

The Scottish Parliament Pàrlamaid na h-Alba

# Official Report

# **MEETING OF THE PARLIAMENT**

Thursday 5 June 2014



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# **Scottish Parliament**

Thursday 5 June 2014

[The Presiding Officer opened the meeting at 11:40]

# **General Question Time**

The Presiding Officer (Tricia Marwick): Good morning. The first item of business is general question time. Question 1, in the name of Claudia Beamish, has not been lodged, but the member has provided an explanation.

# **Royal Mail (Universal Service Obligation)**

2. Kenneth Gibson (Cunninghame North) (SNP): To ask the Scottish Government what its position is on the commitment of Royal Mail to maintaining the universal service obligation given its economic impact. (S4O-03317)

Cabinet Secretary for Finance. **Employment and Sustainable Growth (John** Swinney): Postal services are a vital lifeline for many of Scotland's communities, particularly in some of the nation's more remote rural areas. Those communities depend on the delivery service that is guaranteed by the Royal Mail's universal service obligation, which is why it is so deeply worrying to see Royal Mail's concerns about its ability to fulfil the universal service obligation. The Minister for Energy, Enterprise and Tourism has written to the United Kingdom Government to request reassurances that the universal service obligation still stands.

With independence, the regulation of mail will be in the hands of the Scottish Parliament. That will provide an opportunity to ensure that we have a universal postal service that is in the best interests of communities and postal service users. An independent Scotland will also ensure that we have the ability to restore Royal Mail in Scotland to public ownership.

**Kenneth Gibson:** The cabinet secretary will undoubtedly be aware how important the issue is for Scotland's rural and island communities, including Arran and Cumbrae in my constituency. Indeed, he touched on rurality in his response.

On page 289 of the white paper, the Scottish Government raised concerns about the future of the universal service obligation in relation to Royal Mail privatisation. Does the cabinet secretary agree that keeping Scotland's rural and island communities well connected via the post and other means is vital? Can he explain how we would be more able to address the challenge and serve Scotland's rural and island communities effectively

if we had the full powers of an independent country?

**John Swinney:** I will make three points. First, as I highlighted in my initial answer, Mr Gibson is absolutely correct to say that postal services are fundamental to the connectivity of rural and island communities. The Government accepts that point, which is why we attach such importance to the universal service obligation.

Secondly, there is the issue of digital connectivity, which we recognise to be of equal significance in enabling businesses and individuals to be properly connected in the modern world.

Thirdly, the opportunity for Scotland to become independent opens up the prospect of the Government of an independent Scotland having the ability to ensure that all those aspirations are properly and effectively fulfilled by taking forward the universal service obligation as part of the exercise of its responsibilities.

## Independence (Economic Challenges)

**3.** Annabel Goldie (West Scotland) (Con): To ask the Scottish Government what the principal challenges for the economy would be in an independent Scotland. (S4O-03318)

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): Scotland has a strong and prosperous economy. Gross domestic product per head in Scotland was the 14th highest in the Organisation for Economic Co-operation and Development in 2012, putting us ahead of the UK, Japan, Italy and France.

In common with most other advanced economies, Scotland will face a number of challenges in the years to come, including those of tackling inequalities and building greater economic resilience. Independence would equip future Scottish Governments with the policy levers that will be required to provide greater flexibility in decision making, and it would offer an opportunity to rebalance the economy and to fully tackle the key economic issues of population, productivity and participation.

**Annabel Goldie:** I must apologise to the cabinet secretary, because I realise that even the entire question time slot would be inadequate to describe the economic challenges that would confront an independent Scotland.

Now that we know that the financial illustration on page 75 of the white paper is wrong, because the Scottish Government ambitiously overestimated oil revenues and grossly understated expenditure, thereby producing a budget deficit that was dramatically lower than the

Institute for Fiscal Studies's recent projection of £8.6 billion, will the cabinet secretary scrap page 75 of the white paper and produce a corrected version?

John Swinney: I do not know whether Baroness Goldie was unavailable—perhaps she was in the House of Lords and did not catch up with the projections that I set out last week, which were full and comprehensive. The Government estimates that I set out were based on the most recently available information on the financial health of Scotland in 2016-17.

Of course there are differences of opinion on these questions. As Ms Goldie has just said, the IFS uses the Office for Budget Responsibility's figures on oil and gas revenues, which ignore the fact that, for a two-year period, the price of oil has been \$11 higher than the OBR estimate and that on a variety of projections—not least the Department of Energy and Climate Change projections—it is likely to go even higher, although we have not used that assumption.

The figures also ignore the fact that oil and gas companies are investing £14 billion in oil and gas activity in the North Sea. Despite that, the OBR's belief—endorsed by the IFS—is that there will somehow be no consequent increase in production in later years, although industry analysts contradict that. I encourage Ms Goldie to look at the financial projections that we set out last week, which addressed directly the question that she raised.

Ms Goldie cites the analysis by the IFS, which is an indictment of the management of this country's public finances by Westminster Governments. It is time that we acquired the powers to deliver a better economic future for the people of our country.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): The cabinet secretary is right to say that opinions differ on such matters, but is it not the case that the vast majority of economists point out that the fiscal situation for an independent Scotland will be more difficult than that for the rest of the UK and that, as I reminded him last week, interest rates will certainly be higher for a considerable period?

John Swinney: Mr Chisholm's first point was about the variety of voices. All the analysis that the OBR, the IFS and the Centre for Public Policy for Regions undertake on such questions is driven by the OBR's analysis—there is no other analysis or detailed research process. Last week, I set out in considerable detail our issues with the OBR's analysis of oil and gas revenues. Last week's analysis showed that Scotland's public finances in 2016, on all key fiscal measures,

"would be similar to, or stronger than, both the UK and the G7 ... industrialised countries".

It is high time that Opposition members recognised that we have opportunities to create a better economic future in Scotland. The question is whether we have the determination and the confidence to acquire those economic powers and start to tackle the issues of inequality and poverty that exist in our society. The Labour Party, the Liberals and the Conservatives are prepared to tolerate those issues for a good deal longer, but we are not.

# **General Practitioners (Rural Practices)**

**4. Dave Thompson (Skye, Lochaber and Badenoch) (SNP):** To ask the Scottish Government whether it will provide an update on the progress of the models for GP practices in rural areas. (S4O-03319)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): The Scottish Government continues to promote a range of initiatives to recruit and support GPs working in remote and rural areas, including work that NHS Highland is leading to develop and test innovative ways of delivering healthcare in rural areas.

Progress has been slower than planned because of on-going difficulties in recruiting GPs to vacant posts. To address those difficulties, a bespoke recruitment exercise is under development and is expected to be in place by the summer.

I assure the Parliament that the Scottish Government recognises the current challenges in remote and rural healthcare delivery and is committed to ensuring that all communities in Scotland have access to high-quality and sustainable healthcare services.

Dave Thompson: The cabinet secretary will be aware that my constituents in the west Lochaber area are concerned about the situation. The model that NHS Highland is driving and which he supports is good, but we must overcome the difficulty in attracting GPs to posts. In the meantime, we are spending an awful lot of money on locum GPs, who are costing the health board a fortune. Will he elaborate a wee bit on the bespoke model that he mentioned?

Alex Neil: I am pleased that one new GP has been appointed. A major recruitment campaign will be launched in the next few weeks, with the support of a marketing expert, to recruit the additional GPs who are needed to staff the model. Of course, the original proposal for the model came from local GPs. In the meantime, we have been fortunate to have some consistent locums who have provided continuity of care. Dr

Gartshore is providing clinical leadership for the locums.

Along with NHS Highland, we are happy to look at any additional work that we can do, such as using telehealth more extensively, to try to overcome the problems in west Lochaber and other remote and rural areas across Scotland.

Dr Richard Simpson (Mid Scotland and Fife) (Lab): The cabinet secretary has, of course, just laid the new pharmacy regulations, which may remove some of the uncertainty, although it is disappointing that there is not a proposal to have joint pharmacy and GP dispensing established. Does he recognise that, although a marketing programme is welcome, he will have a recruiting problem until the uncertainty around current applications for pharmacies for some areas is dealt with? Does he recognise the problems that have been created by existing pharmacy applications in Killin and Drymen and also possibly in Aberfoyle if the appeal against the pharmacy is not successful?

Alex Neil: It is because I have recognised those problems that I have taken action to deal with them. That is why the regulations are now before Parliament. Assuming that they are approved by Parliament, they will be implemented at the earliest possible opportunity.

It is highly regrettable that, in Cumbrae, for example, we have lost a GP dispensary because a pharmacy came in. The cost so far to the health board of recruiting locums for that particular area has been £0.5 million. That money would have been far better spent in investment in other parts of the health service.

I absolutely agree with the analysis and have put in place action to deal with the problem.

Bruce Crawford (Stirling) (SNP): Does the cabinet secretary agree that it is disappointing that, in relation to Drymen in particular, some political parties have put out the message that it would be possible in law to bring in a moratorium before the new regulations came in? That has happened, and it has misled local people. Does he welcome the fact that the health board turned up to a meeting this week at which there were more than 200 people to explain how matters would be taken forward? I was the only MSP who was in attendance.

Alex Neil: Bruce Crawford has made a number of relevant and absolutely true points, with which I agree. One of the great tragedies of recent developments has been the spreading of disinformation. We saw that with the policy on continuing healthcare. Deliberate disinformation has been spread by certain political elements who, quite frankly, should know better.

Tavish Scott (Shetland Islands) (LD): I reinforce Richard Simpson's point and agree with the cabinet secretary's remarks on how important pharmacies are to GP practices. I have the regulations with me. Can the cabinet secretary tell Parliament and, more important, GP practices what practical difference the new regulations will make to ensure that some of the circumstances that members have described and that there have been in my constituency are not repeated in the future?

Alex Neil: The two core impacts that the new regulations will have are that there will be a community voice in the application process—that has been missing to date, and it will be extremely important—and the board will have the power in looking at any particular application to consider the potential consequences for the wider health service, particularly the impact on primary care services in the area.

Currently, the board would not be legally covered by the existing regulations if it took that consideration into account in deciding on an application. It will be able to do that under the new regulations so that, in a Cumbrae-type situation for example, if the consequence of approving the entry of a new pharmacy would be that the local GP service would be lost, that would be justification for the board's refusing the application for the pharmacy.

# NHS Greater Glasgow and Clyde (Meetings)

**5. Paul Martin (Glasgow Provan) (Lab):** To ask the Scottish Government when the Cabinet Secretary for Health and Wellbeing last met NHS Greater Glasgow and Clyde and what matters were discussed. (S4O-03320)

The Cabinet Secretary for Health and Wellbeing (Alex Neil): Ministers and Government officials regularly meet representatives of NHS Greater Glasgow and Clyde to discuss matters of importance to local people.

**Paul Martin:** When the cabinet secretary met that health board, did he discuss the fact that the proportion of Scots aged between 16 and 64 who are overweight or obese increased to 61.9 per cent in 2012? Has he considered the new guidelines from the National Institute for Health and Care Excellence, particularly the recommendation that state-funded slimming classes should be considered as a cost-effective means of dealing with obesity problems?

Alex Neil: I have made it absolutely clear to the public health function in the national health service in Scotland, NHS National Services Scotland and the health boards that we should look at every single way in which we can improve exercise and

diet, particularly in areas of deprivation and poverty.

As we know, whether the condition is cancer, stroke, heart disease or one of a range of other problems, obesity and being overweight through a lack of exercise and the lack of a proper diet are major contributing factors. We are engaged in a range of initiatives across the country, and we propose to engage in many more to encourage people to take much more exercise and to improve their diet, as a prerequisite to improving their health

Jackson Carlaw (West Scotland) (Con): Having met the health board, is the cabinet secretary satisfied that each of the obstacles to which he has recently referred that act as impediments to the introduction of and access to all new medicines have now been overcome?

Alex Neil: We are in constant touch with the board and with others who have expressed concern about the process in Glasgow, such as the Beatson oncologists. I have made it absolutely clear that I expect the Glasgow process to be as robust as the process in every other part of the country. There should be no denial of access in Glasgow to medicines that are available to patients elsewhere in Scotland.

# **Commonwealth Games (Special Reserve Fund)**

6. John Lamont (Ettrick, Roxburgh and Berwickshire) (Con): To ask the Scottish Government what discussions it has had with the Commonwealth games organising committee about the use of the special reserve fund. (S40-03321)

The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison): The games continue to be delivered on time and on budget. The Scottish Government meets the Glasgow 2014 organising committee frequently to discuss a wide range of issues that are relevant to the delivery of a successful games. Those meetings cover financial matters, including how to manage all the elements of the budget, including the special reserve.

John Lamont: Last week, it was reported that the Commonwealth games organisers were preparing to access the special reserve fund to finance alterations to the opening and closing ceremonies. Although we all anticipate an exciting and successful games, the special reserve was, in the words of one Government official, intended to be called on only if a "really unexpected, left-field event" occurred. Access to the fund has to come through the First Minister. Can the cabinet secretary confirm whether the reports are accurate and, if so, how much money will be taken from the special reserve?

**Shona Robison:** The operational contingency and the special reserve form part of the games budget of £575.6 million. The funds in the operational contingency and the special reserve are available to be drawn on to ensure that the games can be delivered successfully and that the experience of spectators is optimised.

The organising committee has notified games partners of potential pressures on the special reserve. At this time, £800,000 from the special reserve of £23.8 million has been notionally committed to meet potential pressures that are associated with venue fit-out, should they materialise. Access to the special reserve requires the approval of the Scottish ministers. That request has been approved, and any further requests for use of the special reserve would similarly have to be approved by the Scottish ministers.

#### Shambellie House

7. Alex Fergusson (Galloway and West Dumfries) (Con): To ask the Scottish Government when it will publish a report on the future of Shambellie house. (S4O-03322)

The Minister for External Affairs and International Development (Humza Yousaf): The Scottish Government has recently received the final report on options for the future use of Shambellie house. We intend to hold a public meeting in New Abbey in July at which we will ask the Prince's Regeneration Trust to present the report. Of course, all members can be involved in that meeting. We intend to publish the report on the Scottish Government website imminently.

Alex Fergusson: I am grateful to the minister for that response, but the fact remains that the report was supposed to be published in November, was postponed until March and, as far as I know, has been ready for publication since then. Nonetheless, the minister's answer is good news.

Matters are made worse by the fact that the grounds of Shambellie house have been completely neglected by the Scottish Government since it took over responsibility for them, and the whole place now has an air of dereliction and decay. I plead with the minister to at least ensure that basic upkeep of the house and grounds is undertaken as a matter of urgency until the further options for the property are determined.

Humza Yousaf: The reason for the slight delay in publishing the report is that we had to go through the options thoroughly, as I know the member will understand. I absolutely give the member an undertaking that we will put arrangements in place immediately to ensure that the grounds are to the standard that we would

expect them to be. I will ensure that I report back to the member on those arrangements as soon as they are in place.

**The Presiding Officer:** I can squeeze in question 8 if the questions and answers are brief.

## **Household Numbers**

8. Gordon MacDonald (Edinburgh Pentlands) (SNP): To ask the Scottish Government how many households there are in Scotland compared with the number of dwellings. (S4O-03323)

The Minister for Housing and Welfare (Margaret Burgess): The latest National Records of Scotland statistical publication on households and dwellings in Scotland estimates that, as of June 2012, there were a total of 2.39 million households in Scotland, where a household is defined as the people living together in a dwelling. That compares to a total of 2.52 million dwellings as at September of the same year. The number of households is fewer than the number of dwellings because some dwellings are vacant or are second homes.

Gordon MacDonald: The report highlights that there are 130,000 more homes than households across Scotland. The largest proportion of that difference was made up of vacant homes. Given that there are housing problems in Edinburgh and that there are 4,300 vacant homes in Edinburgh, what steps is the Government taking to encourage long-term empty properties back into use?

Margaret Burgess: In 2012, we introduced legislation to allow councils to increase council tax charges on certain long-term empty homes. We have also supported the work of the empty homes partnership and provided £4.5 million through an empty homes loans fund. It may also be of interest to note that a number of councils now employ dedicated empty homes officers who work directly with owners of empty homes to bring their properties back into use, particularly for affordable homes.

# **First Minister's Question Time**

12:00

# **Engagements**

**1. Johann Lamont (Glasgow Pollok) (Lab):** To ask the First Minister what engagements he has planned for the rest of the day. (S4F-02144)

The First Minister (Alex Salmond): Later today, I will travel to France, where I will attend a series of events at Bayeux cemetery and Sword beach to mark the 70th anniversary of the D day landings. Those fitting events remind us of the sacrifice of those who died during the biggest amphibious assault in military history and, of course, they remind us of the necessity never to forget the sacrifice that was made by those who fell in conflict.

**Johann Lamont:** I thank the First Minister very much for that information. Our thoughts will be with all those for whom it is a particularly painful day. However, it is a proud opportunity to commemorate an important time in our history.

Last week, we found out that the First Minister does not know what it will cost to set up a separate Scottish state. This week, we found out that he does not know how he will pay for his promises to those in greatest need of welfare. Can the First Minister now reveal what he will tell us next week that he does not know?

The First Minister: We published the framework of an independent Scotland in the white paper described as "Scotland's Future". If Johann Lamont consults chapters 6 and 10 of the white paper, she will see the extensive information that was presented on how we would go about producing a modern democracy in Scotland. Above all, she will see the arguments for why Scotland, as a modern democracy, will be able to build a more prosperous and, above all, a more equal country for all its citizens.

**Johann Lamont:** Most of us, when we looked at the white paper, found that it answered a lot of questions that we were not asking but addressed none of the main questions that really matter.

Last week, my colleague Neil Bibby asked Aileen Campbell a simple question. He asked her what her childcare policy would cost. She answered:

"Independence is the answer.' That is exactly right."—[Official Report, 28 May 2014; col 31494.]

We asked for a figure and we got back nonsense.

Every policy that the First Minister unveils to try to persuade Scotland to vote yes is uncosted. Either he has a plan to reverse the rules of arithmetic or he has no intention of delivering those policies. The Institute for Fiscal Studies has told us that after independence the First Minister will not be able to deliver what we have now, but the uncosted promises still tumble from his lips.

Let me put it another way. When will the First Minister announce a money tree for every garden in Scotland?

The First Minister: I remind Johann Lamont of what we have delivered as far as childcare in Scotland is concerned. We inherited 412.5 hours for three and four-year-olds, which is moving this year to 600 hours. That is a substantial achievement. We will move on provision for two-year-olds in workless households this year and over the next two years, which is a very substantial advance.

I remind the Labour Party that in January it said that that was not enough. Indeed, so desperate was Labour to make that point that it was prepared to sacrifice school meals for primary classes 1 to 3 in the vote in January. Labour said that there was the ability, within the consequentials, to move immediately to 50 per cent coverage for two-year-olds. We now find that those consequentials do not even approach what would have happened if we had followed Johann Lamont's advice.

I think that people who are looking at the considerable advances that have been made by this Government, within the restricted budget and the austerity programme that is coming down from Labour and the Tories at Westminster, will see a track record of substantial success that will give people every confidence that, as we move forward to independence and controlling our finances, we will be able to do even more for the families of Scotland.

**Johann Lamont:** This, of course, is the Scottish Government that decided that it was not in the public interest to know what its childcare policy will cost. That is simply an insult to people who are concerned every day about childcare.

However, let us take the k out of the First Minister's Eckonomics and listen to some real economists. The Institute for Fiscal Studies said this week:

"Scottish government ministers have also not always been as careful as official Scottish government publications when referring to these figures".

It says that Nicola Sturgeon, in particular, is bad with figures. The IFS says that the deficit in an independent Scotland would be £1,000 more for every person in Scotland. [Interruption.]

