leave than keep an untrained employee. However, there is a problem of employers losing people whom they have trained. Peter may want to say something about Michelin's experience of that and the attitude that it takes when apprentices whom it has trained find jobs elsewhere.

Mr Court: For some time, because of various economic factors, Michelin has been the major employer training engineering apprentices in Dundee. It has made a commitment to take on apprentices every year—I have been with the company for 27 years, and it has taken on apprentices every year, bar one. The company has now expanded that scheme and is taking on apprentices for the area as a whole. It trains them for the first two years of the apprenticeship and then puts them out to other employers. When they finish, the apprentices have excellent skills and are a valuable commodity in the market, because there is a shortage of engineers. Employees are also encouraged to get degrees in engineering at university.

The company's philosophy is that it will continue to develop its employees to their full potential. It wants to make use of those skills, but it accepts that it will lose employees. However, it believes that the commitment that it has shown to the rest of the work force is more valuable than the cost of training some people who leave to work for another employer. Michelin believes that its commitment will be returned tenfold.

Earlier, you asked how employees could be encouraged to undertake training. One great factor is peer pressure. People sit in the canteen and talk about what college they are attending and what

they are doing. They know that there is an open learning centre on the site, and they wander over and see what is available.

Turnover of staff is a problem, but if a company does not commit itself to its work force, it is losing the fight.

Mr John Munro (Ross, Skye and Inverness West) (LD): I sometimes feel like a mole, sitting in on your debates and then reporting on them to another committee. However, that is the remit that I have been given.

I have been involved with smaller companies and I support what Annabel Goldie said about them. Although I appreciate and support the initiatives that have been taken by larger companies, I endorse what she said about the difficulty smaller companies experience replacing individuals who are away on training exercises.

We must be careful to distinguish between urban and rural situations. The Michelin representative described how people in Dundee have an opportunity to participate in training courses in and around the city at the various colleges and teaching establishments there. That facility is not available in much of rural Scotland. In the north-west Highlands, the biggest expense is not the cost of courses, but transport—getting people to colleges on a Monday morning, getting them back again on a Friday evening and paying for accommodation while they are there. That prevents smaller companies from participating in many of the initiatives in which they would like to be involved. Laudable as these exercises are in urban areas, we must give far more consideration to what is available in rural Scotland.

Mr Donaldson: It is a bit of a cliché, but if you cannot take the people to the colleges, you have to consider taking the colleges to the people. If there is a barrier, we will need to look at more innovative ways of delivering training.

A lot of major employers, networking with small and medium enterprises, could be used. Scottish Power has looked at ways of using its open learning for the benefit of the community. With other businesses, networking and liaising might be a good option.

The Convener: Who should facilitate that process?

Mr Donaldson: It should be done by companies, under pressure from us; or by the Government; or by some lead body that could be set up to co-ordinate the process. We are running a project in the north—project osprey—that is pooling major companies and small start-up companies to try to facilitate support mechanisms to help companies through the embryonic stage of their development, offering training and access to

all sorts of information. That can be done only through having a database and co-ordinated networking. It may well be one way of satisfying the needs of smaller businesses that are not in competition with the larger ones; and some of the corporate citizenship that the larger companies might wish to show could be made use of.

George Lyon: You gave the examples of Michelin and Scottish Power. What percentage of companies does that philosophy apply to? One or 2 per cent? More than that?

You also talked about delivering training, using Scottish Power and some others as examples, and said that the STUC, the CBI and Scottish Power went into a partnership. Did you have to do that because the educational establishments had provided no off-the-shelf solution that you could use? If so, what were the differences in providing training through that kind of partnership rather than doing so through formal education establishments? That seems to raise a fundamental question about state provision of education and training.

Mr Smith: I cannot answer your first question, about the percentage of companies—I do not know whether the figures exist or whether research is being done. There will be statistics on the number of employees who are covered by workplace training.

Mr Donaldson: We can give you lists.

The Convener: As a follow-up to your evidence today, the committee would appreciate some information on best practice, concerning which you have raised a number of interesting issues.

Mr Smith: We can do that for the initiative that Harry Donaldson mentioned—workbase Scotland. That was a trade union initiative to identify any problems with core skills. Its philosophy is one of partnership and it operates on that basis. Workbase developed a model that did not previously exist and that could be used in the workplace. People go into a workplace and work with both trade unions and the employer to try to overcome the barriers that prevent individuals from participating in learning, or from returning to it.