# The Presiding Officer (Tricia Marwick): Order.

Johann Lamont: That does not stop the First Minister, for he has a referendum to win. So we

have got more childcare and increased welfare. What is next week's offer? Whatever people want, and it will not cost us a coin. Why, when the IFS says that an independent Scotland could not afford what we have now, does the First Minister—[Interruption.]

# The Presiding Officer: Order.

**Johann Lamont:** Why does the First Minister try to dupe the people of Scotland by offering things that he knows he cannot deliver?

The First Minister: I remind the Labour Party that it was Johann Lamont who said that we could not afford the social gains of devolution and set up a cuts commission to examine them. I have not heard from Arthur Midwinter for considerable time, but I am fully expecting that report to emerge and tell us what Johann Lamont wants to do. Will she sacrifice free tuition in Scotland? Will she sacrifice free transport and free personal care for the elderly? The Labour Party has had all the social gains of devolution in its sights. As we remember it, those social gains were part of the something-for-nothing society that Johann Lamont said is not sustainable.

I believe that people seeing the track record and the social democratic gains of devolution will recognise that, in this Government, we have a Government with ambition for Scotland that knows that if we match and marry the natural resources of this country with the talents of our people, we can create a better, more prosperous and more equal society. It is about having confidence in the ability of Scotland to govern its own affairs, like any other nation. It is about stopping talking down the country. It is about getting some sort of recognition from the Labour Party that it could not run Scotland when times were good—who would trust it to run Scotland now?

There needs to be some sort of dawning realisation that, after almost a century of political dominance in Scotland, the Labour Party loses election after election and the reason for that is that it has no ambition for the people and the country of Scotland. [Applause.]

# The Presiding Officer: Order. Order.

**Johann Lamont:** We ask the First Minister a serious question about the cost of his proposals and we are treated to the First Minister's greatest hits of the past two years. It is about time that he was serious about the job that he is supposed to be doing.

If the symbol for the United Kingdom is the pound sign, the symbol for Alex Salmond's separate Scotland is crossed fingers. But the fingers are not crossed in the hope that things might work out well, but in the hope that the

people of Scotland will be daft enough to believe a word that the First Minister says. [Interruption.]

# The Presiding Officer: Order.

Johann Lamont: Most people in the real world know that we need to know what things cost. What have we got? The childcare policy is uncosted, and there has been no attempt to find out what the figures would be. John Swinney doubts that he can afford pensions, but still we get an assertion that they will be better. On welfare, there are big cynical problems for those who are in greatest need, but there is no clue about how to pay for the solutions.

I agree with the First Minister when he says that the people of Scotland are talented, ambitious and bright—[Interruption.]

# The Presiding Officer: Order.

**Johann Lamont:** It is not always in evidence. However, I do believe that people in Scotland are talented, ambitious and bright. Where I disagree with him is on the key quality that his plans rely on: his unerring belief that the people of Scotland are gullible and will believe anything that he says.

The First Minister: Let us agree that the people of Scotland are talented, ambitious and bright. It is just that this side believes that these talented, ambitious and bright people are capable of making a success of running our country.

I do not think that Johann Lamont should have described our proposals for welfare in the way that did. I think, for example, that the recommendation to increase the carers allowance from £61.35 a week to £72.40 a week, which is worth £575 a year to 57,000 individuals in Scotland, is a substantial investment in Scotland's future. The cost of that policy, which is very important, is £32.9 million a year. I believe that we should afford that. Incidentally, Mike Brewer, a research fellow at the Institute for Fiscal Studies, was a member of the expert working group on welfare that produced that policy. commitment and recommendation is an important declaration of faith in the work done by carers in Scotland, which people across this chamber should support and aspire to. Yes, it will cost £32 million but, in my estimation, that is £32 million well spent to help those people.

Johann Lamont should have a care about the company that she keeps. We know that Danny Alexander exaggerated the set-up costs of an independent Scotland by 12 times. We know that because the source, Professor Dunleavy, told us that. We know that Danny Alexander did that and that they have been running from that reality ever since.

I have been looking at what Danny Alexander has been saying about his allies' plans. For example, earlier this year Danny Alexander said:

"Labour's new borrowing bombshell will pile another £166bn of extra borrowing on to the debt mountain left by their catastrophic mismanagement of the UK economy."

All I am saying to Johann Lamont is that she presumably does not believe that Danny Alexander is correct in his assessment of Labour's borrowing bombshell, so why on earth should she believe that he is correct in his assessment of the cost of an independent Scotland? Professor Dunleavy does not believe it; we do not believe it; and, above all, the Scottish people do not believe it.

# Prime Minister (Meetings)

**2. Ruth Davidson (Glasgow) (Con):** To ask the First Minister when he will next meet the Prime Minister. (S4F-02140)

The First Minister (Alex Salmond): No plans, near future.

**Ruth Davidson:** We already know that the impartial and independent Institute for Fiscal Studies—[Interruption.]

The Presiding Officer: Order.

Ruth Davidson: It is impartial and independent when it suits the First Minister. We know that the IFS has concluded that Scotland would have an £8.6 billion black hole in its finances in the first year of independence, but it is not just the IFS—those are similar findings to work that has been done by other impartial and independent bodies such as the Centre for Public Policy for Regions and Citigroup. It is part of a trend. On the one hand are expert groups with sober analysis of the facts and on the other hand is the Scottish National Party with shrill assertions and bully-boy bluster. I ask in all seriousness, why does the First Minister think that all those people are wrong and only he is right?

The First Minister: I have a range of quotations from independent experts who make the point that Scotland is not just a sustainable country in economic terms but a highly prosperous country and, in many cases, more prosperous than the United Kingdom in terms of the potential that we have in the economy and people. Even Standard & Poor's, which is not known for its sunny optimism, in its economic outlook for various countries pointed out that Scotland would qualify for its highest economic assessment, even without North Sea oil and gas.

The characteristic that is common to the assessments that Ruth Davidson quotes is that they are all based on the Office for Budget Responsibility figures. If something is based on

the same figures, of course it comes up with the same conclusion.

The track record of the OBR is such that we should have confidence, when looking at the oil industry in Scotland at present, that our estimates for revenues in 2016-17 are a great deal more reasonable than those of the OBR, since we do not assume a collapse in oil prices to less than \$100 a barrel. We do not assume that the Department of Energy and Climate Change is right either—we do not assume that the price will go up to \$130 a barrel. We assume that it is \$110 a barrel.

We follow the industry estimates for increased investment over the next few years, which will result in a substantial increase in production. That is what Sir Ian Wood pointed out in his recent report, too. The industry estimates—followed, incidentally, by 80 per cent of the companies in the Oil & Gas UK survey recently—are reasonable estimates to follow, unlike the OBR figures, which rely on the Department of Energy and Climate Change when it comes to production but disregard the forecasts when it comes to price.

We have put forward a reasonable perspective, which will give us a grand starting position for an independent Scotland. The policies that we follow will be the policies that grow the economy, increase the welfare and economic health of the country and, above all, bring about a more equal and just society.

Ruth Davidson: I am delighted that the First Minister brought up oil and the issue of reasonable estimates. It is not just independent and impartial experts who take issue with the First Minister but his own advisers. One of those advisers is Professor Andrew Hughes Hallett, who wrote the First Minister's fiscal commission report, who is a key member of the First Minister's Council of Economic Advisers and who was described by the First Minister as

"the most formidable intellectual firepower ever to have tackled Scottish economic underperformance."—[Official Report, 28 June 2007; c 1329.]

We know, then, that the First Minister thinks that he is a big deal.

Professor Hughes Hallett revealed to the Finance Committee just yesterday that the First Minister's oil figure is wrong. Professor Hughes Hallett wrote:

"It would be reasonable to expect North Sea revenues to rise to £4.5-5bn between 2016/20".

Let us just remind ourselves that only last week, after months of stalling, the Scottish Government claimed that that figure would be £7 billion a year. Alex Salmond's own adviser says £5 billion and Alex Salmond says £7 billion. It is a total farce.

The First Minister has wildly overestimated beyond the expectation of any rigorous analysis in order to try to plug the gaping holes in his white paper. Professor Hughes Hallett—the First Minister's own man—says that he is £2 billion out. Is he wrong as well?

The First Minister: The Conservative Party has been predicting the demise of the North Sea oil industry since the 1980s. Professor Hughes Hallett is voting yes in the referendum because he believes that the Scottish economy will be better managed and governed from Scotland. The scenarios pointed out in the papers released last week, based on the price assumption that I have already spelled out, and production and investment in line with industry expectations, are a great deal more robust than the OBR's estimates.

Ruth Davidson wanted independent experts. Well, I have got one or two here. [Interruption.]

# The Presiding Officer: Order.

The First Minister: John Howell, chair in petroleum geology at the University of Aberdeen—presumably someone who knows something about the oil industry and its future production levels—said that

"with upwards of 35 billion barrels equivalent remaining in the North Sea and surrounding waters and an annual production of 600 million, there is at least 40 years of production, with significant yet-to-find resources which may be added."

I merely offer that to Ruth Davidson because Professor Howell's estimate is well in advance of our production estimates, which indicates the caution of the Scottish Government's forecast. We look forward to seeing the results of that for the economy of Scotland—[Interruption.]

**The Presiding Officer:** Order. Can we just settle down?

**The First Minister:** The final difference, which perhaps indicates—

The Presiding Officer: First Minister, can you sit down? Can we please hear the First Minister without the barracking? Everyone needs to be heard in this chamber and I am determined that that will happen.

The First Minister: In the Aberdeen and Grampian Chamber of Commerce survey—a survey of 700 firms in the industry—more companies believe that independence will benefit the industry than believe that it will not benefit the industry. Is that why the industry and the people believe that having those huge quantities of oil and gas in our economy and our waters is an advantage for Scotland, like it is for every other oil-producing country, as opposed to the crushing liability that the Tory Party have told us that it is for the past 40 years?

Neil Findlay (Lothian) (Lab): This week, a large group of women, including several from my region, attended the Public Petitions Committee calling for the suspension of polypropylene mesh implants, which are fitted to treat pelvic prolapse. Given the appalling injuries that those women experienced, will the First Minister instruct the Cabinet Secretary for Health and Wellbeing to issue new guidance that would have the effect of suspending the use of the product until an inquiry is held into its safety?

The First Minister: As Neil Findlay should know, the matter is under serious consideration. We intend to move on it in conjunction with the other health departments across these islands. The Cabinet Secretary for Health and Wellbeing would be more than prepared to meet directly with the women concerned and explain the consideration that is being given to this fundamental and serious issue.

# Policing (Stop and Search)

3. Alison McInnes (North East Scotland) (LD): To ask the First Minister what recent discussions the Scotlish Government has had with Police Scotland regarding the use of stop and search. (S4F-02149)

The First Minister (Alex Salmond): The Scottish Government regularly meets the Police Service of Scotland to discuss a range of issues, including stop and search. The most recent meeting took place on 15 May.

Stop and search is an important tool for the police in the prevention and detection of crime. The Scottish Police Authority's report acknowledges that the tactic makes a contribution towards the reduction of violence and antisocial behaviour. Scotland is a safer place for people to live in since 2006-07, with violent crime down by almost half and crimes of handling offensive weapons down by 60 per cent.

Of course, we welcome the Scottish Police Authority's scrutiny review of stop and search, which was published last week. Police Scotland has established a new national stop and search unit to ensure consistency of approach to that important policing tactic to tackle violent crime and antisocial behaviour.

Alison McInnes: The First Minister has spent the year saying that the policy cuts crime. The Scottish Police Authority says that there is "no robust evidence" that it does so. Reports show that hundreds of children, even some aged under six, have been searched in Scotland. Is it not time for the First Minister to move and change the law? Will he tell me how a child of six can give informed consent to a police search?

The First Minister: Alison McInnes says that there is no argument to support the statement that the policy helps to prevent crime. I disagree fundamentally with her on that. More importantly, some of her former colleagues in the Parliament disagreed fundamentally. Robert Brown, the Liberal Democrat justice spokesperson in the previous session of the Parliament, said on 30 June 2010:

"The single thing which deters people from criminal behaviour is the likelihood of being caught ... The stop-and-searches carried out by Strathclyde Police have been very effective".

That strikes me as a significant voice who understood the importance of stop and search.

The reduction in the carrying and use of weapons has been a major success for the police services of Scotland. Of course, it is right and proper that we review policy and that the Scottish Police Authority does that. However, not to believe that one of the aspects of young people's carrying of weapons was their fear that other people were doing it is to neglect the overwhelming burden of evidence, which is supported by Alison McInnes's former colleague and the vast majority of people who argue for the policy.

On the impact of stop and search and the reduction in the carrying of weapons, perhaps Alison McInnes should listen above all to some of the families of the victims of violent crime, such as Lisa McLean, the sister of Barry McLean, who was killed in a knife attack in May 2011:

"the police get a lot of stick for the number of searches they are carrying out but I am very supportive. If they can stop just one person from carrying a knife then it has been worth it. Barry's death changed my life irreversibly."

At some point in the argument, Alison McInnes might face up to the fact that the victims of crime celebrate the fact that knife carrying in Scotland has been substantially reduced and the fact that our young people do not have the same fear that other people are carrying weapons, which is a substantial advance for justice in Scotland.

Margaret Mitchell (Central Scotland) (Con): The SPA report estimates that, with 15 minutes per stop and search on average, the process takes approximately 250,000 police hours per year. Does the First Minister think that is a proportionate use of police time?

**The First Minister:** I note the Conservative Party's ever-moving aspect on the matter, but I think that the police service is using proportionate methods in implementing the stop and search policy.

Margaret Mitchell, along with Alison McInnes, should consider that the statistics rather speak for themselves. Since 2007, violent crime is down by

almost half and crimes of handling offensive weapons are down by 60 per cent.

When we debated the issue before the 2011 elections, a variety of suggestions were put forward on how to arrive at the position that the police service means to arrive at. Some people suggested mandatory jail sentences: an uncosted commitment that resulted in some confusion from the Labour Party spokesperson and might well have resulted in the jailing of people who were carrying garden implements—[Interruption.]

# The Presiding Officer: Order.

**The First Minister:** I refer the Labour Party to Richard Baker's famous interview during the election campaign.

Stop and search is a proportionate policy that has contributed to the huge and welcome reduction in violent crime and in the carrying of offensive weapons.

# **Expert Working Group on Welfare**

**4. Graeme Dey (Angus South) (SNP):** To ask the First Minister how the Scottish Government will respond to the report of the expert working group on welfare. (S4F-02143)

The First Minister (Alex Salmond): As we announced yesterday, the Government will take forward consider carefully and recommendations of the expert working group. Those include increasing the carers allowance; abolishing the current regime of sanctions; ending the 1 per cent cap on benefits and uprating using the consumer prices index; ending the current work capability assessment; and establishing a national convention on social security. As members know, we have already taken action on abolishing the bedroom tax, and the group's report supports that. The report is progressive and comprehensive and indicates that. independence, Scotland can choose to take its own path on social security, thereby rejecting the negative discourse that dominates Westminster system and taking substantial strides towards building a more equal society that values all our citizens.

Graeme Dey: As we have heard, the report recommends an increase in carers allowance to bring it into line with jobseekers allowance. The Scottish Government has responded fairly to that recommendation, which I am sure will be warmly welcomed by the many Scots who are eligible to receive that benefit. However, does the First Minister agree that the very fact that the report has had to recommend that measure, along with the consideration of a number of other carer-related measures, is a damning indictment of the successive treatment by Westminster Governments of a sector of society to which we all owe so much? Should Labour, the Tories and the Liberal Democrats not be ashamed that an independent Scotland, rather than inheriting a fair welfare system from the UK, will have to create one?

The First Minister: I am trying to reconcile the reactions from members on the Labour side of the chamber to the discussion that we had on carers allowance. The recommendation strikes me as one of the stand-out immediate and welcome recommendations in the report. I cannot see how, when we have recently discussed the iniquity of the bedroom tax and a series of demands for this Government to provide the compensation to mitigate that Westminster measure, we cannot have the same unanimity on—or at least majority support for—addressing the clear inequity towards Scotland's carers.

The report spells out the valuable contribution that carers make to Scottish society. I hope that when a Scottish National Party Government, or any Government of an independent Scotland, introduces the carers allowance proposals—we would require to control social security to do so—they will meet with a massive resounding majority among members in the chamber and, above all, among the Scottish people.

# Vale of Leven Hospital (Inquiry Report)

**5. Jackie Baillie (Dumbarton) (Lab):** To ask the First Minister when the Vale of Leven hospital inquiry will be published. (S4F-02161)

The First Minister (Alex Salmond): As Jackie Baillie will know, the handling of the inquiry is a matter for its chair, Lord MacLean. That is important for a statutory inquiry. It is an independent public inquiry, and it has been carefully examining all the issues in a tragic and serious case. It has taken longer than anyone would have wanted, which will be a source of frustration to many, not least the families who were affected.

Lord MacLean has advised that he is currently considering the responses to the warning letters that were issued by the inquiry, and that he will make any necessary amendments to his report. In keeping with the Inquiries Act 2005, Lord MacLean will advise the Scottish Government when that final process has been concluded and what the timetable is for publishing the report. The Cabinet Secretary for Health and Wellbeing, Alex Neil, will then inform Parliament of the timetable once it has been finalised and provided by Lord MacLean.

**Jackie Baillie:** The First Minister will be aware that the first death from Clostridium difficile at the Vale of Leven hospital was in December 2007. The public inquiry was granted, after lobbying from the families, in April 2009, and it was due to report

in May 2011, three years ago. Now, here we are, with no sign of publication and spiralling costs of almost £10 million, seven years after the families lost loved ones. Will the First Minister agree with me—I hope that he will—that, although we want to retain public inquiries, perhaps it is time to review how they can operate more effectively, not least so that the families can get answers?

The First Minister: I think that there is a very fair point to be made about the length of time taken by a number of public inquiries set up under the Inquiries Act 2005, which I remind Jackie Baillie is a United Kingdom act. However, she will understand that the principle behind that act makes the inquiry chair responsible for the timing and timescale of the inquiry. She will also understand that, in inquiries such as the Vale of Leven inquiry or, indeed, the Penrose inquiry into blood products where there have been casualties and fatalities and people have suffered the deaths of family members, there can be many issues that require a huge amount of scrutiny.

Jackie Baillie will know and accept that the inquiry into the hugely serious issues affecting the Vale of Leven hospital has not prevented serious action from being taken in the Scottish health service to reduce hospital-acquired infection. That has not awaited the inquiry's recommendations. However, the findings and recommendations of the inquiry will be hugely important to the family members concerned.

I agree that we have to find a mechanism beyond the Inquiries Act 2005 for having inquiries that are strenuously pursued and independently checked but which take place within a timescale that can provide resolution and closure to those who are immediately affected and, in many cases, provide recommendations about how we move forward on important public issues.

# **Edinburgh Trams Project (Public Inquiry)**

**6. Marco Biagi (Edinburgh Central) (SNP):** To ask the First Minister whether the Scottish Government plans to order a public inquiry into the handling of the Edinburgh trams project. (S4F-02142)

The First Minister (Alex Salmond): I am sure that everyone in Edinburgh and, indeed, all over Scotland will be delighted to see that the Edinburgh trams are fully operational and carrying passengers. We cannot, however, lose sight of the considerable public concern over the conduct of the project and the disruption that it has caused to households and businesses in Edinburgh. I have therefore recommended to the Cabinet—and it has been decided—that a judge-led public inquiry be established into the Edinburgh trams project to establish why the project incurred significant overruns in terms of cost and timing requiring, in

particular, a considerable reduction in the original scope. It is important that lessons are learned from the conduct of the Edinburgh trams project, and I think that the course of action that we are proposing will be of substantial assistance in doing that.

Marco Biagi: I welcome the First Minister's decision and announcement. All of us who opposed the tram project from the start as risky and overengineered have been disappointed almost daily to be shown to be right. However, does he agree that now that the trams are indeed rolling, if there is to be any public faith in the future management of, or potential cost estimates for, projects like this, we need to know for sure that those mistakes will never be repeated?

The First Minister: I welcome Marco Biagi's welcome for the public inquiry. We have taken the decision that it will be a non-statutory inquiry, and that is for two reasons. The first is to do with timescales, which we just discussed for the previous question. Secondly, the Minister for Transport and Veterans has been assured by the City of Edinburgh Council of its full co-operation and full documentation of all aspects of the long process of the trams project. That gives us the opportunity to have a judge-led inquiry that will give us a proper examination and a public account of what has happened to the trams project.

Although it is particularly important for any projects like the trams project that are considered in the future that lessons are learned, it is simply not the case that other major public projects in Scotland are running over time and over budget. The Forth replacement crossing, for example, which is the biggest infrastructure project in Scotland for a generation, is being built on time and under budget. A total of £145 million-worth of savings has been released from the Forth replacement crossing project since construction started in 2011, and it is also the case that the M74 completion, the Dunragit bypass, the Symington and Bogend Toll scheme and huge numbers of other public investments in Scotland are being completed on time and, in many cases, under budget.

It is therefore important that we have an inquiry to see how the Edinburgh trams project went astray. I know that the whole chamber will await with great interest the findings of that inquiry.

The Presiding Officer: That ends First Minister's questions. Members who are leaving the chamber should do so quickly and quietly.

# Aberdeen's Engagement Strategy with Japan

The Deputy Presiding Officer (Elaine Smith): Order. Parliament is still in session. I ask guests who are leaving the gallery to do so quietly, please.

The next item of business is a members' business debate on motion S4M-10003, in the name of Alex Johnstone, on Aberdeen's engagement strategy with Japan.

Motion debated,

That the Parliament welcomes the decision by Aberdeen City Council to have a formal wide-ranging engagement strategy between Aberdeen and Japan, which will include trade, culture, education and sport; notes that historical links between the city and Japan stretch back to the 19th century; understands that there has been substantial investment by Japan into the development of renewable energy technology, which holds parallels with Aberdeen as the energy capital of Europe, and wishes Aberdeen every success in establishing the strategy which, it believes, will promote greater friendship and understanding between the people of Scotland and Japan.

## 12:36

Alex Johnstone (North East Scotland) (Con): It gives me great pleasure to bring this debate to the Scottish Parliament this afternoon. I welcome the consul general of Japan, Mr Hajime Kitaoka, who has come to observe proceedings from the Presiding Officer's gallery. [Applause.]

Recently, Councillor Ross Thomson Aberdeen City Council moved a motion to pursue a formal engagement strategy between the city of Aberdeen and Japan, which I am pleased to say was passed unanimously by the council. It comes at a time of huge interest in Scotland from Japan, as is demonstrated by the amount of contact that my office has from Japanese organisations, and by the substantial coverage of the referendum by Japanese media. Only last week, I and other MSPs were interviewed on our views on the referendum by the Hokkaido Shimbun, a Japanese newspaper that enjoys a circulation of some 2 million copies.

This welcome initiative by Aberdeen City Council is the latest step in a long and fascinating relationship between the city and Japan, which dates back to the 19th century, when Japan began to emerge from a period of strict foreign relations policies known as sakoku, to take her place as an industrialised nation on the world stage.

Thomas Blake Glover, who hailed from the north-east of Scotland, and whose name has been instantly recognised by every Japanese person I have met, played a pivotal role. Among his many achievements in Japan was his supplying the

country with its first modern ships, which were built in Aberdeen. He imported into Japan its first dry dock, which was also constructed in Aberdeen and shipped to Nagasaki. Ultimately, that dry dock would play a crucial role in the development of Mitsubishi.

Thomas Blake Glover also assisted in a plan to smuggle five young samurai out of Japan to be educated in the west. Those young men, who are now famously known as the Choshu five, would all at some point stay in Aberdeen. On returning to their native country, they would play pivotal roles in the development of modern Japan.

More recently, Aberdeen signed a citizens friendship city affiliation with Nagasaki, and the city council has joined the cross-party group on Japan, which meets here in the Scottish Parliament. Other initiatives include Aberdeen Asset Management's Thomas Blake Glover scholarship.

One Aberdeen resident, Mr Ronnie Watt, has been honoured by the Emperor and Government of Japan with the order of the rising sun. Each year, Mr Watt's organisation presents recipients who have served or excelled in their relevant field with either a Scottish samurai award or a shogun award.

Against the backdrop of the extraordinary history between Aberdeen and Japan-especially the city of Nagasaki—the modern arguments for Aberdeen to pursue an ever-closer and mutually beneficial relationship with Japan overwhelming. Across the United Kingdom, there are 921 Japanese companies, with 140,000 employees, and 65 of those companies operate in Scotland and employ some 5,000 people directly. Many members will be surprised to learn that within Asia, Japan has the highest number of business links with the UK. In 2012, Japanese companies invested £33.4 billion in the UK, placing us second only to the Netherlands in the European Union. Japan's investment flow to the UK was up by about 15 per cent in 2013, which exceeded Japan's investment flow to China.

However, this is not a one-way street. Many opportunities exist for Scottish and UK companies to export to Japan. To give just one example, just between January and June 2013, some £45 million-worth of food and non-alcoholic drinks were exported from the UK to Japan. I believe that the desire to deliver the strategy has come at just the right time.

The Japanese programme for growth, often called Abenomics, has shown results. In Japan, real gross domestic product is up, average earnings are up and unemployment is down, and an estimated 1.9 million high-net-worth individuals live in Japan.

Aberdeen is well placed to deliver a high-quality experience to Japanese visitors. In a survey by VisitBritain, three of the top sought-after activities in Britain were positioned here in Scotland, with a whisky tour of a Scottish distillery coming eighth in a list of 20. Members may be interested to know that a picture of a Scottish castle came second in a list of iconic images for Japanese people, easily beating other images such as the London Eye. I sincerely hope that the strategy results in a greater number of visitors arriving from Japan to share our rich culture and history. I know that they will certainly be warmly welcomed in Aberdeen.

A key strength of the proposed strategy is Aberdeen's ability to capitalise on its role as the energy capital of Europe and to forge new and exciting partnerships that will build on our existing strong relationship. Aberdeen stands ready to bring its decades of experience in offshore energy to working closely with Japan in exploiting her own energy resources. Perhaps even more important is that both Scotland and Japan are working tirelessly to increase the amount of energy that is harnessed from renewable sources such as offshore wind and photovoltaics. Once again, Aberdeen has much to offer; there is huge potential for co-operation in research and development, trade, and, of course, in reducing the carbon emissions, which we all seek.

Vital though it is, Aberdeen City Council's proposed strategy is about so much more than trade. It offers the opportunity for greater engagement, co-operation and understanding on many levels. It also seeks to deliver closer ties through education, and with two world-class universities Aberdeen is ideally placed for academic collaboration. I sincerely hope that local schools will also be able to play a role, perhaps by linking with their counterparts in Japan.

Turning to sport, I was delighted to play a part in encouraging the Japanese cricket team to visit Scotland last year. The tour was hugely successful, and I am assured that the team, having received such a warm welcome in Scotland, are very keen to return. I am also aware that the Scottish players thoroughly enjoyed meeting their Japanese counterparts socially, and I hope that that success can be replicated across other sports, which will set the example to promote friendship and understanding between Scots and Japanese.

**The Deputy Presiding Officer:** Mr Johnstone, please conclude.

Alex Johnstone: I and many people in Japan whole-heartedly welcome Aberdeen City Council's proposal to formalise its engagement with the country. That engagement promises a host of exciting opportunities that can bring only great benefit to both sides, and I very much look forward

to seeing that engagement developing and, ultimately, playing a hugely important role in promoting great friendship and understanding between not just Aberdeen and Japan but Scotland and Japan.

I will conclude by saying this: Gichou, arigato gozaimasu.

#### 12:45

Mark McDonald (Aberdeen Donside) (SNP): I congratulate Alex Johnstone on securing the debate. For those of us in the chamber who only ever hear about the times when the folk on Aberdeen City Council disagree with each other—and, occasionally, with us—it has been good to see this approach being taken unanimously by political parties.

As Alex Johnstone pointed out, there is a long relationship between Japan and Scotland-in particular, with the city of Aberdeen and the northeast—so it is only right that we seek modern links to build on those historical ties. Mr Johnstone mentioned Aberdeen Asset Management's Thomas Blake Glover scholarship, which provides a £5,000 grant for an individual to travel to Japan for intensive study of the Japanese language at the International Christian University summer programme. The winning student studies all aspects of Japanese language and culture, from Japanese writing systems through to the traditional Japanese tea ceremony, and the scholarship itself builds on the fact that Aberdeen Asset Management has had business based in Japan since 2006.

We should also look at the cultural opportunities and links that exist. In September 2011, the Scottish samurai festival was held at the Bridge of Don, which is where Thomas Blake Glover lived before he moved to Nagasaki. If my colleague Stewart Stevenson had been here, he would have been reminding us all that Glover was, in fact, born in Fraserburgh in his constituency; however, as Mr Stevenson is not present, I will talk about my own constituency, if that is all right.

The Scottish samurai festival was sponsored by Mitsubishi and a range of local and national organisations and companies, including Aberdeen City Council, the Mains of Scotstown Inn at the Bridge of Don and Scottish Development International. The event, which celebrated the links between the Bridge of Don community, the city of Aberdeen and Japan, included a fantastic parade on which the social enterprise Theatre Modo worked with classes from Oldmachar academy, Bridge of Don academy and youth and community groups and gave them lessons in stilt walking, samurai swordsmanship and fire breathing. There are some fantastic pictures on

the Oldmachar academy website of pupils testing out fire-breathing equipment—with, of course, the proviso that this is not to be tried at home.

As Alex Johnstone made clear, those cultural and sporting links continue. On Sunday 8 June—this Sunday coming—Aberdeen will host Japan day 2014 and the 10th anniversary of the kendo thistle cup, and a free admission event at the International School of Aberdeen will offer visitors the chance to practise calligraphy, play traditional Japanese games, learn about bonsai, try on a kimono, learn about the art of Japanese flower arranging, watch traditional Japanese food being made and sample it, and participate in the aforementioned tea ceremony. If folk can make it along to Sunday's event, they will find it worth their while.

Alex Johnstone also mentioned trade and energy links, which are very important. A lot of work has been going on in that regard; for example, John Swinney visited Japan in 2012 and returned a year later to meet renewables, life sciences, textiles and food and drink businesses in Kyoto and Tokyo. Moreover, I note that Mitsubishi invested more than £100 million in Scottish renewables in 2010, and Fergus Ewing helped to open the company's research and development facility in Livingston.

A range of links already exists, and any formalisation of such links is to be welcomed. I am sure that the minister will be paying close attention to the strategy and will be looking at how some of its themes might be replicated at national level in links between the Scottish Government and Japan.

I am pleased to have contributed to the debate and to have shed a little light on some of these links. I sometimes think that we do not make enough of the links that exist between not only Scotland and Japan but Aberdeen and Japan. More power to the arm of those who are seeking to do so now.

## 12:49

Lewis Macdonald (North East Scotland) (Lab): I, too, congratulate Aberdeen City Council and its partners in Japan on their ever-closer engagement, and I congratulate Alex Johnstone on bringing the issue for debate today. As he said, Thomas Blake Glover symbolises the enterprising spirit of north-east Scotland, in Glover's time and in ours. The Nagasaki shipyard, which Glover founded, and Mitsubishi, with which he worked for its first 40 years, symbolise Japan's success in adopting and taking forward modern technologies, then and now.

It is to the credit of Aberdeen City Council and Mitsubishi that Glover's home in Aberdeen is to be

upgraded and promoted for visitors from Scotland and Japan, so that everyone who has an interest in the story of the Scottish samurai can see for themselves the place where he grew up. That will certainly be money well spent. Visitors from Scotland will no doubt also enjoy visiting Glover's mansion in Tokyo, which is said to be the inspiration for "Madama Butterfly", and many will also enjoy the product of the Kirin Brewery Company, which he also helped to found.

History, culture and tourism all offer common ground. However, as has been said, there are also links between our industrial economies, which are of great importance to Aberdeen and Japan. Offshore oil and gas have made Aberdeen home to people from across the globe, and one of the two major centres of the global oil and gas industry. The European offshore wind deployment centre in Aberdeen bay offers the prospect of putting the city at the centre of offshore renewables, too. I am delighted that Aberdeen is planning to stage its own renewable energy exhibition and conference in future years.

Japan, with its traditions of industrial innovation going back to the time of Thomas Glover, is one of the leading lights in developing new technologies for the oil and gas industry and for the renewable energy industry, making it a natural fit for trade and co-operation with the energy capital of Europe. Aberdeen City Council leaders have already visited Japan this year to showcase the best that the city has to offer, and to meet potential partners to discuss, among other things, the opportunities for co-operation in development of hydrogen technology.

Councillor Barney Crockett, the convener of enterprise, planning and infrastructure, and the then leader of the Aberdeen City Council, met with Mr Akio Fukui, who has been a key leader in the Mitsubishi corporation and has had an absolutely pivotal role in building up the relationship between Aberdeen and Japan in recent years. Mr Fukui is a global Scot and works closely with UK Trade and Investment in promoting links between our countries. I pay tribute to his engagement with Aberdeen and to the role that has been played by Barney Crockett in promoting Aberdeen as a city that is keen to do business in Japan and elsewhere around the world.

Aberdeen's global vision is broad indeed. In the past two years, city councillors have agreed a trade link with South Korea, based on renewable energy technology and marine engineering, and key business people from China have also been welcomed to the city in recent months. The growing role of oil companies from those countries in the North Sea is well known.

It is right that Scotland's city regions should develop their own strategies in that way, and

should work to their individual strengths rather than simply follow a one-size-fits-all national strategy.

Aberdeen has led the way on a cross-party basis, and I am delighted that representatives of all the groups that are involved in the current administration of the city are in the gallery today. I congratulate them and all who are involved with the efforts to increase Aberdeen's global reach, and I commend the city's innovative engagement with Japan as an example for the rest of Scotland to follow.

#### 12:53

Cameron Buchanan (Lothian) (Con): I add my congratulations to Aberdeen City Council on its formal engagement strategy, and I congratulate Kitaoka-san on coming here today.

My experience is not particularly with the northeast or Aberdeen, but I have led two trade missions to Japan in my former roles with the Scottish Council for Development and Industry and the UK Fashion and Textile Corporation. The first trade mission that I led involved a lot of people from Aberdeen, including representatives of the textile company, Crombie, which is, sadly, not there any longer.

I have known Japan very well for a long time and have visited it about 15 times. I have always been impressed by the way that the Japanese do business, the safety of their country and their great humour. I can give the chamber a particular illustration of their great humour.

I led a trade mission that was staying at the Hilton hotel in Osaka. Next door to me were people from a company selling golf clubs. They had a special golf club that made a noise when it was swung correctly—if it was not swung correctly, it made no noise at all.

The fellow next to me, who was actually Anglo-Japanese, ratcheted the thing up to number 4. I could not get the blooming thing to work at all, and I gave it an almighty swing. It left my hands and went up and hit the chandelier, smashing it, before coming down again. The Japanese then walked around carrying umbrellas and, when I was presented with a bill for the chandelier, they said, "Mr Buchanan, for your hole in one." The Japanese have a lot of humour.

They talk about Scottish castles and many have had their wedding in Eilean Donan castle. They have a traditional Japanese wedding in Japan and then they come over to Scotland—they love dressing up in kilts—and have another wedding; I have been to one of them.

I also feel that their education is superb. When I was in the textile industry, I tried to get a number

of exchanges going, with Japanese people coming to work here. They would come over to our warehouse—I could not really call it a factory. Their way of working is very different. They never leave until the boss has left.

The Deputy Presiding Officer: Mr Buchanan, the motion is very tightly written—it is all about Aberdeen's engagement with Japan. I would be grateful if you could make some mention of Aberdeen's engagement with Japan.

**Cameron Buchanan:** Well, I said that I took people from the north-east on one of the trade missions that I went on. However, I will now cease my wanderings and close.

12:56

Richard Baker (North East Scotland) (Lab): I, too, congratulate Alex Johnstone on securing today's debate, and I also acknowledge his commitment to the wider links between Japan and Scotland through his convenership of the crossparty group on Japan. I will focus my remarks on Aberdeen's link with Japan, although we all enjoyed Mr Buchanan's speech.

Mr Johnstone is quite right to bring to our attention the importance of the historic link between Aberdeen and Japan that Thomas Blake Glover contributed to through the development of Japanese industry, as part of which he played a role in the development of the important firm of Mitsubishi. Of course, Thomas Blake Glover's contribution to commerce in Japan went far broader than that. As Lewis Macdonald said, he helped to found the Japan Brewery Company, which became the major Kirin Brewery Company, which distributes its products around the world, including to Aberdeen. He also promoted the mining and rail industries in Japan. He engaged in enterprise in a range of fields.

Therefore, it is right that Thomas Blake Glover's achievements should be properly recognised in this country, including through Glover house in Aberdeen, as they undoubtedly are in Japan, where I understand that Glover garden house in Nagasaki attracts 2 million visitors every year. People in Aberdeen should be aware and proud of his achievements, which should inspire more of our people to achieve great things around the world. I hope that Glover would be proud that, in his native city, that pioneering, achieving spirit is alive and well. Aberdeen is a truly globally connected city and the energy hub of Europe. That means that people from around the world come to Aberdeen, while skilled workers from the city travel the globe, particularly in the energy industry.

I am very pleased that the contribution of Thomas Blake Glover and the importance of Aberdeen's links with Japan have been recognised by Aberdeen City Council in its development of the Japan engagement strategy. Our city is the energy hub of Europe and our local authority has ensured that we capitalise on that strong position by encouraging more international companies—including companies from Japan—to bring their business to Aberdeen. Lewis Macdonald rightly mentioned the contribution that Barney Crockett has made to that important work. It is good that we are joined for today's debate by Councillor Ross Thomson, John Reynolds, who is the deputy provost, and Councillor Willie Young. That shows the council's commitment to the important issues that we are debating.

The council's delegation to Japan has been important in renewing and strengthening the links between Aberdeen and Japan. As Alex Johnstone pointed out, those links are not simply about marking the significance of the historical relationship; they are about building stronger links in the future, too. Fittingly, given Glover's multifaceted approach to his life in industry, there are a range of activities in which it is natural for institutions and businesses in Aberdeen to work more closely with their Japanese counterparts. I am referring to renewables, food and drink—which includes our successful whisky industry-golf tourism and, of course, the work of our universities. I know that the University of Aberdeen and academic institutions in Japan have already collaborated on research.

I hope that the new engagement strategy between Aberdeen and Japan will succeed, will be beneficial to both parties and will stimulate investment, research and jobs in Aberdeen and Japan. That will be a fitting legacy for the immense contribution of Thomas Blake Glover and will be supported not only across the chamber and across the council chamber but in Japan and in our great city of Aberdeen.

# 13:00

The Minister for External Affairs and International Development (Humza Yousaf): I am delighted to welcome the debate and I thank Alex Johnstone for securing it. I welcome his excellency, the consul general, to whom I say yokoso. It would be remiss of me not to mention the fantastic work by and the interaction that I had with his predecessor, Consul General Tarahara, who was a great asset to Japan and Scotland. Many of us who interacted with him were serenaded by him. He was equally good at creating links between Scotland and Japan.