When an employer comes up with a learning initiative, a lot of people think that there must be a hidden agenda—for example, something to do with increased flexibility—so they then think that they might be out the door the following week. Giving people the confidence to participate can be a problem. Workbase attempted, in that partnership way, to give that confidence. It has, on occasion, linked into provision in further education colleges, but it has identified a need to tailor what it does for particular industries. The colleges have not been able to respond to that sort of initiative.

George Lyon: Are you saying that formal education could not respond to the needs of—

Mr Smith: In the way that that particular model is constructed, parachuting in a further education college lecturer to run a training course was not seen as being as effective as the development of a partnership approach over a period of time in which a relationship would be built up with tutors to encourage people to advance at a pace that suited them and the company.

George Lyon: Was that delivered in the factory itself?

Mr Donaldson: Yes, it was in-house delivery.

Mr Johnston: I am especially interested in the Michelin experience and in what Harry Donaldson said about the roll-out to the general public. I know from discussion with Scottish Power that it has widened access to the community. Interestingly, it started by offering access to its suppliers. Is Michelin doing anything like that?

When you set out on the Investors in People process, what involvement did you have with the local enterprise company? What support did it give you?

Before you answer that, I would like to answer Margo's point. In my company, which I have just taken through the IIP process, we reduced workplace turnover from 25 per cent a year to 11 per cent a year. That had an effect on the bottom line of a fairly small company of something like £80,000, so it clearly works.

Mr Court: We have recently been re-accredited with IIP for the second time round. We had full involvement from the LEC and other local agencies. We have just been through the QS-9000 standard, which was demanded of us by our customers, and which required two or three hours' training for everyone in the factory—1,100 people. We are now going through the process of achieving ISO14001, again for production quality purposes. Again, we had the full involvement of the enterprise company.

You asked about suppliers. A wholly owned subsidiary of Michelin, Xm Services Ltd, trains our apprentices and does all our on-site training. It offers that facility, on a commercial basis, to suppliers in the area. We also hire out our technical expertise, our drawing office facilities, our computer-aided-design development teams, and our engineering and planning teams. That is commercially driven, of course; but we have the skills on site and we have a lot of valuable people, and some smaller companies can tap into that. We believe that we then get a better service from our suppliers.

Mr Johnston: What do you think the impact of individual learning accounts will be?

Mr Smith: That will depend on how they are structured. Individual learning accounts are excellent in giving individuals an entitlement to learning, but I very much doubt they will be successful if the poorest paid and lowest skilled individuals are left to operate their accounts in isolation. There are issues to be addressed concerning what sort of individual investment is required, and issues concerning the support that individuals will need to enable them to make the right choices about how they use that resource in their account. If the accounts are a way of encouraging employers to invest more in learning, that will be very positive, but we need to wait and see how they develop.

We are concerned that we have not been involved in the pilots. Individual learning accounts will not succeed unless the work force is involved through the trade unions.

Mr Donaldson: Recently, our trade union has been involved in going through a number of redundancies. A key issue that came up from people who were faced with redundancy concerned the support that they could expect from the employer, or anyone else, to move into other learning or career paths.

Out of that process of redundancy negotiation, we moved rapidly to a form of individual learning account. In that package, individuals were each provided with £1,000, while support mechanisms and task groups were put in to help assist people back into work and to allow them access to different areas. As trade unions, we have taken the initiative and said that it is not only about redundancy packages; a range of ways for people to move back into employment and to develop skills has to be found. We can provide much of that, and there are major employers that would be interested.

As trade unionists, the interesting thing for us—and particularly for me in recent years—has been the shift away from the negotiator to the consultant. That might seem strange, but many companies ask me whether I can facilitate a best practice or benchmarking visit to them to see what they are doing. Companies need to move ahead and the only way to do that is through investment in people. They are coming to us to find out about that. They are using the trade union movement as a key tool in developing that process.

12:00

Mr Smith: Harry Donaldson mentioned to me an example of a company that did not involve the unions in an initial training project. The company threw away a lot of money because what it delivered for its work force was not what was needed. It was only when the company involved

its work force in developing what was needed that its training programme succeeded.

George Lyon: So many issues have been flung up in this presentation that it would be valuable for the committee to look at one or two of those examples of best practice.

The Convener: That issue will be raised when we discuss the work programme in about half an hour.

I do not want to insult in any way what Harry Donaldson has just said about the role of the trade union movement in finding solutions, but it raises some questions about some of the agencies that I thought were supposedly—

Ms MacDonald: Getting paid for it.

The Convener: Getting paid for it—that is what I am struggling with. Such agencies are being paid to find solutions, when in fact expertise in the trade union sector is coming up with some of the solutions. Thank you for that input.

Mr Smith: It is fair to say that barriers have prevented those agencies from helping the trade union movement to take on some of the issues. We had major problems with the local enterprise companies and Scottish Enterprise in putting together our bargaining for skills project and, more recently, our lifelong learning unit project. Eventually, we resolved the problems, but there are issues around how the enterprise companies relate to the trade unions.

Miss Goldie: Harry, you said that there has been a movement throughout Scotland for education of the work force—that is most encouraging to hear. However, Peter Court's experience contrasts sharply with that of Norma Falconer. Is there a facility or an opportunity for a lateral communication process from workplace to workplace? Clearly, what Norma encountered was implacable and discouraging, whereas what Peter encountered has been positive and heartening.

Mr Donaldson: We are seeing that in the initiatives that are taking place and we have been using best practice conferences to get that message across to employers. We would say, "Visit these places and speak to the people who have been through the process, and you will come away feeling confident about what those individuals have been able to achieve and how they have made major changes in their lives." I have every confidence in that approach.

The Convener: I draw this part of the inquiry to a close. Thank you for your contribution to the discussion, which has been interesting. We will reflect on the points that have been discussed. Some information on best practice would be useful, as we will consider case studies in early January and will look at some of those issues.

Thank you for attending.

I welcome Alan Brown, director of the Employment Service in Scotland. The committee is conducting an inquiry into the delivery of local economic development and vocational training services at a local level in Scotland, to identify how services are delivered and whether there is effective integration of those services. I ask Alan to introduce his colleagues, after which we will proceed to questioning.

Mr Alan Brown (Employment Service): Thank you, convener. Good morning everyone. On my left is Charlie Husband, who spends a great deal of his time working on new deal issues in Scotland. On my right is Eileen Thomson, who, as well as running the secretariat and the marketing in the office in Scotland, has been much involved in work on the new deal. It is also her birthday today.

The Convener: Many happy returns to you, Eileen. You are welcome—what a way to spend your birthday.

We have been wrestling with issues relating to the provision of vocational education services at a local level within Scotland. I have the impression that there is no lead body for the design of those services. If there is no lead body, I suspect that the most effective method of identifying the demand pressures in the marketplace in Scotland is not being used. Is that a fair assumption? If so, is it something that the Employment Service should be in and around?

Mr Brown: The Employment Service is a GB-wide agency of the Department for Education and Employment. We have a network of 130 job centres in Scotland—you will have one or more of them in your constituencies. We deliver a range of services—aimed particularly at unemployed people—in relation to the Government's welfare-to-work initiatives, including the new deal.

Each year the Employment Service makes an agreement with each of the 20 or 21 local enterprise companies about what we should do to help to fill their training for work places. Each year, Employment Service district managers and the officials of the local enterprise companies discuss that issue. Having made those statements of arrangements—as they are called—with individual local enterprise companies, we try to help them to fill their adult training programmes. About eight in every 10 people who start training for work are referrals from Employment Service local offices.

The Convener: How responsive is that system to the changing demands and pressures of individual companies within a geographical area?

Mr Brown: Neither my colleagues nor I are well placed to comment on that. One of the roles of the

local enterprise companies, Scottish Enterprise and Highlands and Islands Enterprise is to decide what sort of training is required. They have discussions with companies and discuss with us the nature of the unemployed client group that exists at any point. We feed information in to them and they contact employer bodies and people who are involved in training.

Following that, in interviewing unemployed people, we seek to refer those for whom training is the most appropriate option to the most appropriate form of training. On our knowledge of what goes on in local labour markets, we deal with employers every day. We seek to fill their vacancies. We therefore have a feel for the nature and characteristics of unemployed people and, through our extensive contacts with employers, a sense of what employers are looking for. That helps to feed into the debate that we have with local enterprise companies as they plan the shape of training for work each year.

Marilyn Livingstone: We have heard a lot about guidance and support. The Employment Service, through the personal advisers and the gateway, has a great deal of influence. Many of your staff had to change their focus and emphasis to undertake those duties. There was a focused staff development programme. What training is on-going, and do you think that it has been successful? In other words, do you think that the guidance and support for the personal advisers is what is required?