Members from across the chamber have made great speeches. I was looking forward to the debate, because I knew that I would hear interesting facts about the links between Aberdeen and Japan. Mark McDonald, Alex Johnstone and

others spoke about things that I did not know about. Those show the depth and strength of the connection over the years, which we sometimes take for granted. Perhaps the Government, as well as Aberdeen City Council, should be doing a lot more.

I am delighted to welcome the wider engagement strategy that the council is to pursue. It is important that it does that. My advice to the council, if it is worth anything, is that it is worth targeting geographies and sectors, just as the Scottish Government does. Aberdeen could connect with many sectors in Japan; members have mentioned the energy sector, which is a great place to start.

In 2011, we celebrated the 20th anniversary of the opening of the Japanese consulate in Scotland—it is one of the oldest consulates here. It is an important commitment by the Japanese Government that reflects the importance that successive Japanese Governments have given to the links between Scotland and Japan. We welcome that and we are committed to working with the consulate and its staff.

As we have heard, Japan is the world's third-largest economy and we have long recognised its importance as an investor. Scottish Development International, which is our public agency that deals with trade and investment, has had an office in Tokyo since the mid-1980s. SDI continues not only to actively encourage Scottish companies to explore the opportunities in the Japanese market but to promote investment in the other direction.

On that note, there are 65 Japanese companies in Scotland, which employ almost 5,000 people. Many of those companies are in the north-east and in Aberdeen. The benefits of those north-east companies are felt in Aberdeen.

Scotland's first Japanese investor, Terasaki Electric, established operations more than 40 years ago, and the headquarters of its European and African operations are now in Clydebank. Others celebrated their 40th anniversary in June last year. More recently, new investment activity from Japan has created 21 new jobs and safeguarded 74.

Scottish Government ministers continue to engage with Japan. Ministers' presence in a country can often help to show Scotland's commitment to it. In 2012, the Cabinet Secretary for Rural Affairs and the Environment, Richard Lochhead, visited Japan with a delegation of some 20 Scottish food and drink companies for an inmarket workshop. They included companies from north-east Scotland.

In the first nine months of 2013, food exports from Scotland to Japan were worth £15.1 million, which is up 2 per cent on the first nine months of

the previous year. As well as energy, which has been focused on, Aberdeen and the north-east have other assets. The food and drink sector, which Alex Johnstone was right to mention, is certainly one of them.

Richard Lochhead's visit was followed up in May last year by a visit from the Cabinet Secretary for Finance, Employment and Sustainable Growth, John Swinney, to build on previous engagement.

The number of Scottish companies that have a presence in Japan is increasing. They include the Royal Bank of Scotland, Aberdeen Asset Management, Wood Mackenzie and Johnstons of Elgin. The north-east and Aberdeen are well represented.

The Scottish Government values our connections with Japan above and beyond our trade and investment connections. Many members have mentioned important educational links, particularly with Aberdeen. The University of Aberdeen and Robert Gordon University have a number of links with Japanese institutions. Richard Baker quite rightly mentioned direct exchange and research programmes. The University of Aberdeen and the rotary club of Aberdeen Balgownie sponsor the annual Thomas Blake Glover scholarship, which gives students an excellent opportunity to undertake a three-week study visit in Nagasaki.

We have 205 Japanese students in higher education institutions in Scotland, and it is fair to say that they make a fantastic contribution. I studied with one of those international students when I was at the University of Glasgow. Those students were certainly the last to leave the library, and they certainly did not mess around in it as much as students such as myself did. Alex Johnstone, Lewis Macdonald and other members mentioned the hard-work ethic in factories and other places. That is replicated by Japanese students.

One of the first engagements that I had as the minister was to mark the 30th anniversary of the Scotland Japanese school in Livingston. As a child, I went to an Urdu school, which was not too different from that school. People learn a bit of the culture and a bit of the language, and they get to socialise. What is even more impressive about the Scotland Japanese school is that it provides a lot of confidence to the Japanese investor community in Scotland. I met a number of individuals from a variety of Japanese companies who said that one of the main reasons for their moving to Scotland was that a whole ecosystem had been built. There was a school for their children that was specifically for their language and culture. They saw that as extraordinarily important.

Cultural links are also very important to us. Many of us will know about the Victoria and Albert museum that is being built in Dundee, which was, of course, designed by the Japanese architect Kengo Kuma. There are tours, cultural links and performance exchanges, which we are delighted to continue to support.

Many members have mentioned the sporting links, including the cricket match. I do not think that many people would have known about Japan's liking for the sport of cricket. Equally, perhaps not many people know about Scotland's liking for the game. I remember the debate that took place. The tour that Alex Johnstone mentioned supported Cricket for Smiles Aid, which was set up after the Japanese earthquake in 2011 to help children in the affected areas. Those sporting links also have a great outcome.

I will skip over the football, because the last time Japan played Scotland, the score was 2-0 to the Japanese. I was quite happy, because Nakamura—from my home club, Celtic—put in a good performance. However, we will gloss over that.

In conclusion, the Scottish Government absolutely continues to support and build on the links with Japan. We are equally delighted that our councils are taking the initiative. I congratulate Aberdeen and all those who are involved in the strategy, and wish the wider engagement strategy every success.

The Deputy Presiding Officer: Before I suspend Parliament, I remind members for the record that, under rule 7.2.3 of the standing orders, contributions must be relevant to the motion. That includes responses by ministers. Members' business debate motions are quite often very specific, as today's motion is. In the circumstances, I am entitled under the rules to stop members, but as members may realise, I always prefer to remind them simply to come back to the topic.

13:09

Meeting suspended.

14:30

On resuming-

# Improving Entrepreneurship among Women and Young People

The Deputy Presiding Officer (John Scott): Good afternoon, everyone. The first item of business this afternoon is a debate on motion S4M-10214, in the name of Angela Constance, on improving entrepreneurship among women and young people.

Cabinet secretary, you have 14 minutes or thereby.

The Cabinet Secretary for Training, Youth **Employment** Women's (Angela Constance): I am very pleased to open this debate on promoting entrepreneurship among women and young people. If we are to achieve our potential as a nation, it is important that we give as many people as possible the opportunity to fulfil potential as individuals. Through entrepreneurship, people have the opportunity not just to create jobs for themselves, but to create jobs and exciting opportunities for others, thereby contributing to our goal of sustainable economic growth.

Last November, the Scottish Government published "Scotland CAN DO: Becoming a World-leading Entrepreneurial and Innovative Nation", which is our national statement of intent to become a world-leading entrepreneurial and innovative nation. A key aspect of "Scotland CAN DO" is its focus on helping those who are less represented in the world of entrepreneurship and enterprise. We want everyone in Scotland to be in a position to realise their full potential in this field.

In particular, it is recognised that women and young people could benefit from further assistance and support, not only because they are less represented, which is not right, but because of their huge economic potential. It has been estimated that, if women's participation in enterprise matched men's, it could boost our economy by about 5 per cent. For the sake of all our futures, that kind of bonus simply cannot be ignored.

I am sure that colleagues will welcome the fact that "Scotland CAN DO" is backed by £3 million of financial support this year alone. At the same time, we are clear that neither money nor desire is enough to achieve the lasting cultural change that is also required.

"Scotland CAN DO" is clear about the importance of collaboration across the public,

private and third sectors. Furthermore, we wish to promote a values-led entrepreneurship, in which the goal of economic growth goes hand in hand with the goal of forging a better society. I believe that only in that way can we be sure of reaping the full benefits of entrepreneurship for our nation.

It is clear that the journey of developing an entrepreneurial mindset and behaviours must begin in our schools. Enterprise education is not so much about teaching enterprise as it is about being enterprising in our whole approach to learning and life. It is important that our young people have the opportunity to experience and develop an understanding of the nature of business, for example through high-quality work placements.

It is evident that a lot of great activity already goes on in our schools, either independently or with the help of organisations such as Young Enterprise Scotland, Micro-Tyco, the Bad Idea Organisation and the Social Enterprise Academy. That activity has been encouraged by the likes of Sir Tom Hunter. In his support for Micro-Tyco, he has recognised the importance of embedding entrepreneurial attitudes from an early age.

Some of the stories of pupils' entrepreneurial endeavours are really inspiring. However, there are many demands on teachers' time, so we need to make it as easy as possible for school staff to take up the baton of enterprise education and run with it. Therefore, and as is outlined in "Scotland CAN DO", we want to develop a resource for schools that will make it easier for them to identify and draw on the range of support that exists. That way, even more school pupils will get an understanding of what entrepreneurship means for them.

In building on that platform, we are also keen to help our colleges and universities to develop stronger focus and expertise, particularly in drawing out their students' entrepreneurial talents. The young innovators challenge, which we have supported in recent years, aims to do just that. The challenge is run by the Scottish Institute for Enterprise and is all about guiding students through the process of developing a business idea and building it towards an actual solution. The focus of this year's challenge is social innovation. Scotland's students have been invited to submit ideas on things such as healthcare and green energy. The challenge is a very good example of the diversity of entrepreneurship and its relevance to everyday life.

Meanwhile, we are proud to support the roll-out of the bridge 2 business initiative, which aims to inspire and support college students and to connect them to business. It follows a very successful pilot at the City of Glasgow College, in which more than 400 students took part.

In addition to the education system, we can be proud of what is developing into a rich support network for budding young entrepreneurs. We have heard of the excellent on-going work of the Prince's Trust, which offers grants and loans to ambitious young entrepreneurs through the Prince's Trust Youth Business Scotland. We also have We Are The Future, which last year ran the largest entrepreneurship event for young people in Britain and which this year is taking some of Scotland's brightest young entrepreneurs to San Francisco for their first international start-up summit. In a similar vein, we are supporting Power of Youth to run a series of residential events, this year and next, that will support the development of young entrepreneurs with international scope.

We can see that young people have options to explore entrepreneurship. The key thing, as far as I am concerned, is to make sure that all our young people are aware of those opportunities and have the confidence to take advantage of them.

Female entrepreneurship is an equally high priority for this Government. It is not only a question of diversity or inclusion, crucial though those are; it is also a simple economic imperative. As I mentioned earlier, if women's participation in business matched that of men, it could boost the economy by 5 per cent. That equates to about £7.6 billion, which is a not-insignificant amount by anyone's reckoning. It could also create around 35,000 jobs, which is why I was pleased recently to attend the launch of the new "Women in Enterprise" action framework, not far from here at Cranachan & Crowdie, just up the High Street.

Jenny Marra (North East Scotland) (Lab): On the very important point about women in business, does the cabinet secretary agree that any policy to encourage enterprise—for females or anyone—has to be traced back into the available skills and training? Looking to Labour's amendment, does she agree that the lack of both part-time and full-time college places for women, including returning women, is a severe impediment to their picking up the qualifications and skills that will spur them on into enterprise?

Angela Constance: I am glad that Ms Marra could turn up to this afternoon's debate. Once again, we are revisiting some well-rehearsed arguments about college reform. As Ms Marra well knows, the difficulty with head count as she measures it is that it treats courses that last a few hours the same as it treats higher national diploma courses. With the important college reform, we are trying to ensure that through regionalisation there is a much more localised response to skills needs.

**Jenny Marra:** Will the cabinet secretary give way?

**Angela Constance:** No, thank you. I am still answering Ms Marra's question.

The move towards full-time courses with recognised qualifications has been to the benefit of young men and women and has had very positive outcomes. More full-time students are studying for recognised qualifications—the figure is up by 2,000—and the number of higher national certificate achievements is up by 36 per cent.

**Kezia Dugdale (Lothian) (Lab):** Will the cabinet secretary give way?

# Angela Constance: No.

I must point out that part-time courses and, indeed, older learners are not being excluded as a result of that. If people are serious about women taking their rightful place in the economy, we must ensure that women from all backgrounds can access the provision that will get them into work, self-employment or other well-paid career opportunities.

As I was saying, I had the great opportunity of meeting the female proprietors of Cranachan & Crowdie when the "Women in Enterprise" action framework was launched, and it was great to see that some of the stock and produce in the shop came from female winners of the Scottish EDGE—encouraging dynamic growth entrepreneurs—competition. At this point, I should note that 46 per cent of the Scottish EDGE winners were women.

The action framework that we launched sets out a range of actions to help and encourage more women to set up and succeed in businesses. This is a very exciting piece of work that I have been involved with and which the Scottish Government has been pleased to support right from the start. Indeed, we have supported Women's Enterprise Scotland in leading on this important work with no less than £70,000 over two years, which has among other things helped with the development of an exciting new network of female role models and mentors.

At the event, I had the great pleasure of meeting some of those ambassadors, who hail from a range of backgrounds, business sectors and locations. The fact that they have all undertaken their own unique journey to get to where they are now makes them extremely well equipped to connect and engage with a wide audience that might range from schoolgirls to experienced female businesswomen. The key thing is to encourage more and more women to see themselves as entrepreneurs and to be ambitious in what they set out to achieve.

It is well known that women can and do face different and additional challenges and barriers, particularly when they have to balance the demands of family and caring responsibilities. In my view, that makes women potentially more equipped to be successful in the world of business, but we must make a concerted effort to bring those barriers down.

I believe that the framework in "Scotland CAN DO" and the "Women in Enterprise" framework set out a direction of travel that could help us to change radically our economic fortunes and the way our society functions. The new economy requires new ideas, not to mention ideals, and women and young people can play a very significant role not only in promoting those new ideas and ideals but in growing our economy.

Before I move the motion, I intimate that I will not support Labour's amendment, because it misrepresents the nature and ambition of college reform and is an attempt to take the debate backward, not forward. I will, however, support the amendment, because and spokesperson from the Convention of Scottish Local Authorities are on record as welcoming final publication of the Wood report-both of us have described the Wood report as "a landmark"—and I will be working very closely with COSLA on plans to implement it. In fact, on 17 June, I will be reporting back to Parliament on the issue in the form of a ministerial statement.

## I move,

That the Parliament recognises the positive impact of entrepreneurial activity by women and young people on the Scottish economy; affirms its commitment to working with public, private and third sector partners to make Scotland a world-leading entrepreneurial nation by ensuring that all of Scotland's people are better able to participate in entrepreneurial activity, and welcomes the work undertaken as part of Scotland CAN DO and Women in Enterprise, a framework and action plan to deliver public, private and third sector partnerships to bolster entrepreneurial activity among women and young people.

## 14:44

**Jenny Marra (North East Scotland) (Lab):** First of all, Presiding Officer, I apologise for being slightly late in getting to the chamber this afternoon.

This is not the first time that we have come to the chamber to address the impacts of gender inequality on our economy, and nor will it be the last. However, I hope that this debate will not rage on for too much longer and that, very soon, it will be recognised across Scotland, the UK, Europe and the wider world that our economy will be stronger, more prosperous and more sustainable only when women are an integral driving force in it.

Today we are focused on what can be done here in Scotland to allow women to set up their own businesses. Already this year we have seen movement from the Scottish Government on the role of women in our economy and decision making. Nicola Sturgeon committed to gender quotas on the boards of private companies as she launched the white paper for independence, and Shona Robison upset her loyal horses in the Dundee Scottish National Party last week by committing to 40 per cent gender quotas on public boards. She might still have to win that debate in the unreformed ranks of her own councillors and party, but she will find friends on these benches for that policy. Long committed as a party to 50:50 representation, and driving that through our own elected structures, Labour lodged amendments on 40:40:20 gender quotas for public boards two ago. The SNP voted against my amendments that day, but I am delighted that it has now been won round to the policy.

Why are women's voices on these boards important? For the same reason that we must do everything that we can to let women's business flourish: because when only one part of the community is represented, or is predominantly represented, decisions are made in that section's favour. That applies to business and consumption as well as decisions for public services.

I am a co-convener of the cross-party group in the Scottish Parliament on computer games. That industry is dominated by men. In several discussions, privately with the sector and publicly in the cross-party group, the gender issue has been raised. How can we get more women into the computer games industry? How can we get more women to start their own gaming companies? I asked the industry experts why that is important, and they answered that it is because women are becoming bigger consumers of games and the online experience, so more femaleintuitive products will sell better and more to female consumers. That makes sense to me. Clearly, the female market in gaming is not yet fully exploited, but it will probably only be so when women are designing the games and leading the companies that market and sell them.

Having more women in business is about economic expansion. It is about exploiting new markets and finding opportunities in new markets. I put that thesis to the Entrepreneurial Exchange in a conversation that I had with it yesterday, in advance of this debate. It agreed with the position. It also raised issues of women's confidence to take the plunge into business and identified the tendency of women who are returning to work after their children's early years to take the decision at that point in their lives—perhaps in their late 30s or early 40s—to set up a business.

It was with that view from industry experts in mind that I analysed the findings of the Government's proposals for women in enterprise. There is much in there that I think will be useful,

such as the mentoring and networking schemes, and the role model project. I was pleased to see that the Scottish Government will be reaching out beyond the public sector networks and working hand in hand with the Prince's Trust, Entrepreneurial Spark and the Entrepreneurial Exchange. As ever, those schemes will be successful through the use of key ambassadors and an awareness of the support that is available for them.

On gender-specific support—point 4 in the minister's report—I know that the Scottish Government will hold conversations with the banks to encourage them to develop their female customers' businesses. However, will the minister return to the chamber at a later date to update us on how those conversations go and what commitments or initiatives the banks in Scotland are taking to move that forward? It is good to hold the conversations but, if that is going to be part of the Government's strategy, we need to be able to scrutinise what action is being taken and how that is going.

I turn to the amendments to the motion. Labour will support the Conservative amendment at decision time, as we agree that there is much in the report of the Wood commission that is to be commended. Indeed, until I received the motion, I had half expected this afternoon's debate to be on that report, as it was published earlier this week. I hope that we will have a chance to debate that extremely important document in full before the summer recess.

Johann Lamont and I met Sir Ian Wood just last week. We are very grateful to him for the time and commitment that he has put into examining the challenges around youth employment in Scotland. It is a seminal report that contains many key recommendations, and I know that the cabinet secretary will want to bring it before Parliament for debate, to ensure that we scrutinise it and do it justice straight after its publication.

I turn to the Labour Party's amendment to the Government motion. We have put college places on the agenda for today's debate because we cannot seriously consider new opportunities for women and youth skills while ignoring the underfunding of our colleges. Opportunities in further education are central to the substance of the debate and they underpin the proposals in the Wood commission's report, which the cabinet secretary is backing.

I was extremely surprised by the cabinet secretary's response to my intervention. She seemed to suggest that I was misrepresenting the nature of college reform. The Labour amendment says:

"the loss of 140,000 college places since 2007-08 is undermining the achievement of this objective."

The statistic that there are 140,000 fewer college places since this Government took power is taken straight from the cabinet secretary's agency, the Scottish Further and Higher Education Funding Council.

Angela Constance: Does Ms Marra acknowledge that the head count has reduced because the number of full-time equivalents and full-time courses has increased? Does she also acknowledge that the funding floor of £522 million that has been allocated to the college sector, which will increase to £526 million, is more than Labour ever invested in the sector in any one year?

Jenny Marra: The cabinet secretary can dance on the head of a pin on the issue, but any member of the Parliament who speaks to people in their communities who are on waiting lists for college places and who understands the struggle that women returners face in getting into college will know that her statistics do not represent the reality of the situation.

Fiona McLeod (Strathkelvin and Bearsden) (SNP): Does Ms Marra not accept that the number of full-time equivalents is the accepted measure of how many people are at college? That is the measure that is accepted by all statisticians, including those in the Scottish Parliament information centre, which recently said that FTE numbers were stable. Indeed, the Scottish Government had 116,399 extra places in 2012-13, which exceeds our manifesto commitment on full-time equivalent places.