In much of the evidence that we have taken, the criticism that has been levelled at the new deal programme concerns the bureaucracy and the forms that must be filled in. Will you address both those issues?

Mr Brown: The Employment Service and its predecessors have been involved in advisory work since about 1911. We made a step forward in the level of advice and support that we sought to give to unemployed people when, with the restart programme in the mid-1980s, the Government wanted us to make that a more important aspect of our work.

People understandably wondered whether the Employment Service was the right organisation to deliver the new deal, given the nature of its role, its responsibilities and the training and expertise of its work force. One of the commitments that was made was that all our new deal personal advisers would be asked to achieve a SVQ level 3 in guidance. We have honoured that commitment, and have made progress in ensuring that our advisers have that externally recognised qualification.

We carry out our own internal training courses for personal advisers. In Scotland, we have been

grateful to many external organisations, such as the Scottish Community Education Council and organisations that deal with the homeless or ethnic minority groups. We therefore have internal training, personal advisers who seek to be accredited at SVQ level 3, and a range of organisations in Scotland that have input in the training of our advisers.

However, when it comes to the new deal, the Employment Service would not claim that it is the role of its personal advisers to try to deal with all the problems that young people may have—to diagnose them and to suggest what those young people might do. There is the gateway and we have contracted, often through adult guidance networks in Scotland, for extra provision. When the new deal personal advisers are dealing with someone who they think has special problems that are beyond their competence to deal with, there is a network of others, across Scotland, to whom they can refer cases. Although I would like our personal advisers to be highly skilled, we do not aim to be the one-stop shop for all guidance and support. That would be over-ambitious, and there are other organisations in Scotland that are much better placed to help with that specialist provision.

You talked about bureaucracy. Well, I am a bureaucrat, I suppose. I have never known a programme that we have been involved in that did not require quite a few forms to be filled in. That is certainly true for the new deal. A lot of public money goes out through the new deal and that money needs to be accounted for. There is also a desire to know how the programme is going and to collect information that can be analysed and published—a lot of the new deal statistics are published. However, there was concern about the level of bureaucracy. Some months ago, the Government asked Deloitte & Touche to conduct a study to determine whether the amount of paperwork that was required for the new deal could be reduced. The ambition was to reduce it by at least 25 per cent. A report was produced—it is now being acted on—which does not propose to reduce it by 25 per cent.

Mr Charles Husband (Employment Service): It proposes 15 per cent, initially.

Mr Brown: Even so, people will always want the Employment Service and my parent department, the Department for Education and Employment, to do better. I suspect that we will continue—quite rightly—to be put under that pressure. *[Interruption.]*

The Convener: I gave my colleagues some advice about pagers. The easiest way to prevent them from going off is to leave them at home, which is what I have done.

Fergus Ewing (Inverness East, Nairn and

Lochaber (SNP): I was not guilty on that occasion, convener.

We all recognise that for a long-term unemployed person to obtain a secure job is a terrific success and that the new deal should not be judged merely on the number of young people who go into full-time employment thereafter. However, on reading a parliamentary written answer on the number of young people who went into full-time employment after having undergone the new deal, I was struck by how low the figure was. Do you feel that the figure is low? If not—if you feel that the scheme is a success—how robust is the evidence to support that conclusion? What evidence is there? If you do not have it today, could you produce it for us later? How many of those who managed to secure jobs through the new deal would have gained those jobs anyway?

12:15

Mr Brown: I shall try to answer the last question first, and I shall ask Charlie to comment on the numbers. It will always be extremely difficult to say what would have happened if we had not done what we did. If the new deal had been delivered only in certain places, and not at all elsewhere, we would be able to measure its effect on areas with similar characteristics and a similar group of young people. However, as the new deal operates throughout Great Britain, there is no opportunity to know what would happen if it was not in place.

The Government would claim that the fall in the number of 18 to 24-year-olds who have been unemployed for more than six months has shown a steeper reduction than would have been the case if the new deal had not been introduced. Although the new deal applies everywhere, it began in January 1998 in pathfinder areas—the one in Scotland was Tayside. The situation in Tayside and the other 11 pathfinder areas can be compared to the overall situation. The new deal was in place for only three months longer in those pathfinder areas, as three months later it was introduced everywhere. However, in those three months, the level of youth unemployment appears to have decreased more rapidly in the pathfinder areas than in the country as a whole.

The first part of your question concerned the number of young people who are going into jobs. The general situation is slightly better in Scotland than in Great Britain as a whole. Charlie might have some numbers.

Mr Husband: The number of young people who are entering jobs is more than 16,000, of which about 12,000 have entered sustained jobs—jobs that last for 13 weeks or more. The new deal is being heavily evaluated. Many aspects of its

activities are being covered by research projects. There is an overarching project that will try, eventually, to measure the impact of the new deal in added value. Several reports could be made available to the committee.

Mr Brown: I am not sure how the committee proceeds, but we would be happy to engage in dialogue with it if it wants particular detailed aspects on the statistics of the new deal and if contacts between the clerks who support the committee and ourselves is useful—we may be able to determine what information members will find helpful.

The Convener: I will ask the clerks to pursue that.

Elaine Thomson: Obviously, the new deal focuses mainly on young people, but it also applies to other groups—single parents, the disabled and so on. How effective do you think that it has been in helping those other groups, particularly single parents, in accessing training that they might otherwise not have been able to access?

Mr Brown: There are a large number of new deal and other welfare-to-work programmes—I have a list of them covering several pages.

I will focus on the programme for lone parents. As the committee probably knows, the programme for lone parents who are claiming income support has so far been voluntary. On the basis of information held by the Benefits Agency, we invite lone parents of children aged between five and 16 for an interview by one of our network of lone parent advisers. That has been very successful, and people have responded well. In Scotland, our approach to lone parents has been helped by a number of organisations. We can claim to have placed a number of lone parents either in work or in training that may help them. I sense that the new deal for lone parents has been a welcome addition to what was previously available, and that many people have been helped. The overwhelming majority of those are women, although some lone parents are men. Their average age is something like 28, despite the common perception that the new deal for lone parents is designed for much younger women.

The programme for people over 25 has not been quite as extensive as the programme for 18 to 24-year-olds. However, in his pre-budget statement a few weeks ago, the chancellor announced that there had been various developments since the new deal for people over 25 began in June last year. Pilots for the scheme are now under way in your constituencies. In his statement, the chancellor announced that what was offered by the new deal for 25 plus would be enhanced. In Edinburgh East and Midlothian, a new deal for 50

plus is being run, again on a pilot basis. There are also new deals for people with disabilities, and in Renfrewshire and Inverclyde there is what we call ONE. ONE involves us, the Benefits Agency and local government calling in all people of working age and claiming benefits—not just the jobseekers allowance, but others—for interviews that might help them map a route out of benefits and into work. Again, that is being done on a voluntary basis for the time being.

The Government regularly publishes information on all those schemes, but if the committee is interested in particular aspects of the figures for Scotland we would be happy to help.

The Convener: I am under some time pressure, so I will have to draw matters to a conclusion quickly.

Mr Johnston: I have three questions. First, I would like to know whether you have any indication of the cost of each new job created. Secondly, the other day I asked the minister how many people were still in gateway after six months—I imagine that that figure is fairly easily available. Thirdly, I am worried about the people who fall through the net in the schemes and would like to know what will happen to those who are still unemployable after six months.

The Convener: I should make the point before we go any further that our inquiry has a defined remit. Some of the questions that are being asked are not directly related to that remit, but are more about the new deal programme. I will allow the questions that Mr Johnston has asked to be answered, but I will scrutinise questions a little more carefully during the remainder of the meeting.

Mr Brown: The first question was about the average cost of someone securing a job through the new deal. You are presumably asking how much it costs to place someone through the programme.

Mr Johnston: Yes.

Mr Brown: I cannot provide an answer off the cuff, but we can certainly look into it.

Mr Johnston: I also asked how many people were still in gateway after six months.

Mr Brown: That, again, is information that we have. I do not know whether Charlie has the figures with him, but if not we can certainly provide them later. This is something that we monitor closely, as you might imagine. Were you also asking about those people who had been on the new deal and remained unemployed?

Mr Johnston: Yes.

Mr Brown: Obviously, the programme has now been running long enough for some people to

have moved from gateway or the options on to what is called follow-through. Since the new deal started, the Government has been conscious that not everyone will end up in sustained work through gateway or the options.