**Jenny Marra:** I accept the information that the Scottish funding council has given me, which is that there are 140,000 fewer college places. The environment is much more difficult for women who want to go back to college.

As the Entrepreneurial Exchange identified, women who make the decision to go into business in their late 30s or early 40s are less likely to do so if they have not been able to pick up qualifications and skills at college in their early 20s. We know that the Scottish Government's current focus on 16 to 19-year-olds is having a detrimental impact on women returners. As always, we need to trace the policy further back to ensure that women can make the decision to start their own businesses. College places must be available to them.

We make no apology for again highlighting the college sector, as it underpins the growth of business and the recommendations in the Wood commission's report, which it is critical are implemented. If the Scottish Government is committed to both those objectives, it would be wise to accept our amendment and to seriously

review the number of college places that Scotland needs. If it fails to do so, the objectives of the Wood commission and those on women and entrepreneurship will be seriously undermined.

I move amendment S4M-10214.1, to insert at end:

"; believes that, in order to improve entrepreneurship among women and young people in Scotland, it is essential to have a world-class further education sector to provide the training and skills that are essential to meet the long-term needs of the economy, and considers that the loss of 140,000 college places since 2007-08 is undermining the achievement of this objective".

### 14:54

Murdo Fraser (Mid Scotland and Fife) (Con): As the first man to speak in the debate, which I suspect will have its own gender imbalance, I feel a little outnumbered. However, I am sure that the Presiding Officer will protect me.

**The Deputy Presiding Officer:** Do not count on it.

Murdo Fraser: I welcome the Scottish Government's giving us the opportunity to debate the important issue of improving entrepreneurship. It is fair to say that, as a country, our record on that has generally not been good. Over many years, our business start-up rate has lagged behind that of the United Kingdom as a whole, although I note that the latest statistics show that the number of new business incorporations is at an all-time high.

As Angela Constance pointed out, we have a gender gap. For whatever reason, men are more likely to take risks in setting up businesses than women are. The Economy, Energy and Tourism Committee identified and highlighted some such concerns in our report last year on the Scottish Government's draft budget for 2014-15.

Last week, the University of Strathclyde's Hunter centre for entrepreneurship published its global entrepreneurship monitor report for 2013. It contains interesting observations about the differences between men and women when they set up businesses. According to the Hunter centre. men and women entrepreneurs tend to create different types of businesses and to fund their start-ups differently. Half of all the businesses that women run are consumer orientated. comparison with their counterparts in similar nations, Scottish female business owners are less likely to export, and fewer of them expect to grow their business significantly in the next five years. In comparison with their counterparts elsewhere in the UK, female entrepreneurs are more likely to completely self-fund their business, which has an impact on the scale of businesses that they can create and how quickly their businesses are likely to grow.

According to the report, male and female entrepreneurs have different motivations, in that wealth creation tends to be of secondary importance to most women, although not all. Women entrepreneurs tend to identify existing customer needs that are not being met. They use information from working experience and networks—especially family members—to create solutions to meet unmet needs.

The cabinet secretary's motion refers to the can do programme and the women in enterprise initiative, which are welcome. The can do programme sets out a framework to increase entrepreneurship and innovation activity from individuals and businesses, which is to result in more businesses being formed and in new products and services from existing businesses. The stated ambition is that people from all walks of life will develop entrepreneurial skills. If I have a criticism of that approach, it is that it is heavy on ambition but light on detailed proposals to take the ambition forward.

In her speech and her amendment, Jenny Marra drew attention to the cut in college places under the Scottish National Party Government, which is having a negative impact on women coming into the workforce and developing entrepreneurial skills. That is a perfectly fair point to make, and we will be happy to support the Labour amendment. However, the issue is perhaps a distraction from the debate's main theme so, if Jenny Marra will forgive me, the remainder of my remarks will be on our amendment, which refers to the excellent Wood report, published on Tuesday.

The Conservatives have for years argued for an improvement in vocational education, and I am delighted that Sir Ian Wood's commission has supported that objective. Although unemployment as a whole is reducing, youth unemployment is still a problem. According to the report, the youth unemployment level is 18.8 per cent, which is more than double that of the average working-age population. One in five of our young people aspire to get a job but cannot get one.

Of the 50 per cent of our young people who do not go to university, very few leave school with vocational qualifications that have labour market currency. For school pupils, work experience—which is vital in the modern world—is generally limited to one week in secondary 4. As Sir Ian Wood's report says, that is simply not good enough.

The report recommends that youngsters of all abilities should have the opportunity to follow industry and vocational pathways alongside academic studies. The report proposes new

school-college vocational partnerships, as well as an option to do the first year of a three to four-year apprenticeship while still at school. There is also a very important focus on the need to improve the status of vocational education so that it is not seen, as it often is, as a second-best alternative for those who are unwilling or unable to go down the academic route.

We should look to the example of Germany, which for years has been a leader in Europe in science and innovation and has undoubtedly retained its manufacturing base to a much greater extent than we in this country have. I have no doubt that a major factor in that has been the attractiveness of careers in science, engineering and technology, not necessarily at a graduate level, but at a technician level. There is no sense in Germany that people who do those jobs are in any way second class to those in other professions. That is crucial to how we will approach the subject and develop better career opportunities and a more entrepreneurial culture for our young people. We need to learn from Germany. It was good to see that recognised in Sir lan Wood's report, particularly in recommendation that a focus on the STEM subjects-science, technology, engineering and mathematics-should be at the heart of the development of Scotland's young workforce.

There is a great deal in Sir Ian Wood's report. I appreciate that it was published only on Tuesday, so it is unreasonable to expect even a cabinet secretary as able as Angela Constance to come up with a detailed response so soon, but my amendment welcomes the recommendations and asks the Scottish Government

"to bring forward plans to implement these recommendations as soon as possible".

I very much welcome the cabinet secretary's indication of support for that and for my amendment.

It is important that we all work together to see better vocational education in Scotland to assist both employment and entrepreneurship among our young people. For that reason, I have pleasure in moving my amendment.

I move amendment S4M-10214.3, to insert at end:

"; notes the recommendations of the Commission for Developing Scotland's Young Workforce, chaired by Sir Ian Wood, which are designed to move toward better qualified, work-ready and motivated young people with skills relevant to modern employment opportunities, both as employees and entrepreneurs; welcomes the proposals to improve vocational education, and calls on the Scottish Government to bring forward plans to implement these recommendations as soon as possible".

15:01

Willie Rennie (Mid Scotland and Fife) (LD): It is a pleasure to take part in the debate. I am not especially qualified to do so, as I am not a woman or young any more, but I am ready to stand beside Murdo Fraser in his defence on that side of the debate. [Interruption.] Some are saying that that is not a change.

The debate is a celebration of the potential that we have in Scotland in our women and young people. I agree with a lot of what has been said and put on record my party's support for the Wood commission's all-hands-on-deck approach. We need that approach if we are to improve youth employability.

The message from Sir Ian Wood's report is that giving more young people the chance that they need to get on in life is a collective responsibility. The public, private and third sectors need to play their part, with every school, college, university, business and Government stepping up to the plate. That is truly a real challenge that has been thrown down, but it is a challenge that the Liberal Democrats accept without reservation. In that light, we are pleased to support the Conservative Party's amendment.

There is no doubting the talents and the potential of women and young people across Scotland, but we need to do much more to unlock that potential to ensure that every individual has the opportunity to fulfil it. I recognise much of what the minister said about the rich support network that is out there to try to nurture support so that young people can achieve their potential with the range of organisations and facilities that she outlined.

Just as we recognise the work that the Scottish Government is doing in the area, it is worth recognising some of the significant changes that have happened at the UK level that assist us in achieving that ambition. The shared, flexible parental leave that the coalition Government at Westminster brought in should be welcomed as a means by which both parents can keep strong links with their workplaces and organisations can be helped to attract and retain women employees. Likewise, tax-free childcare will help working families across Scotland. In the latest budget, the UK Government increased the cost cap in tax-free childcare to £10,000. That means that families will receive up to £2,000 of childcare support per child, which is two thirds more than was originally planned. That approach very much complements the work that the Scottish Government has done on expanding childcare and nursery education, and we support it.

However, I want to concentrate on the STEM subjects, which, as someone who studied biology,

is an area that is close to my heart. It is a hugely valuable area economically, but we need to put in an awful lot more effort to unlock the potential of **STEM** students and retain female professionals. Around two thirds of those who study life sciences in further, higher and postgraduate education are women, but that is not reflected in the workplace, where just 46 per cent of employees are female. The rate of loss of women in the move from higher education to employment in STEM is more than double the rate for their male counterparts, with 73 per cent of female graduates leaving the STEM industry. What is more, 21 per cent of female graduates are unemployed. That is a massive loss to Scotland's skill base, when the STEM and life sciences sectors are flourishing.

At board level, in 2010, fewer than one in five directors of life sciences companies in Scotland were female and only 9 per cent of professors in STEM subjects were women. The number of women declines rapidly the further up the ladder one looks in the university sector. "Tapping all our Talents—Women in science, technology, engineering and mathematics: a strategy for Scotland", which was published by the Royal Society of Edinburgh in 2012, concluded that that wasted female talent is

"a serious loss across the whole economy"

# and that

"a doubling of women's high-level skill contribution to the economy would be worth as much as £170 million per annum to Scotland".

More needs to be done to ensure that that talent is retained, valued and recognised in the STEM sector.

A lot of good work has already been done. A recent Equate Scotland conference focused on supporting and developing female STEM staff and students and highlighted the positive impact of the Athena SWAN recognition scheme. At an industry level, the pharmaceutical company GlaxoSmithKline has signed the WISE chief executive officer charter, to demonstrate the company's active support for increasing the participation of women at all levels in STEM. We should recognise that and celebrate it.

The Labour Party amendment refers to the massive hit that college places have taken under the Government. Colleges are essential for training and skills. We need to ensure that high-quality further education continues to be an option in Scotland. Lifelong learning and the ability to upskill are essential and are particularly valuable in areas such as STEM, as courses can be focused to meet specific employer demands or to provide refresher training for those who have

taken a career break. We will support Labour's amendment.

Addressing the gender imbalance in STEM will take the same kind of all-hands-on-deck approach as the Wood commission has espoused for tackling youth employment. We should embrace both those challenges without hesitation. By doing so, we will unlock not just the individual potential of women and young people but the valuable contribution that they can make to Scotland's skill base and our economy.

15:08

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I will speak about the early part of the Government motion, which states:

"That the Parliament recognises the positive impact of entrepreneurial activity by women".

I will do so by referring to some of the entrepreneurial women in my patch in the Scottish Borders and Midlothian. Some of what I will say will provide examples of the points that Murdo Fraser made about the kind of activities that women enter into. Most of the women that I will mention are involved in the consumer area and are family orientated. I was interested in Murdo Fraser's speech, as I identified those points in my own.

Where better to start than in my patch in Gorebridge? The woman in question is Lynn Mann of Supernature Oils, which started as a sideline, as enterprises so often do for women. At first, she planned to commit two years to help to get a family business off the ground, but it is now a full-time and expanding job. She says that, although her father encouraged her to be entrepreneurial, she had to overcome cultural and social hurdles as a potential businesswomen. I will come back to that but, in passing, I say that my parents had a significant role in encouraging young women to be adventurous and ambitious.

My father made sure that his four daughters knew from the start that they would and should have the same opportunities as their brother. That was in the days when girls—at least, working-class girls like me—generally left school at 15, got engaged at 18, got married at 20 and had their first child at 22. I, partly due to my father's intervention, did not follow that route map but so many girls in those days did. Indeed, some of the route maps that girls are destined to take are deeply embedded in the culture even all these years on.

However, to go back to Lynn Mann, she laughingly explains on the Supernature Oils website how she had 22 jobs before the business took off but that, somehow, all that experience has

been useful in making the family business of cold pressed rapeseed oil succeed. That, together with support from the EDGE fund and from ESpark, has done the trick, as I saw for myself on a recent visit to the business, where Lynn, her husband and an expanding number of employees press, infuse and bottle the product. Lynn is now a women's enterprise ambassador, helping other women to find their business feet.

There are other models for women—mentors-inwaiting, as it were. There is Ruth Hinks, who was master chocolatier and UK confectioner of the year in 2011. Her business, Cocoa Black, is located in Peebles, with dangerously delicious chocolate and extraordinary sculpting of chocolate exhibits. She has also now expanded into a chocolate and pastry school above the cafe at the Cuddy Bridge in Peebles. I warn people, if they cross that threshold, not to count the calories. Ruth Hinks's entrepreneurial DNA kicked in when, at a young age, she asked her parents for money for some must have gizmo. She was told that she had to raise the money herself. Dismissing a potato-growing enterprise because it would take too long for the potatoes to develop to be marketable and there would not be a high profit margin, she made her first chocolate Easter egg and the rest, as they say, is Hinks history.

Then there is Debra Riddell of Breadshare, which is a community interest company involving the community in making nutritious bread using only natural ingredients. I have had a go—marginally successfully. Breadshare is currently located at Lamancha, near Whitmuir farm, where members will find Heather Anderson and her husband and their impressive organic produce. Whitmuir is in the process of becoming the first community-owned farm in Scotland. I have even bought a share.

I was interested in the cabinet secretary's reference to entrepreneurship in healthcare, because, as we know, enterprising and entrepreneurial women are not only to be found in business. My final example is about Linda Davidson and Rebecca Wade, who are midwives. Members—if they are still listening—might ask, "How can two midwives be entrepreneurial?"

The two midwives, who are from NHS Borders, recently won an award for partnership working with Scottish Borders Council, to enhance child rearing and parenting services in the Borders. The idea is to work with very vulnerable young mums and sometimes young dads, from antenatal care through to looking after the baby—and indeed, the parents. Linda Davidson and Rebecca Wade are pursuing the idea of a specialised residential facility for vulnerable young parents and their babies, to provide support and help people to learn how to be successful parents, which

sometimes involves breaking a cycle of bad parenting that the young parents themselves have experienced.

It is early days, but the ideas of Linda Davidson and Rebecca Wade, which are rooted in their experience—this is where women have the edge; they are very pragmatic—are not just exciting but sensible. I hope that, where I am able to do so, I can help to take those ideas forward.

I have met many more women across the constituency who are in business, the professions and the voluntary sector, and who are full of good and practical ideas. I am sure that other members meet such women. As a nation, we should applaud, encourage, support and value them.

That is partly our job, in delivering childcare, mentoring and help with start-up, for example, and it is partly the job of the formal education system. However, it is also the job of family, friends and the surrounding community to change the culture that Lynn Mann, with whose example I started my speech, encountered, and which many women still encounter and must overcome.

#### 15:14

Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP): There are now more female than male graduates, so it is shocking that young women should still be victims of outdated and ingrained chauvinism. At least half of the skills base for a new independent Scotland lies with women, whether they are graduates or not, but too many are still frightened to test out their entrepreneurial talent. One young woman told me that it is almost as if the culture is willing us to fail, that setting up a business is too big a gamble, and that we are somehow bound to fail.

That is an attitude that we have to take on headon and break. Young women should go on, try it, and start out on their own. The worst that can happen is that their first attempt does not work out, but they might end up as the next Anita Roddick, for example. It is not so different from a first job, and it might not be where someone stays for all their life, but the experience gained will take them to the next turning in their life.

Increasing the number of women entrepreneurs to match the number of men would generate more than £7 billion for our economy, which would have a huge impact. The Government wants to achieve that goal, and to make sure that the infrastructure is in place to encourage women, especially young women, to pick up and run with their entrepreneurial ideas.

Last week, at an event in the garden lobby that looked at aids and adaptations, I met Catherine Bland. Catherine had an accident that meant that

she had to use crutches for a number of months. Not letting having crutches get in the way of her busy life, she developed a homemade product that she called the Hopper. It is essentially a big belt or apron with lots of pockets in it that holds everything needed for a busy day. She likes to bake, so she could carry all her baking stuff. When she wanted to read, she could carry her magazines and her phone. Other people could use it to carry their medication and other things. It is a brilliant idea, and Catherine developed that idea into a product that has helped to transform the lives of many people who have had injuries or have disabilities. It is a simple idea, but it is a brilliant idea.

There is a 13 per cent gap between men's and women's full-time hourly rates of pay, and a 33.7 per cent gap when we compare women's part-time hourly rate with men's full-time hourly rate. If we had any doubt that women are undervalued, what about the fact that parental childcare is not counted towards the gross domestic product and is considered to be leisure? Let us test that out. Many members will have brought up toddlers or spent time with them—did they call it leisure? In some cases it was, but a lot of it was hard work, and our skills in people management and negotiation are well honed in that situation.

Just seven of Scotland's top 30 listed companies had a female executive two years ago. Only 37 of 242 board positions, executive and non-executive, in the top 30 companies were occupied by women in 2012. Even though there are annual increases, 27.6 per cent was the figure in 2012, which left 84.7 per cent of seats being filled by men.

Scottish women make up 52 per cent of the population, and in October 2013, female employment in Scotland reached its highest level since 1992 at 69 per cent. Let us look at the progress on that. Female self-employment has increased in recent years from 80,800 in 2008 to 93,900 in 2013, which is an increase of 16.2 per cent. At the moment, only 21 per cent of small and medium-sized enterprise employers are womenled, and only 31 per cent of self-employed Scots are women.

To address that enterprise gap, in 2013 the Scottish Government established a series of workshops chaired by Professor Sara Carter, former head of the Hunter centre at the University of Strathclyde, and Jackie Brierton of Women's Enterprise Scotland. That is a great advance, and such a can-do attitude reaps great rewards.

As I said earlier, women now make up the majority of university graduates but we do not see that reflected in our boardrooms. The Scottish Government does not have the power to change that situation. We have some and we are doing

what we can, but we need that yes vote to take it further. My colleague, cabinet secretary Shona Robison, says in her report "Women on Board: Quality through Diversity":

"Our aim for Scotland is to make the best use of talents of all of our people, regardless of age, race, gender, sexual orientation, gender identity, disability or religion."

I do not think that those are just words. The actions are being taken just now, and I believe that members from across the chamber support that.

By taking action on these issues and removing the barriers that stand in the way of women realising their potential, we will improve economic participation—£7 billion-worth of economic participation. We will also contribute to making Scotland a wealthier and fairer place, which we all want, and ensure that no one is held back because of their gender and that public bodies are more fairly reflective of society as a whole.

We can improve the situation. We are already very active in listening and in challenging assumptions—I think that we all do that every day of our lives. We are encouraging employers to offer more flexible, home-based and part-time work. We are also seeking to get rid of the stereotyping that goes on in the modern apprenticeship programme: the cabinet secretary will be very well aware that one of my bugbears is seeing posters that show men with ladders, because they are building, and women with scissors, because they are cutting hair. I would like to swap that around. Let us give the women the ladders and the hard hats and the men the aprons and the scissors. I think that that would be great, but that is just a wee aside from me. We know that we have made great strides in apprenticeships and we continue to make those strides, but getting women into apprenticeships has to be a priority.

The most crucial and obvious change is in the transformational childcare policy. Once we raise the money to do that, the difference that it will make to the opportunities for women is threefold. There will be more women in work, which increases the tax take; more job opportunities in childcare to meet that aspiration; and a more positive, motivated outlook for women and their children.

History has dictated that women stay at home minding the children or elderly relatives. Not only do they not get paid for that; they give up any right to the career that they previously had. Poor supply and high costs of childcare prevent women from working. It is in recognition of that reality, and the follow-on truth that their absence constricts our economic growth, that this Government has promised an entirely different approach to childcare that will make that difference. We have the foresight to see that if we open the doors,

women will come through into the workplace with competence and confidence. If we create those opportunities, the results are endless.

15:22

**Kezia Dugdale (Lothian) (Lab):** I very much welcome the strategy and the opportunity to debate it. I am pleased to see the cabinet secretary in her place, focusing on the gender aspect of her brief.

I have been reflecting on the past few years and, in particular, the youth unemployment crisis that we have experienced and from which, to a degree, we are still recovering. Governments of all hues across the whole of Europe responded to that crisis by appealing to the big multinational companies. They competed to bring new jobs and new facilities to their respective shores, often with cash incentives. A couple of years after that, many of those companies were embroiled in tax avoidance schemes, which led to a huge amount of public outrage. The political response to that was to start to talk about a more responsible capitalism, whereby we say to companies that we expect them to pay their taxes, but if they are receiving public money we expect them also to pay a living wage and to build apprenticeships into their contracts, and not to promote a zero-hours culture or to be involved in blacklisting—in fact, we expect them never to have done so. However, it has always been about bartering with the big guys, and too often the big guys win. We can make demands of them, but if we go too far we push them away and lose the investment in the country's future.

Can we imagine a different type of economy—one that is built on home-grown businesses that pride themselves on being decent employers, rooted in the communities that they employ and which they buy from and sell to? Realising that ambition requires a change of culture.

Arguably, we do not value businesses enough in Scotland. As a nation, we have a proud history of public service but perhaps we are less proud of people who choose to make their own money and of how they go about doing that. Being probusiness in Scotland tends to mean believing in low taxes and deregulation, when it could be about being an enterprising nation that is confident and engenders skills and a belief in our nation's great traditions and passing them on to the next generation. Setting up their own business could be good not only for the individual but for their community. That type of attitude has to start in schools, colleges and universities. Only when we get a critical mass in the next generation will we be able to drive the cultural change that we are looking for.

That applies in a number of ways. We need to think about the debates that we have had in the chamber about work readiness and what that means. We often talk about work readiness in the context of matching the skills that come out of our schools and colleges with the skills that business needs, but it is always about the supply chain for somebody else's business; we never talk about what it means in the context of setting up one's own business.

In all college and university courses, and in schools, there should be much more emphasis on setting up a business. Young people should be taught about rates and how they work, about tax and what Her Majesty's Revenue and Customs is—and about what would happen if they were to get on the wrong side of HMRC. They should be taught about digitising business and the new opportunities that come from that. They should be taught about markets and how to pitch, turnover versus profit, whether one can recruit to grow and what the balance of risk is. Those are all staple issues for business students, but they should be built into all courses, in all disciplines. They should not just be a unitary extra; students should not be told, "This week, class, we're going to talk about how to set up your own business." Those issues should be embedded in the ethos of the work that goes on in our colleges and universities. Setting up a business should be an option for all students. Students in our colleges should be told, "It's an option for students like you."

I look at what my college, Edinburgh College, does on a number of campuses around Edinburgh. Mechanics, joiners, hairdressers, web designers and fitness instructors come out of the college every week. They are all predisposed to work for themselves but often that is not an option for them. They could start out with a start-up but they need a bit more help. It does not necessarily have to be a lonely activity. Pairing a web designer with a fitness instructor creates a whole new business model that could be explored. It could be the job of a college, school or university to encourage that type of activity. We need to de-risk the process. Colleges could invest in individuals to help them put their foot on the first step of the ladder, knowing that the rewards of that investment could come back to the college. Colleges could incubate such ideas encourage people to work together, knowing that the benefits will come back to the college community and benefit everyone else.

I spoke earlier today to a former chair of the Federation of Small Businesses in Edinburgh who is an excellent female role model for women in business in her own right. I asked her what she wants from a strategy that encourages women into business and she said, "More role models." Funnily enough, I had a similar conversation with

an academic at the University of Edinburgh yesterday about the challenges of trying to engage women in science subjects and she, too, talked about role models. We need role models not just at the top of an industry—it is not about the elite but at every stage of the journey. Yes, Michelle Mone is a fantastic role model for women in business, but Christina McKelvie and Christine talked about women in Grahame communities who are already running their own businesses and who are also fantastic role models. We need to tell those stories so that women who are thinking about setting up a business can see somebody like them doing the same thing and draw strength from that.

The same applies to women who are already established in a business environment and want to expand their business. They need help to take that risk, employ more people or offer a different product. They need to be able to meet more women like them who have already taken such risks.

The first challenge is to see more women in business, full stop. However, let us not miss out on the opportunity to get it right and have the right mix of women at the forefront of public debate on this agenda. I am sure that the cabinet secretary will take that on board.

# 15:28

Dennis Robertson (Aberdeenshire West) (SNP): I got slightly concerned as I listened to Murdo Fraser because I actually agreed with him on most aspects. It is worrying that the convener of the Economy, Energy and Tourism Committee and I seem to agree on quite a number of matters. Perhaps some of my persuasions are rubbing off on him.

Like Willie Rennie and Murdo Fraser, I am male and no longer young-young at heart perhapsbut I perhaps represent a minority group. The cabinet secretary mentioned the can do initiative, which took me back an earlier stage in my life when I was looking forward to my career. In my case, it would have been so simple to sit back and think about barriers, obstacles, hazards and reasons-often presented by my family and teachers-why I should not get into a certain profession. Maybe it is my stubbornness, but I think that it is about the can-do mentality. We need to realise that; I think that the cabinet secretary probably does, thanks to her social work training days. As someone who did not aspire to a degree but who followed a professional qualification, I am aware that that mentality takes ambition, strength and determination. Our young people have the determination and the qualities that can inspire them to become the entrepreneurs of the future.

We must look not only at where we are today but to the future—the mid to long term. I have been reading Sir Ian Wood's report, which has just been published. Much of it reflects the can-do mentality to which we can all aspire. However, Sir lan Wood highlights some of the barriers that prevent some of our young people from taking the initial step. Other members have mentioned some of those barriers, such as the culture. That culture is not just down to the way that we are taught in schools; it is also sometimes embedded in the home and our families. Grandparents tell their grandchildren that they should not go into a certain profession and that they would be better sticking to something else. We need to ensure that we break down those stereotypes.

When I was on the Equal Opportunities Committee, we considered women in work and went back to look at how we project things even at nursery and in the education of our young children—even how we present toys to children. When my two girls were four and were asked what they would like from Santa, they asked for racing cars. I thought that we had broken the mould because they wanted racing cars as opposed to Barbies and, when they got the Barbies in a pram, they dismantled the pram and made it into a go-kart. Perhaps we got rid of the stereotypes and perhaps they were doing things that I had aspired to but never managed to do.

We must consider how to provide the appropriate opportunities for our young people in the early stages. The curriculum for excellence is the pathway for that. It opens doors for many of our young children—boys and girls—so that they can aspire to be what they would like to be. We should not create barriers. We should consider their can-do—what they would like to do—and reinforce that as best we can.

Quite rightly, not every young person will aspire to go to university. If they choose to go down the vocational route, we should applaud that. Murdo Fraser was absolutely right—I take that back; he was right, but I cannot give him an "absolutely"—to say that, in Germany, people are rewarded and applauded for going into vocational education. We need tradesmen such as plumbers, mechanics, engineers and electrical engineers.

Jenny Marra: The member makes an interesting point about Germany. Does he agree that the German situation has been helped by legislative measures that put the onus on business to take on young apprentices and that the Scottish Government should consider similar legislative measures to encourage youth employment?

**Dennis Robertson:** The Scottish Government has done an absolutely wonderful job of promoting apprenticeships. There are more than 25,000 apprentices. More can always be done, but

business can open its doors and encourage more apprentices. Only about 13 per cent of businesses offer apprenticeships to our young people.

Let us take the can-do mentality, promote it and get the job done.

#### 15:34

Joan McAlpine (South Scotland) (SNP): In their speeches—particularly those about their own constituents—members have shown that there is absolutely no lack of talent and ambition among our young people or among Scottish women.

A number of years ago, the big debate in Scotland was about the low number of business start-ups. We spent a long time wringing our hands and asking whether we had a culture that was hostile to entrepreneurship. I recall from my journalist days that some very bizarre theories were advanced. One theory was that the self-starters had all emigrated to Canada in the 19th century. I am very pleased that we have moved on from that rather negative navel-gazing towards encouraging and supporting the very many people throughout Scotland who are passionate about starting and growing their own business.

I welcome the Government's commitment to increase the number of entrepreneurs, and the role that the Scotland can do strategy can play. The strategy uses a team Scotland approach to bring together companies, universities, public agencies and customers to take advantage of the opportunities that drive the establishment and growth of new businesses.

We cannot overemphasise the importance of the subject. Reading through the strategy document, I was very impressed. It mentions innovation on page 6, and states that

"demand from consumers ... is the most important factor in the success or failure of businesses."

Murdo Fraser mentioned a report that said that women are more responsive to consumer demand, and Christine Grahame made a similar point. That is very important.

I agree with Willie Rennie and other members about the importance of getting more women to excel in and make a career of the STEM subjects. I have a daughter who is a professional engineer. I should mention that she played with Barbies when she was young. In fact, when she came home last Christmas, she found the big Barbie make-up stand that she played with when she was a little girl. She dismantled it, retrieving the spring to fix my doorbell, so maybe Barbie has her uses after all.

Although I am very encouraging of the drive to get more women into STEM subjects and technical jobs, we should not forget about

women's responsiveness to consumers and the female economy. Many of the most entrepreneurial women I know work in fashion, beauty and hairdressing, and they set up their own businesses. The challenge in that respect is to ensure that those businesses are properly rewarded and taken seriously.

**Dennis Robertson:** Did the women to whom Joan McAlpine refers do that by choice or because they felt that it was the only opportunity given the stereotypical aspects of the trade?

**Joan McAlpine:** I would say that the women to whom I am referring, who run their own beauty and hairdressing businesses, did that by choice. They felt very passionate about the industry.

Although, as the mother of a professional engineer, I totally encourage women to go into technical professions, we have to be careful about the balance. We should not underplay women's achievements in what we might regard as female industries. We should take the female economy, and women as consumers, seriously, as that is an important part of our economy.

The entrepreneur who I want to praise today is both female and young. She is a fashion designer and manufacturer from Lockerbie called Kelly Alder. She designs and customises shoes and bags and is about to launch her own clothing collection called MISA, which stands for the made in Scotland initiative.

Kelly's business is called Glitzaratti—as the name suggests, there is a lot of bling involved. She has an extraordinary talent for customising shoes using crystals, beads, diamante and even seashells. I do not think that it is any secret that the cabinet secretary likes her shoes—I would be delighted to invite her to meet Kelly and see some of her designs, because they really are fantastic, and she has sold a lot of them online.

Kelly left a well-paid job to start Glitzaratti, and I want to highlight a bit of her own life story. She says:

"like many other young people I thought"

that the dream of starting a fashion business

"would be nothing more than a pipe dream."

However,

"after showing the world of facebook some pictures of past designs it all took off with an influx of orders ... within several months".

Kelly is now running third in the international wedding industry awards, which she is very proud of. I wish her the best of luck with that. The internet means that manufacturers such as her can be based in Lockerbie in Dumfriesshire and sell all over the world.

We have talked about female-orientated industries, and Kelly is absolutely passionate about manufacturing because it is an important aspect of the fashion industry. That is why she called her clothing line the made in Scotland initiative. I understand that there has been a move back to clothing manufacturing in the UK from countries such as China and India, which I think is a good thing. Naturally, it means that the costs can be higher, but the quality is also higher, which certainly comes through in Kelly's work.

Kelly has moved into a shop front in Dumfries. I asked her before the debate about the challenges that she faced, and she said that although there was a huge number of empty shops in Dumfries High Street, she was unable to get one because the people who own them would much rather that they sat empty than rent them at a reasonable market rate. Therefore, she has moved into a shop that is slightly off the High Street.

Kelly is in her 20s, but older women have a lifetime of experience and the ability to respond to consumer demand. I will talk about a couple of them as well. Heather Hall and Linda Whitelaw have set up a community cafe called The Usual Place in Dumfries. Those women are a fantastic example of the benefits of social enterprise, because they saw a gap in relation to the training of young people with additional support needs. The community cafe will work with the local college to help young people train and work in the hospitality industry. They hope that, as a result, many of them will move into full-time work in the hospitality industry. The two women have secured fantastic premises in the old Dumfries high school dining hall and have been awarded funding from the Big Lottery Fund.

I think that both those examples show that the entrepreneurial and innovative spirit is alive and well in Scotland. Certainly, the Global Entrepreneurship Monitor report shows that there has been a rise in early-stage entrepreneurship here. I think that, with the Government's strategy and commitment, we will see that continue. I feel quite optimistic about the future and think that we have moved past that hand-wringing stage of the past.

# 15:42

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): The cabinet secretary said at the beginning of her speech that the enterprise journey begins in school, and I think that we all agree with that.

In fact, that was one of the reasons why the Administration of which I was a part 10 years or so ago set up the determined to succeed strategy to develop enterprise skills in schools. There was a

specific fund to facilitate that. I believe that that work is now embedded within the curriculum for excellence and that there is no specific funding. It would be interesting to hear in the cabinet secretary's winding-up speech exactly how effective or extensive that work has been, because I do not really have any sense of that. However, I think that we all recognise that what happens in schools is of very great importance.

Of course, that work applies to boys and girls, and young men and young women. However, like others, I took my cue from the initial title for the debate—women and the economy—and I assumed until recently that I would be speaking in the debate about the general agenda of new opportunities for women, occupational segregation, women in STEM subjects, equal pay and childcare. The reality is that a great deal of that agenda is still very relevant to the debate's more narrow focus on enterprise.

On the overarching reality, perhaps Jenny Marra said the most important thing so far in the debate when she talked about the impact of gender equality on the economy. A lot of us come to the issue of gender equality from a human rights perspective, which is absolutely right from the point of view of the rights of individual women. There might be some people who are not totally susceptible to that perspective, but the reality is that there is a fundamental economic argument for gender equality. In a sense, that is at the heart of today's debate.

Jenny Marra also rightly emphasised the theme of opportunities for women. I will not repeat the issue about colleges in that regard, because I think that our point of view on that is well known. However, if I may, I will take this opportunity to repeat a point that I have raised in two previous debates in the past seven days, although it was the children's minister, rather than Angela Constance, who was on the front bench for them.

My point is that, in spite of all the good work of Skills Development Scotland, I have concerns that it is perhaps being skewed too much towards young people. Women over 25 are often not getting the support that they need to develop their skills. The example that I have given in two recent debates is the childcare academy in my constituency, which provides wonderful training opportunities for women returning to work. However, for over-25s, the places are not being supported in the way that they were in the past. I take the opportunity to mention that, given that Angela Constance is here in the chamber.

Angela Constance: I point out that the youth unemployment rate remains at 18.8 per cent, whereas the unemployment rate for women is 5.9 per cent. I do not think for one minute that we should be moving away from providing support to

young people—as was intimated, I think, by Ms Marra in her speech.

I draw Malcolm Chisholm's attention to some very important initiatives from Fife College and the Offshore Petroleum Industry Training Organisation—OPITO—as well as the energy skills challenge fund run by Skills Development Scotland, which is organising courses for women returners to get into energy, coupled with childcare support.

**The Deputy Presiding Officer:** You may take some extra time, Mr Chisholm.

**Malcolm Chisholm:** Okay. I say, just to finish the point, that if we could have 50 per cent of the funding for women under 25 at the childcare academy and 50 per cent for those over 25, that would serve the needs of my constituents.

Willie Rennie spoke about STEM subjects. I will not repeat all the points about that but, through the Royal Society of Edinburgh report, we know that women with science, technology and engineering skills are among Scotland's untapped resources. That report focused on people with the skills who were not entering work, but the bigger problem lies with women often not going into those areas of work at all, which leads to the whole issue of occupational segregation.

That issue was so helpfully and constructively covered by Sir Ian Wood in his report, which came out this week. Like other members, I assumed that that would be the topic of this debate. It is not, but it is still relevant to the debate. For example, Sir Ian has a recommendation:

"Support networks should be developed for young people entering Modern Apprenticeships in occupations which are currently heavily gender segregated."

That relates to some of the other recommendations, which we will come to in a moment.

I was going to talk about how gender stereotyping starts in the early years, but I have no time for that. I will therefore focus on the particular subject of the debate: enterprise. Surely occupational segregation and gender stereotyping are relevant to the stark facts that only 21 per cent of Scotland's 339,000 small and medium-sized enterprises are led by women, and that men are still twice as likely to start businesses compared with women.

If women-led businesses were equal to those of men, we are told, Scotland's gross value added—GVA—would increase by a staggering £7.6 billion. That reinforces, if anything does, the general point that Jenny Marra made about gender equality and the economy.

I did not think that the Scotland can do report had a great deal of focus on gender, but it is fair to say that the "Women in Enterprise" follow-up document did. Some of the recommendations in that document have already been commended today. They include mentoring, network and peer group support, role model projects and female ambassadors, and the cabinet secretary gave some examples. Other good examples can be given, such as the women in renewable energy network.

A further recommendation is to

"explore the creation of a 'soft-loan-fund".

That leads to the general point that there are a lot of suggestions in the reports and we need to know whether and how they are being implemented and how effective they have been. That leads, in turn, to Jenny Marra's point about the banking recommendation: an excellent recommendation for gender-specific support for bank staff in order for them to help develop female customers' businesses. As Jenny Marra said, let us have a report back about how effective that has been.

The recommendations in the Government's "Women in Enterprise" report were matched by a lot of the suggestions in the "Survey of Women-Owned Businesses in Scotland 2012", which was carried out by the Hunter centre for entrepreneurship. The priorities that were identified in the Hunter centre report included access to finance, which is relevant to the banking recommendation that I mentioned a moment ago. Access to networking, contacts and mentoring are also mentioned. That reinforces the points that have been made in the Government's report.

I am almost out of time. There are lots of quotes in the Hunter centre report, and I was wanting to—

The Deputy Presiding Officer (Elaine Smith): I can give you some extra time.

**Malcolm Chisholm:** Can you, Presiding Officer? In that case, I can perhaps use more than one quote.

In fact, I will pick out one quote that reinforces Kez Dugdale's point. I was struck by some of the individual quotations from women that were cited in the Hunter centre report. One was:

"Promote and advertise more successful women-run businesses that will serve as an example and inspiration for all the rest. Maybe it would also help that the number of non-patronising events for women were increased or that there were more female networking groups."

There are lots of very positive things in that report. All credit to the Government in relation to its "Women in Enterprise" report, too. As always, however, the devil is in the delivery, so I hope that we will hear about that in due course.

15:50

Clare Adamson (Central Scotland) (SNP): The debate has shown that there is a great deal of consensus across the chamber on this issue. However, the cabinet secretary has said that she will not be supporting the Labour amendment, and I am quite disappointed in the nature of the amendment, as it means that we cannot reach consensus on it.

The Audit Scotland report, "Scotland's colleges 2013", says:

"in line with Scottish Government policy, the SFC issued guidance to colleges to reduce the number of courses that did not lead to a recognised qualification or that lasted less than ten hours."

Those are the very courses that Jenny Marra includes in her enrolment count, which completely misrepresents the situation in Scotland's colleges. Her enrolment count includes individual learning account-funded courses, which, although I am sure that they were greatly enjoyed by the people who took part in them, did nothing to enhance work ability skills or women's prospects in the workplace.

Audit Scotland goes on to say:

"The total number of students attending college expressed as FTEs has, however, remained broadly constant".

**Jenny Marra:** Clare Adamson makes an important point, but does she agree that the actual number of FTEs has changed because the Government redefined what an FTE is? It reduced the hours from 720 to 640 and so created an extra student. That explains the discrepancy in the figures.