The provision that is available in follow-through has become more extensive as we have come to realise how many people still need help, even after they have been through the new deal. We have put in place some very supportive measures, including opportunities for people to undertake further training and for local partnerships to design individual elements of follow-through to suit the circumstances of their clients locally. Funding is available to support those programmes. We can let you have information on the numbers that you were seeking and provide you with a description of the provision that is available in follow-through, if that would be helpful.

The Convener: I will take three brief questions. I would appreciate it if we could also have brief answers.

Allan Wilson: My question is on the training element of new deal. You have referred to the hybrid nature of the scheme, which is currently in its development phase. What feedback have you obtained from new deal clients about the standard of training that they have received? How is that measured?

Mr Brown: Of all the Government programmes in which I have been involved, none has had as extensive an evaluation programme of work. That programme is under way. People can see what is happening and whether changes need to be made. That information has also been published, to some extent. In my experience, that has not happened with previous programmes. You asked about, in particular, the views of people who had been on what we call the full-time education and training option of new deal.

Allan Wilson: Yes.

Mr Brown: Statistics indicate how many people have taken that option, how many have gone on to get jobs and what qualifications they have obtained. We will get in contact with those who are in charge of the evaluation strands of new deal to see what information they have on the experience and opinions of young people who have been through the programme.

Miss Goldie: Are you saying that there has been no attempt to do a quantitative assessment of the experiences of people who have been on the new deal?

Mr Brown: Quantitative, yes.

Ms MacDonald: It is not qualitative.

Mr Brown: We have plenty of information—

plenty of numbers. I think that the question was referring to the kind of survey work that is undertaken by external organisations that are contracted to do interviews with young people and ask them what they feel about the programme. We can give you the numbers, but I sensed that Allan Wilson was asking about softer information—what people were feeling and how useful they had found the programme.

Ms MacDonald: I want to move one step back to ask about the initial advice that people are given. At the moment, they come in for interview on a voluntary basis. Who gives the careers advice, and where is that done? Do they come into the job centre—I nearly called it the buroo.

Mr Brown: Some people still do.

Ms MacDonald: Who gives that advice, and how is it given?

Mr Brown: I return to what I was saying: we have a network of personal advisers who give initial advice and guidance on the various options that might be helpful to those who are on the new deal. We do not, however, set ourselves up to be experts on careers guidance. That is why, in all the units of delivery for new deal, in the partnerships and in the gateway, there will always be provision, which has been contracted by the Employment Service, either through the adult guidance network or directly with the careers service, so that they can fulfil that role. If people want particular guidance, they are most likely to be referred to part of the adult guidance network for a proper assessment.

12:30

Ms MacDonald: It would be par for the course—would everybody get that?

Mr Brown: It would not be true that everyone would get it. We try to give our personal advisers some flexibility and discretion: we advise them not to overextend themselves, but not to refer people unnecessarily either. Advisers are encouraged to know what provision is available locally; they know that one option that is open to them, which they should exercise if someone requires such guidance, is to refer people.

We have set out those arrangements; we want advisers to make the best use of them, in the best interests of the clients.

George Lyon: We have heard much evidence about the gap between business and training provision—not just in the training sector, but in further education. Do you recognise that there is a chasm between the two? Given that you are in regular dialogue with both, can you tell us how it can be bridged?

Mr Brown: I do not think that I can offer an expert opinion on that. As members will know from their own knowledge and deliberations, the local enterprise companies all have their own requirement to have a certain proportion of employer representatives on their boards. It could be argued that arrangements are in place in Scotland whereby employers have a strong local voice on what the local enterprise companies provide by way of training in their respective patches.

The new deal partnerships will all have employer representatives on them, so there is also an input there. I am not sure that I can say much more than that.

George Lyon: I should like to ask a follow-up question. Do you follow the success in gaining employment of clients who go into training programmes? Do you get information on whether training courses have been relevant and whether they provide the skills necessary to make the participants employable at the end of the training provision?

Mr Brown: We know which people seek to collect information on the number of those whom we have referred to training for work and who subsequently end up in employment. The repository of all the information on all the outcomes of training is, as you would imagine, the local enterprise companies, Scottish Enterprise and Highlands and Islands Enterprise. Those people are the ones who run the programmes, who receive funding to deliver them and who have the most information about the outcomes.

The Convener: I will now draw this session of evidence to a close. I thank Mr Brown and his colleagues for attending the meeting. We raised some issues that required further information, and we would appreciate receiving that information through the clerks in due course.