Clare Adamson: What I will say is that I fully supported the Scottish Government when it tackled the Tory model of incorporation of colleges, which was leading to colleges being in competition with one another. All colleges have risen to the challenge of delivering the aspirations of the regionalisation model, which is why we are in a much better position to meet the requirements of young people, women returners and men returners in colleges, and businesses in those areas, than we ever have been since the incorporation of colleges by the Tories—which Ms Marra seems to support.

It has been recognised across the chamber that we have an endemic problem, which has to be challenged in all areas: there is a lack of women entrepreneurs and young entrepreneurs. The same barriers exist for women who want to be entrepreneurs as exist for most women in the workplace. We must challenge those barriers if we are going to increase the number of women in all areas of business—especially entrepreneurs.

Anyone who visits my parliamentary office will see a prominent display of something that I believe delivers one of the most powerful messages about women: a poster from Close the Gap that shows a scowling young girl sitting beside a smiling young boy. The caption reads:

"Prepare your daughter for working life. Give her less pocket money than your son."

That is a very powerful message. Young people who visit my office often challenge me about the poster and say, "That's so unfair." It is unfair. There is something about us that means that, as we get into business and grow older, that unfairness sometimes becomes invisible to us.

It is true that that is still the case for women in Scotland. It is shocking that, more than 40 years since the passing of the Equal Pay Act 1970, women are still paid less on average than their male counterparts. A report from the UK's Office for National Statistics in December 2013 makes for alarming reading. According to the ONS, in 2012 the gender pay gap for full-time workers widened from 9.5 to 10 per cent. For part-time employees, many of whom are women, the gap is even wider, and it grew from 19.6 to 19.7 per cent. Those figures should worry us.

The pay gap is just one example of inequality. There are many others, including women's representation in politics and STEM professions. The number of women in senior positions in the workplace and in our boardrooms demonstrates that we are a long way from achieving gender equality. That situation affects women in every sector and area of employment. The current system serves scientists and technologists no better than other women workers.

I listened carefully to what my co-convener of the cross-party group on video games technology said about that sector, but I have to say that I am somewhat concerned about Jenny's summing up of what the sector has been saying to her. This should be much more than a consumer-driven necessity, and if the sector is looking at women only to sell more games, it will be missing out on the same thing that society is losing out on by not having women involved in every area of working life.

I was therefore very glad that Willie Rennie highlighted the Royal Society of Edinburgh's 2012 paper, "Tapping all our Talents". Of course, the RSE is dealing with sectors that are more mature than the games industry, but the industry could learn a lot from that report about women in the workplace who are qualified in STEM subjects. The report says:

"Women who ... remain in the STEM workforce are still segregated by occupation ... and grade ... . These forms of segregation significantly impact on both a woman's ability

to achieve her potential and her earning capacity. The number of women who advance to the most senior positions in STEM remains proportionately much smaller than that of their male counterparts."

Our society has to examine what message we are sending out to women if in all areas of our working life women are not achieving equality.

As we know, some of the outcomes from such messages can be dangerous. It was only very recently that South Lanarkshire Council agreed to settle its equal pay claim for 3,000 individuals, many of whom were women. The failure to implement the Equal Pay Act 1970 led to women being denied a proper wage for the work that they had been undertaking; the situation had 20 years in the making, and the council now faces a £75 million bill as a result. I ask my colleagues to listen carefully to Malcolm Chisholm's comment about gender equality being a human right. What message are we sending the young women of North Lanarkshire, where Labour has failed to settle its equal pay claims? We are telling mums and sisters—and indeed brothers, because men, too, are involved in these claims—that they are somehow of less worth in their own communities.

I urge everyone to tackle inequality in all areas of working life.

The Deputy Presiding Officer: Before I move on, I remind members that they should use full names in their speeches. It is important for those who are watching our proceedings, and it is also an accessibility issue.

## 15:57

Anne McTaggart (Glasgow) (Lab): I am pleased to have the opportunity to participate in this important debate, and I, too, support the calls for the greater participation of women in Scottish business.

First of all, though, I want to highlight what I believe to be a roadblock to the full inclusion of women and young people in entrepreneurial activities: the continuing cuts to further education courses. It is simply undeniable that the loss of 140,000 college places since 2007 is undermining efforts to upskill our future business leaders. Scotland needs to provide the training and skills that are essential to meet the economy's long-term needs, and we cannot achieve that if we cut the funding to the courses that are most accessible to women.

If women were responsible for a higher proportion of the business start-ups in Scotland, the potential for economic growth would be staggering. According to research from Women's Enterprise Scotland, only 21 per cent of Scotland's 343,000 small to medium-sized enterprises are run by women, and it is thought that that gender

imbalance could be costing our nation up to £13 billion every year.

A reversal of that trend would be transformational both for our economy and for gender equality in Scottish business, and it would significantly improve the lives of thousands of families across Scotland. In order to achieve that, however, women must have the opportunity to learn new skills and build their capacity, capabilities and confidence in flexible and welcoming environments.

The Scottish Government is making that task harder by closing off routes to learning for thousands of potential entrepreneurs, and the effect of that decision is reflected by the size of the gender gap in Scottish business start-up rates.

Last week, I used an oral question to ask the Minister for Energy, Enterprise and Tourism what specific measures the Scottish Government has taken to increase that gender gap. In response, the minister did not detail one specific measure that the Government has taken to encourage women to start their own businesses. As a consequence, I remain deeply concerned that we could be doing much more to capitalise on the entrepreneurial potential of Scotland's women.

We should not make the mistake of presuming that Scotland's women are less keen, less able or less enthusiastic about becoming self-employed. Recently, Women's Enterprise Scotland published a report on the state of women-led businesses in Scotland, which highlighted that 87 per cent of women entrepreneurs want to grow and expand their businesses, and the report also identified specific areas where women need support to help them to achieve their aims.

Occupational segregation has been identified as a key roadblock to encouraging women as business leaders, and the report made specific recommendations to address that through changes such as the promotion of flexible working arrangements. In addition to that, I believe that we can best tackle gender segregation at its roots in the early years of education.

We need to challenge the enforcement of gender roles on young people in schools and other places of learning, and we should encourage women and men towards employment in non-traditional occupations. It is only through challenging the expectations that we have of men and women in our society—and by providing equality of opportunity—that women will be able to take their rightful place at the top table of Scottish business.

16:02

Christian Allard (North East Scotland) (SNP): I am delighted to speak today in this debate, although I am not guite sure that I am gualified for the job. The Scottish Government's motion talks about improving entrepreneurship among women and young people in Scotland and, like the Liberal Democrat, Willie Rennie, I am not young or a woman. However, it was a Liberal Democrat woman-Shirley Williams, or Baroness Williams of Crosby—who claimed that George W Bush said to a UK Prime Minister that the problem with the French is that they do not have a word for entrepreneur. I would say that the problem with the word "entrepreneur"—a French word—is that it is too often associated with men, and not always with men who are that young.

the north-east, we know what an entrepreneur looks like. After all, Aberdeen is a powerhouse of the UK, as the present UK Prime said. However, that Minister culture entrepreneurship was not born with the discovery of oil and gas in the North Sea. With the whisky industry, farming and fishing, generations of northeast entrepreneurs have contributed to the wealth of this nation through the creation of new and innovative businesses operating at home and abroad. Working in the fishing industry for more than 30 years, I met many of those entrepreneurs. Unfortunately, I would need only a few fingers of one hand to count the number of women heading seafood businesses whom I met across Scotland during all those years.

This afternoon, we have heard from a lot of members. Christina McKelvie gave a good example of entrepreneurship relating to crutches and, as I need some help in that regard, I might ask her to give me the details of that particular entrepreneur. However, as much as I would like to congratulate those who have celebrated women entrepreneurs, there is a real issue that we must tackle, and it is occupational segregation.

One of the most respected entrepreneurs in the north-east is Sir Ian Wood, a man who came from the fishing industry to successfully create one of the largest enterprises servicing the oil and gas sector in Scotland and around the world. He has the can-do attitude that the Scottish Government is promoting and, like the cabinet secretary, he wants underrepresented groups to be able to realise their potential as entrepreneurs. How wonderful it is that Sir Ian Wood published his commission's report on Tuesday. The final report of the commission focuses on business and industry working with schools and colleges as a key factor in ensuring that young people are more prepared for work and better informed about career choices. That is extremely important for young girls and young boys. Like my colleague

Dennis Robertson, I think that tackling occupational segregation as early as possible is the key to success.

The commission's report also contains recommendations on encouraging and supporting more employers to recruit more young people, as well as a number of recommendations on advancing equalities in education and youth employment. Once again, the Scottish Government is working in partnership with the people who know best how to develop the potential that we have here in Scotland. We need the collective team Scotland approach that we have heard about this afternoon to bring companies, universities, public agencies and customers together to exploit more opportunities to drive growth and increase exports.

Let me illustrate where we are at here in Scotland and how that collaborative approach is working well. Last month, I had the pleasure of attending a skills summit in Aberdeen that was delivered by the Scottish Council for Development and Industry and Skills Development Scotland in partnership with OPITO, which, as we have heard, is the oil and gas industry's focal point for skills, learning and workforce development. Many issues were considered at the event, which launched Scottish apprenticeship week 2014, including employer engagement with schools. Apprenticeship is extremely important. In the north-east. we know that manv young entrepreneurs started as apprentices at a young

I was very impressed by the speakers that the organisers had lined up and by the number of organisations that attended and participated in the discussions. I was particularly impressed by the first speaker, the Scottish Government's Cabinet Secretary for Training, Youth and Women's Employment, Angela Constance. I was not the only one to be impressed.

Scotland's newest cabinet secretary had to leave Aberdeen shortly after her speech, but I will illustrate how it was received. The chair of the Aston University Engineering Academy, Professor Alison Halstead, told the Scottish audience how impressed she was by the fact that a Government cabinet secretary was working in partnership with others to help young people and women to have their economic potential unleashed. Professor Halstead told us how different the way in which the UK Government works down south is. I am afraid that she blamed most of that on someone who came from Aberdeen, who is not an entrepreneur, but a politician—the UK Secretary of State for Education and the Member of Parliament for Surrey Heath, Michael Gove MP. We were warned by Professor Halstead that the Westminster Government has a real lack of understanding when it comes to educating young people to be ready for work in the 21st century. She told us that we were on the right path here in Scotland.

As several members have said and as Sir Ian Wood's commission's report concluded, we must understand that in many areas, such as advancing equalities in Scottish education and youth employment, there are no quick fixes. When it comes to occupational segregation, schools clearly have an influence at a crucial stage. Although the problem could never be resolved in its entirety solely by schools, as Dennis Robertson said, in its report on women and work, the Equal Opportunities Committee noted that it was industry's view that sector representatives should be brought into schools to enhance careers advice by countering gender stereotypes. Subject choice at school is absolutely key to addressing gender segregation in the workplace.

That is why I would like the Government to go further than the recommendations of Sir Ian Wood's commission and to open primary schools as well as secondary schools to business and industry representatives. In my view, it must be representatives who carry out that role, rather than individual businesses. As much as headteachers have opened the doors of their schools since the implementation of curriculum for excellence, teachers do not have the time to consider multiple requests every year. The collaborative approach must be co-ordinated.

I am sorry to say that Jenny Marra does not have a leg to stand on in what she has said and what her amendment says about college places.

Nothing should stand in the way of both genders taking equal advantage of opportunities that are available in modern Scotland. I trust the Government to deliver the shared vision for women and young people across Scotland.

16:10

Sandra White (Glasgow Kelvin) (SNP): I apologise to members and the cabinet secretary for missing the beginning of the debate. I must read my diary much better; I am sorry for being a couple of minutes late.

I thank the Government for initiating the debate, which is most welcome and is timely. Scotland is entering a historic period, so it is timely to talk about entrepreneurship among women and young people and about giving them such an opportunity. That is not a political point; I just point out the emphasis. It is great to speak about the subject.

As we all know, heavy industry has been in decline in various parts, and we need to look to other ways to engage people and particularly women and young children. I want to mention

Ailsa McKay. I do not know whether she would have talked about entrepreneurship, but she certainly would have talked about women in the economy. She started excellent work, which others are continuing. I am sure that she would have loved this debate.

Like other members, I am a bit disappointed by the Labour amendment, although I am—unfortunately—not overly surprised by that. The head-count figures that Labour uses take no account of the length, intensity or economic relevance of courses. I thought that Jenny Marra would welcome what the Government has announced—the £13 million of funding to create an extra 3,500 college places.

**Jenny Marra:** The figure of 140,000 fewer college places is straight from the Scottish Government.

**Sandra White:** Again, that was a misleading contribution from Jenny Marra of the Labour Party. I take it that she thinks that if she says something often enough, people will believe it. I will come on to the issue later.

I thought that Jenny Marra might have welcomed the comments of John Henderson, who is Colleges Scotland's chief executive. He said that the extra money that was put in to create extra places

"underlines the Scottish Government's recognition of the vital role of colleges in contributing to the strengthening of the Scottish economy."

Jenny Marra's colleague Alex Rowley believes that the merger of colleges in Fife provided an opportunity for that area and a fresh way of looking at developing skills and training. I thought that she might have welcomed what the Government has done, but I am not surprised by her approach, as I have said.

A number of members have made good and interesting speeches. Murdo Fraser and Malcolm Chisholm mentioned the commission for developing Scotland's young workforce, which Sir Ian Wood chaired. Its report is a substantial piece of work that gets to the nub of the issues that we have raised not only in today's debate but in previous debates. Like Murdo Fraser and others, I look forward to debating the report further and to the implementation of the commission's recommendations.

Dennis Robertson and Anne McTaggart were spot on when they mentioned education. The work does not start when people enter the workforce; it starts when they are educated. Education has a role to play in building women's confidence and getting past the stereotyping of women—of how they dress and look and of their career choices—out there in what we might see as the big, bad world. We know that all forms of media have an

impact on that. As Dennis Robertson and Anne McTaggart said, curriculum for excellence is relevant to ensuring that young girls and women build their confidence. We must all challenge the stereotyping of women.

The women in enterprise framework and the can do framework will improve entrepreneurship among women and young people—we must not forget that young people, too, are being targeted.

Kezia Dugdale's contribution was very interesting and very much appreciated. She talked about role models, which are important. Every woman in the Parliament who is involved in politics goes out and speaks not only to members of their own parties but to young women, and they see us as role models.

**Dennis Robertson:** Does the member agree that women in the women in renewable energy Scotland, or WIRES, forum are perfect examples of role models and ambassadors, who try to bring our young people into the renewable sector and show that there is a pathway to the new energy for Scotland, and that at least 20 per cent of the people who are involved in that profession are now women?

**Sandra White:** That is a very good example. When I go round schools, renewable energy is certainly one of the top issues that young people, including young women, talk about.

The point that I was trying to make was that young women look on women politicians as role models. Sometimes, we should all take a wee step back and think about how we behave not just in the Parliament, but in other places, as we are seen as role models for young women and what we put forward in the Parliament affects them. I ask women in the chamber and throughout the Parliament to sometimes sit back and have a wee reflection. We are not exactly great role models.

Christine Grahame: Speak for yourself.

**Sandra White:** I will come back to Christine Grahame; I am not mentioning her in that regard.

Mentoring and networking streams have been mentioned. Those are excellent ways to involve women, and I always encourage young women to get involved in them.

We have talked about entrepreneurs. Michelle Mone was mentioned, and Kezia Dugdale, Christine Grahame and Joan McAlpine, I think, mentioned local entrepreneurs in their areas. I will not talk about all the local entrepreneurs in my area, which would certainly take a while, but many young people, including young women, are local entrepreneurs. Kezia Dugdale was absolutely right. People such as Michelle Mone are basically entrepreneurs at a certain level, but all the local people—women and young people—who have

local businesses are absolutely fantastic, and we must ensure that they are known to everyone and give them praise when they should be given it.

We have Skypark in our area. I will not give any names, but there are many young businesses in Glasgow, which all take heed—and I think also take encouragement—from one another. Local role models and local entrepreneurs are absolutely great.

16:17

Margaret McCulloch (Central Scotland) (Lab): Last year, the Equal Opportunities Committee produced a report on women and work, which was widely welcomed across the chamber. Occupational segregation, flexible working and childcare were among the issues that the committee looked at during the inquiry, and its recommendations are now a matter of record. The committee did all that work against the backdrop of the slowest economic recovery in 100 years and a prolonged crisis in which women have been hit hardest.

The Deputy Presiding Officer: Excuse me, Ms McCulloch. If members wish to chat, perhaps they could do so outside the chamber.

Margaret McCulloch: Women's unemployment outstrips men's unemployment, and the growing prevalence of underemployment is more likely to affect women.

I pay tribute to the work of all members who served on the Equal Opportunities Committee at that time. They gave us a comprehensive report that we need to keep coming back to, and many of the findings in it are relevant to this debate.

Although we have seen huge progress over the decades, the reality of life for women in Scotland is that, far too often, we are still swimming against the tide. Assumptions about gender roles can influence a woman's chances in life; occupational segregation persists in work and training; flexibility in work still does not serve women as well as it serves others; and there is still simply not enough childcare when and where it is needed.

Many of those inequalities and inconsistencies are reflected in the gender gap that we can see in the world of business. In the action plan that we are discussing, Professor Sara Carter points out that men are twice as likely to start a business as women are. In addition, the levels of women's ownership in business in Scotland are low compared with even those in other high-income countries. Perhaps if there was a fairer distribution of that high income, we would not be quite so far behind our neighbours.

I want to focus my remarks on the practical steps that Government, industry and their partner

organisations can take to help women into work and to promote women in business. As a woman who set up my own business, I want to identify the action points that I feel are the most significant and that warrant further discussion.

The Labour amendment stresses the importance of education. We have explained in depth why we believe that college cuts are short sighted and why course changes have adversely affected women. As discussed, there is also a growing consensus around the need to bring more women into so-called non-traditional roles, the STEM subjects and modern apprenticeships. To that end, I welcome the recent progress that we have seen with the careerwise initiative, industry placements and the much-needed SDS equality action plan.

However, the cabinet secretary will know that this year saw the introduction of new contribution rates in the modern apprenticeship programme and that, in certain occupational areas, after 10 years of rates being frozen, we are now seeing reductions. My concern is not only that some of those occupational areas are important to the Scottish economy but that some training providers will no longer be able to cover their costs. What impact could that have on apprenticeships and on women in training?

The action plan calls for engagement with a number of organisations, including the Prince's Trust, Scottish Enterprise, Highlands and Islands Enterprise and the business gateway, to develop mentoring and networking for women. I fully support those efforts and the role model project. The action plan calls for gender-specific support, which is right, because gender-neutral policy sometimes reinforces pre-existing inequalities rather than addressing them. The action plan calls for collaboration with Co-operative Development Scotland to raise awareness of the consortium co-operative model, which I have spoken in support of before, as it could help entrepreneurs to compete for public contracts.

The inequalities that women face are a waste of talent and potential that costs our economy £7 billion. It is immoral and illogical to sustain those inequalities so, together, let us close the gap.

16:22

Gordon MacDonald (Edinburgh Pentlands) (SNP): Scotland's economy depends on a number of key sectors, including oil and gas, food and drink, financial services, life sciences and creative industries, but it also depends on small businesses to deliver economic growth not only in those important areas of our economy but in every business sector. There are just short of 350,000 small businesses in Scotland, and they provide

more than 1 million jobs, which is half of all private sector employment in Scotland. To continue to grow our economy, we need to encourage the creation of new businesses and the expansion of existing businesses. We need to encourage businesses, where possible, to export and sell online.