Mr Brown: I thank you, convener, and the other committee members.

Ms MacDonald: I should have asked you a question mentioning that it was your birthday, Eileen.

Ms Eileen Thomson (Employment Service): I am glad that you did not, thank you.

Work Programme

The Convener: We now have two brief items to resolve, which I hope will not take too long. Members will have a paper in front of them on agenda item 2, the work programme. We discussed it at our meeting two weeks ago, and I have been reflecting on the composition of the programme.

I was particularly concerned that three of our inquiry programmes in January and February were devoted to case studies—the collection of data—and one was devoted to the case study report. I felt that that constrained the committee quite a lot, and that we could undertake some more practical case study work by appointing reporters on behalf of the committee. That would free up a couple of meetings for us to undertake other work that we might be interested in carrying out. A further paper, “Subjects for Further Inquiries”, relates to that—we will consider it later.

The first recommendation on our work programme is:

“The committee agrees to appoint three Reporters to lead small groups of members to undertake a case study visit to a local area identified by the committee, and to report back to the committee.”

The second recommendation is that I seek the authority of the conveners liaison group to carry out that work and for the expense incurred as a result. Finally, there are a number of meetings in the work programme that we plan to hold in private. I will seek the committee's agreement to hold those meetings in private, so that we can resolve our position on the various stages of the case study report.

Members have the work programme in front of them; I would also like guidance from them on which case studies would be appropriate, so that the clerks can begin some preparatory work. You will notice from the work programme that we propose to use our first meeting of the new year to examine one case study. The first case study will have a formal hearing; the three others will be carried out by groups of members acting on behalf of the committee.

I open that up for discussion.

Allan Wilson: The amendment to the work programme makes sense. I am wholly in favour of appointing three reporters to lead small groups of members to undertake a case study and to visit local areas. That was suggested as a possible means of inquiry by people who have given evidence. It has much to commend it.

The amendment would free up two single-session inquiries. One case study must be on local economic development services; the other must be on workplace training. We had thought of considering what might be construed as good practice in local economic development services: we could choose a good example of a local enterprise company using best practice, to see how it operates in its locality. That might be a suitable subject for one case study.

The Convener: Are there any other comments?

If not, we should deal with the recommendations

on page 1 of the work programme, because we must record these things formally.

The first recommendation is:

“The committee agrees to appoint three Reporters to lead small groups of members to undertake a case study visit to a local area identified by the committee, and to report back to the committee.”

Is that agreed?

Members indicated agreement.

The Convener: Can I have suggestions for who those three reporters should be? Will I consult on that and take it a step forward?

Simon Watkins (Committee Clerk): The committee itself will have to agree on the members chosen.

The Convener: We can do that at the next meeting. I will come back to the committee with a recommendation.

Members indicated agreement.

The Convener: The second recommendation is:

“The committee authorises the convener to approach the Conveners' Liaison Group for endorsement.”

Is that agreed?

Members indicated agreement.

The Convener: On the third recommendation, can we confirm that we will hold in private the parts of the meetings during which we are required to agree our reports—on 8 December, 1 March, 5 April and possibly 3 May?

Members indicated agreement.

The Convener: Thank you.

Inquiries

The Convener: Item 3 on the agenda is subjects for further inquiries. On the “Subjects for Further Inquiries” document, I have highlighted issues which either have come to us by letter or are on the horizon. A number of other points will have to be added to the document.

There is an outstanding commitment to the petrol pricing inquiry, for which we are trying to secure a date. Simon Watkins is still working on that point. We also have a commitment to examine the semiconductor sector: we are looking for the best means of arranging those opportunities.

I have noted four other items on the document. They struck me as matters that we will have to examine as a committee. The first is the tourism review. The Executive will be publishing its report on that, and the subject is within our remit, so we should probably have a look at it. One of the

meetings in late January or early February would be an appropriate time to take evidence on the strategy and, possibly, to hear from the Scottish Tourist Board and from ministers on the strategy's composition.

We have had a proposal from the Educational Institute of Scotland on national bargaining in further education; I have circulated that letter.

A number of members have passed on to me correspondence in relation to a presentation on the work of Employee Ownership Scotland. A formal inquiry is not proposed, but we might arrange an informal briefing.

The last item on my list is the multilateral agreement on investment. The Presiding Officer, Sir David Steel, is getting a great deal of correspondence on that subject, as, I am sure, are members. Sir David has asked me to draw the issue to the committee's attention so that we can decide whether we should do anything.

We must also keep an eye on the output of the Cubie inquiry, in regard to the committee's role in relation to the formal report of that inquiry, which is expected before the turn of the year.

Elaine Thomson: Originally we had a long list of several different issues that the committee was to look at. Obviously, it is impossible to examine all the issues, but one that seems to have disappeared is e-commerce and how Scotland's economy will face some of the challenges that that will bring over the next few years. I am disappointed that it is not on the list—I would like to see it dealt with sooner rather than later. It is an issue that will not wait.

George Lyon: Do you, convener, have any idea when the Executive will publish the paper on that? Will that happen in the new year?

The Convener: I have had some correspondence with Henry McLeish about that, but I cannot quite remember what the date will be.

George Lyon: That links in with tourism—we must set a date for when we will deal with that. That does not leave much room for our other priorities.

Ms MacDonald: As I mentioned at the start of the meeting, I have an interest in the subject. Big developments are taking place all over the country, and unless we have something on e-commerce soon, huge mistakes could be made in planning and so on.

Mr McNeil: I do not disagree about e-commerce, and I do not think that members disagree about the committee's role in relation to tourism. Could we confirm inclusion of tourism in our agenda for 26 January?

Simon Watkins: The Executive report might not

be published by then—I think that it is due at the end of January. It would be possible to include tourism in the meeting following the one on 26 January.

The Convener: Duncan McNeil has raised an interesting issue. Should we scrutinise a tourism strategy that has been published in a glossy document? What impact could we have on that? The Government will have announced that as its strategy.

Mr McNeil: Can we give the Executive notice that we are setting aside a slot for that? The Executive should appreciate being able to fit in with committees' programmes. That would be good management. We should confirm a time to discuss e-commerce, or decide what will fit into future meetings after further consultation.

Fergus Ewing: I agree that we should look at the tourism review in January. The Executive's original aim was that the review be completed around the end of the year, but—perhaps, understandably—things have slipped since then. Would not it be better if the committee gave its input on tourism before the glossy leaflet is published? Will we have access to submissions other than those that are confidential? There will be many submissions; for the committee to do a proper job on the tourism review, we should have access to the submissions, a summary of them or both.

12:45

The Convener: I agree with some of what Fergus is saying. I hope that the committee will not get into the habit of some others, which rush deliberation of some issues and cover them in one meeting. The tourism strategy is fundamental to many members who represent, for example, rural areas. It is nonsense to try to undertake an investigation in a couple of hours. We need more time than that to do the job properly. Tourism is very important, and we should acknowledge that importance by giving it two meeting slots.

Allan Wilson: I agree with what has been said about tourism. Some weighty issues have been raised, and I agree that the tourism review is a fundamental part of the committee's remit. We must determine how that fits in with the Executive's review of tourism, and what our relationship will be with the Executive in that process. That is not something that we need to determine today, but we should state clearly that the committee wants to give tourism detailed consideration. That does not involve the committee simply rubber-stamping a glossy brochure. Tourism sticks out from the other issues for potential inquiry.

I also agree with those who mentioned the e-

commerce strategy. If we are not to make a decision on that today, we should pencil it in for one of the single-inquiry sessions. We could take evidence—even if the report on e-commerce is not to hand—from experts in that area.

Simon Watkins: The Executive has informally offered members of the committee a draft copy of the review document before it becomes public. However, that might affect whether we discuss it in public or in private.

We have sought dates for the petrol pricing inquiry, and for some initial work on the semiconductor industry. Alternate Wednesdays in January and February—for which members expressed a preference—are all filled by other committees. A number of committees are dealing with legislation early next year and will be meeting regularly. If the committee undertakes such work, it should be looking to meet on Mondays or Fridays.

Mr McNeil: Can any of the companies that we will be dealing with offer committee facilities in or around Edinburgh?

Simon Watkins: The problem is more to do with the Parliament's resources for recording meetings and so on.

Mr McNeil: We keep bumping into that.

The Convener: I will draw the meeting to a close.

If I have read things correctly, the committee is keen to look at the tourism strategy on 26 January. We might need a second session on that. We will keep the work programme under review, to ensure that issues raised by members—particularly e-commerce—are taken into account.

I thank members for their attendance.

Meeting closed at 12:47.

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