The people of Scotland are this country's greatest asset. We have a highly educated population, with 39 per cent of our working adults having an HND, a degree or a professional qualification compared to 35 per cent in the UK as a whole. Here in Edinburgh, the proportion is even higher, at 54 per cent of the adult population.

We need to encourage, nurture and support budding entrepreneurs. The global entrepreneurship monitor reports, which are published by the University of Strathclyde business school, measure how well we perform in that area. Regarding start-ups, the most recent report compares Scotland's total early-stage entrepreneurial activity—TEA—with that in 26 innovation-driven sovereign nations. The study found that Scotland has significantly higher rates of developing or new business-owner enterprises across the working population than Italy and Japan. Scotland's TEA rate, at 6.8 per cent, is on a par with that of other European countries such as France, Germany and Norway. However, the rate differed between males and females, with the male TEA rate in Scotland being 8.5 per cent compared to 8.7 per cent for the UK and female start-up rates being 5.2 per cent in Scotland compared to 5.8 per cent across the UK.

The GEM report suggests that the motivation of women entrepreneurs in starting a business varies widely and can include factors such as career constraints, work-family balance and financial freedom. The report also found that significant wealth creation tended to be of secondary importance for most, but not all, women entrepreneurs. As a result, many of the new businesses are in personal services and retailing, where relatively low start-up capital is required.

By encouraging and supporting women to start new businesses to the same level as male start-ups, grow existing businesses, and—where possible—start to export, we would generate more than £7 billion for the economy. The Hunter centre for entrepreneurship estimates that that would create about 35,000 direct jobs.

Women's Enterprise Scotland carried out a survey of women-owned businesses in Scotland. The survey found that access to finance was the most frequently mentioned need, with only 50 per cent of women finding their banks helpful. Business support was identified as another area where assistance was required, not only at the early stages of developing a business but later,

when businesses are at the point of wishing to grow. Those women who had access to a mentor found that the vast majority of mentors proved to be very helpful in providing advice.

The business gateway was identified as a main source of business support, helping about 10,000 start-ups every year, with two thirds of businesses started by women finding its services helpful. The Women's Enterprise Scotland survey also found that women recognised that, despite the challenges, they should consider growing their businesses and, among its key findings, the survey highlighted that 87 per cent of womenowned businesses aim to grow, with 27 per cent aiming to grow rapidly.

We also need to encourage more entrepreneurship among young people. Entrepreneurship should be recognised as a valid, viable and rewarding career choice for all young people. The self-employed rate for 16 to 24-yearolds is currently a disappointing 2 per cent. The Organisation for Economic Co-operation and "Policy Brief Development's on Youth Entrepreneurship" highlights the barriers that the young face, which prevent some of them from turning ideas into projects. It states that they

"arise in the areas of social attitudes, lack of skills, inadequate entrepreneurship education, lack of work experience, under capitalisation, lack of networks, and market barriers."

That applies across Europe, not just in Scotland or the UK.

We need to address those issues. The curriculum for excellence is doing that, by ensuring that enterprise education is embedded in young people's learning. In addition, good schemes are encouraging young people to consider starting a business, some of which are described in "Scotland CAN DO", which sets out a vision of Scotland as a world-leading entrepreneurial and innovative nation.

Micro-Tyco, such scheme, groundbreaking enterprise challenge. The WildHearts Foundation runs the scheme, which has had more than 10,000 participants, from schoolchildren to business executives. The vision is to ignite the spirit of enterprise in our culture. Micro-Tyco challenges teams to take inspiration from the WildHearts Foundation's microfinance clients in the developing world and grow £1 into as much money as possible, in just four weeks. The scheme's unique combination of inspiration, business mentorship, positive peer pressure and ethics produces incredible results. More than £500,000 has been returned from just 1,900 loans of £1.

Another scheme is the young innovators challenge, which was won by a young female

graduate of the Edinburgh College of Art. The competition aims to encourage young people in college or university to come up with innovative ideas. It is funded by the Scottish Government and run by the Scottish Institute for Enterprise. In 2013, competition entrants were asked to come up with innovative solutions to challenges that industry leaders had set. Finalists pitched their ideas to a panel of business experts, for a chance to win development funding of up to £50,000 and business support.

"Scotland CAN DO" highlights what we can do to support more young people, including females, to become entrepreneurs. A yes vote will release the energy and confidence that is needed if people are to take up the challenge.

### 16:29

Liz Smith (Mid Scotland and Fife) (Con): This debate has been very interesting. If nothing else, we have learned how to mend a doorbell thanks to Joan McAlpine's step-by-step instructions.

Establishing a new business or harnessing an old one and developing it with new opportunities is a huge challenge for anybody. Those people who have the ideas and special skills that they believe will bring substantial dividends-and not just financial ones—are precious assets in any economy, not least because they are willing to take on the accompanying risk. As several members have reminded us, the scale of the venture can vary enormously and it can involve a different mix of leadership, initiative and innovation, as well as the usually considerable need for good financial backing. There is also the long-standing debate about entrepreneurship is innate or whether it can be taught.

Christian Allard mentioned the French connection, as I would expect him to do. The term goes back to the 1730s, but it was not until the 1950s that the economist Joseph Schumpeter examined entrepreneurship in detail, especially the factors that give rise to what he described as

"the gale of creative destruction"

whereby something new and better emerges out of the process of industrial mutation. I like that concept, and I raise it because there is an analogy with Sir Ian Wood's deliberations, which were published earlier in the week. Sir Ian, a hugely successful entrepreneur, has, via his own leadership, sought to take the initiative and innovate when it comes to the structure of Scottish education. Like Tom Hunter and Jim McColl, he knows only too well that if Scotland is to lead the world at entrepreneurship, it must do much more to inspire women and young people.

If women now account for a third of global entrepreneurs and there are encouraging signs about the rise in female self-employment, we also know that women often feel constrained. Perhaps it is an issue of confidence, as Jenny Marra said. Sometime they feel constrained by economic difficulties, sometimes by family commitments, and sometimes by attitudes. Christine Grahame was very good at outlining some of her constituents' issues in that respect.

Women's economic profile is often different, as Murdo Fraser said, and it should be acknowledged as such as it has important implications for policy making. It requires diversity in skills and training and, again, that is a theme that, from our perspective, is one of the most important in the report—dismantling Wood the structural straitiacket when it comes to responding to the needs of a wide diversity of pupils and fostering their ambition. The report sets out a vision that is based on the successful application of what works best in practice, which is always a good guide for successful entrepreneurship. It recognises that providing the best opportunity for everyone does not depend on putting them all through the same educational experience.

The report also recognises that addressing the attainment gap is essential if we are to enhance that educational experience. Spreading the practice of good entrepreneurship will be held back if we cannot do something about that attainment gap. It is simply unacceptable that one in six senior pupils is still leaving school without being functionally literate, that almost half of young people in Scotland are leaving school without higher qualifications, that only one in four Scottish businesses is willing to hire people directly from education below the higher level, and that 16 to 24-year-olds now form almost 20 per cent of the total unemployed. Good changes are happening, but those are stark statistics that undoubtedly hold back the desire for better entrepreneurship.

However, as three members said, there must be an accompanying change in attitudes and there are lessons to be learned from abroad, especially from some of our key European neighbours where there is an absence of the unfortunate tiered structures that label young people and that tend to restrict social mobility and where there is greater flexibility of movement between school, college and university. There is a strong need for the collective responsibility that Willie Rennie spoke about during his contribution.

For far too long, Scottish education has been undermined by quite powerful gender stereotypes that have reflected deeply entrenched cultural and socioeconomic preconceptions, and which have had a detrimental effect on the Scottish economy. For instance, let us take the extremely troubling

statistic that in 2012-13, just 3 per cent of new modern apprenticeship starts in engineering were undertaken by women, or the fact that females are far more likely to undertake a level 2 apprenticeship than males.

Clare Adamson referred to the Royal Society of Edinburgh. Professor Dame Jocelyn Burnell is the new, and also the first female, head of the Royal Society of Edinburgh. She is one of 36 female physics professors in the UK. She made the comment that we can convert the teachers and the kids, but if the kids go home and say that they want to be a physicist and their parents question why on earth they would want to do that, that obviously makes life very difficult.

To the commission's credit, I think that it was extremely alive to exactly that problem, which explains why it has advocated that schools monitor the gender split, with particular reference to the STEM subjects, and engage with employers, so that real-life experience is articulated to all students regardless of gender. Margaret McCulloch made a strong point about her own experience in that regard. Of course, schools are only part of the equation and it is therefore entirely appropriate that the Scottish funding council and Skills Development Scotland are also tasked with promoting the merits of STEM subjects to both girls and boys.

On that point, the retention rate for young female graduates in STEM subjects is truly shocking—the statistics were given to us by Willie Rennie—and is a major area of concern. What makes it a little more troubling is that, despite the fact that it is highly probable that the next batch of successful Scottish entrepreneurs will be involved in life sciences and IT, the new qualifications perhaps do not reflect that as strongly as they should. I instance the debate around higher geology as a classic example of the debate in that regard.

This is a hugely important area of development. It requires changing attitudes, just as much as policy work. We have great pleasure in supporting the Government's motion, the Labour amendment and, obviously, the amendment in the name of Murdo Fraser.

# 16:36

**Jenny Marra:** This has been an enjoyable, interesting and wide-ranging debate, which has covered a number of different topics but concentrated mainly on women in business and women's access to training and skills.

We have heard some great local stories about women's success in business, especially from Christine Grahame, from her experience in the Borders, and from Joan McAlpine, whose region is South Scotland. I was particularly taken by the cabinet secretary's love of Joan McAlpine's friend's business. I am quite tempted to look it up myself.

It is always good to hear stories about women setting up successful businesses in their communities. I know that all members around the chamber have their own stories; there are certainly many from my region, too.

As I listened to members' stories, I was reflecting on what came behind those stories, what led those women to that point and what challenges they faced as they set up their businesses. I was really struck by the focus in the "Women in Enterprise" report on access to finance. I hear from so many local businesses—as I am sure that all members in the chamber do—about the difficulty that emerging companies face in accessing traditional methods of loans and finance from banks. When we speak to the banks, they say, "It is a perception issue; we are engaging at a local level." There is still a gap in the middle that we need to bridge.

As I listened to members' speeches, I was reminded of a story from my own region. A microfinancing project has been set up in Dundee to help women set up their own business when they find it difficult to access traditional finance from banks. I was particularly struck by that story, because, in my head, microfinancing is something that is very much connected with the developing economies in the world. Where profit-driven financing is very difficult to come by, some charitable and self-sustaining microfinancing projects step in. I have to say that I was surprised but perhaps encouraged that those projects are taking place in our economy.

I wonder whether, in her conversations with banks, the cabinet secretary would be open to expanding that remit and discussing with the microfinancing projects that are working in Scotland the challenges that they face in getting finance to women to start their own enterprises. Perhaps she would discuss whether all financing options are meeting the needs of female entrepreneurs, do what she can to improve the financing situation and report back to Parliament on those conversations.

I turn to other points that were raised in the debate. In her intervention on Malcolm Chisholm, the cabinet secretary suggested that I was asking her to choose between college places for young people and college places for women. The Scottish Government has already made that choice. I believe, as does Labour, that our economy is underpinned by training and skills for young people and women returners in our colleges. It says so in the Wood report this week,

which the Scottish Government has rightly accepted.

We are not suggesting that there is a choice between college places for women returners and college places for young people. It is the Scottish Government that has made that choice. We think that further education is a key priority and that places both for young people and for women returners should be fully supported. The Scottish Government gave higher education a much more generous settlement than further education, but that was its choice. That is the responsibility of Government.

Malcolm Chisholm said in his eloquent—as always—contribution that there is a fundamental economic case for gender equality. With all due respect, I think that Clare Adamson misunderstood my point on the economic imperative behind gender equality. I did not think that I had to labour, with the chamber, my and Labour's commitment to gender equality for human rights reasons and reasons of general wellbeing. For the record, we believe that gender equality enhances all of those, but we wanted this afternoon to highlight the economic imperative of women's participation and unexploited markets.

Clare Adamson also said that colleges are now in a better position to support women returners. I fundamentally disagree with that. I would say to her, with all respect, that the Scottish National Party is ignoring the figures from its own Government. There are 93,000 fewer women studying part-time since 2007—since this Government took power. That figure is from the Scottish funding council, the Government's own agency. I do not think that we are really in a position, in this chamber, to ignore or dispute those figures.

Clare Adamson: As I said in my speech, Audit Scotland said that guidance to colleges was that they should

"reduce the number of courses that did not lead to a recognised qualification or that lasted less than ten hours."

Can the member say which courses that do not lead to a recognised qualification or that last less than 10 hours help women into employment?

Jenny Marra: I absolutely can. Non-recognisable qualifications in colleges are often access and refresher courses, which women use to get back into education. If the cabinet secretary will not make those a priority and count them, whatever the advice from Audit Scotland, it shows a fundamental misunderstanding of how women in Scotland access further education and make their way into training, skills and then employment. I hope that the cabinet secretary can reflect on that. We should definitely count those courses.

It is right that the Wood commission has been mentioned this afternoon. However, Sir Ian Wood spent considerable time and care over the report, and I reiterate my request to the cabinet secretary that we have a full and proper debate before the summer recess.

The Conservative amendment and the Conservative speakers rightly raised a number of points. When Johann Lamont and I met Sir Ian last week, he stressed engagement of the private sector in schools. Businesses should be going into schools more often to make their case and raise aspiration among young people.

Murdo Fraser highlighted the inadequacy of one week's work experience. I completely and utterly agree. I have work experience students from Dundee in my office at the moment, and I know my and colleagues' experience. It is important for young people to get a flavour of different types of work in the public sector, the private sector and different kinds of businesses, especially for those young people who do not have the connections through their parents, families or family networks to get such experience.

Ian Wood suggested perhaps three or four weeks' work experience over the years. The Parliament should take that seriously and address it.

Fiona McLeod: I am not necessarily giving my opinion, but I found it interesting that East Dunbartonshire youth council campaigned strongly to keep the one-week work experience when East Dunbartonshire Council did away with it. We need to listen to young folk as well as everyone else on that.

**Jenny Marra:** Absolutely. Work experience needs to be enhanced. The youth council was right to campaign to keep it, but there needs to be more than one week, it needs to be funded and it needs to be structured.

lan Wood is also keen to address gender segregation in the workplace. That has also been raised this afternoon.

Murdo Fraser made an important point about learning from Germany and the focus on STEM subjects, which is key. Willie Rennie picked up on that as well and talked about how the rate of loss of women in the move from higher education in STEM subjects into employment is double that of men. We need to address that seriously. More needs to be done to ensure that talent is retained in our workforce.

Willie Rennie also stressed the importance of college places and refresher courses underpinning entrepreneurship and the Wood commission's proposals.

My colleague Kezia Dugdale made an important intervention, as she always does, about work readiness, and she made a critical point about readiness to set up one's own business. She talked about colleges examining tax, risk and marketing across different courses so that, when students leave college, they are willing not only to apply for jobs but to access finance themselves and set up their own businesses for their own employment and to create jobs in the wider economy.

We are greatly concerned about the low rates of participation by women in entrepreneurship. Women's enterprise is difficult accurately to define and enumerate, but we know that it is estimated that, in 2012, only about 21 per cent of Scotland's thousands of SMEs were majority led by women. That figure must concern us.

The reports that we discussed today are welcome. They emanate from the women's employment summit. I would welcome us coming back to the topic in six or nine months' time to find out whether the initiatives in the reports are working and to take stock of progress.

16:47

**Angela Constance:** The debate has largely been positive and, at times, humorous. Nonetheless, it has been constructive and informative for moving forward.

If we are really going to reignite the spirit of entrepreneurship for which Scotland has been renowned, we need to do so with women and young people playing a full and active part. The reality is that we cannot successfully reignite that spirit without them. As people are our greatest assets, we need to tap into all our talents.

A strong and growing network of support is becoming increasingly focused on the needs of women and young people. Women's Enterprise Scotland is leading the implementation group to ensure that the aspirations that we all share are translated into action and that we are actively tackling the gender gap in enterprise.

The "Women in Enterprise" framework and action plan arose from work that Professor Sara Carter led in collaboration after the women's employment summit. The point about collaboration is important: all the key public, private and third sector partners are signed up to the framework and action plan. That includes the Royal Bank of Scotland, business gateway, Scottish Enterprise, Highlands and Islands Enterprise and the Prince's Trust. Jackie Brierton MBE, who is the chairperson of Women's Enterprise Scotland, said:

"We are the only country in Europe that has got this kind of collaborative policy framework ... we can now go forward

and actually create an environment that is more supportive."

Members have acknowledged throughout the debate that enterprise and entrepreneurship are now a distinct outcome in curriculum for excellence. Self-employment can be a route out of unemployment for young people, but it must be seen as a positive career choice in its own right. We must view enterprise and innovation as important in everyday life and work. In that respect, I was delighted to see that four aircraft maintenance apprentices from Prestwick airport were recently among the winners of the young innovators challenge; they are the first apprentices to win that accolade.

I draw to members' attention the fact that the very successful bridge 2 business initiative that has been piloted in City of Glasgow College—which I mentioned in my opening remarks—will be rolled out across the college estate. Six colleges are already interested in running the scheme.

Given the breadth of the work that is going on across the public, private and third sectors, it is imperative for our young people and women who are making their way in the world of business; for those who want to make their way in the world of enterprise and entrepreneurship; and organisations such as the Association of Scottish Businesswomen Women's and Enterprise Scotland, that we debate these issues in Scotland's Parliament. All those stakeholders deserve a debate that is very focused on enterprise and entrepreneurship.

For that reason, I thank the members who focused specifically on that theme. I recognise that the debate highlights far broader synergies with the economic experience of women in the wider world, and with the Wood report, which I will come to later. However, it has been excellent to hear those great examples of innovative women who are making their way in the economy and in the business world the length and breadth of Scotland.

Christine Grahame mentioned Lynn Mann from Supernature Oils, who I have had the pleasure of meeting. Lynn is a role model and mentor and is leading the way and supporting others to follow in her footsteps. Christina McKelvie spoke about inventions with social purpose and Joan McAlpine made the important point that, as well as getting more women to be active in the areas of the economy in which they are currently underrepresented, such as engineering, we need to value the work that women want to do and the businesses that women are attracted to establishing. I very much look forward to receiving an invitation to meet with Joan McAlpine's constituent who designs fabulous shoes—I am, of course, a great supporter of the creative industries.

Joan McAlpine and Murdo Fraser made the more serious point that women have a tendency to start up different types of businesses. Murdo Fraser also said that women's start-ups tend to be self-funded, which raises the question of access to finance. I am happy to report back, as Jenny Marra and Malcolm Chisholm requested, in the appropriate format, whether that is to the Parliament or to the members individually, on the broader discussions about supporting women to access finance to make their business aspirations a reality.

It is important to recognise, as Murdo Fraser mentioned, that the motivation for some women to establish their own business is not simply just to make money. However, 87 per cent of those female-led businesses are seeking to grow; we should never underestimate women's ambition in seeking to make their own way in the world.

very much enjoyed Kezia contribution to the debate. She largely focused on a different type of economy and the imperative need to support home-grown businesses. I draw her attention to the point that values-based businesses are emphasised in the Scotland can do programme, that alternative models such as the co-op model that Margaret McCulloch mentioned, employee ownership and social enterprises are discussed, celebrated and supported, and that an important point is made about growth for the strength of all. I pay tribute to the work that Women's Enterprise Scotland is doing in terms of leading the way on role models and mentoring support. That is a good example of action that is taking place here and now.

Willie Rennie spoke very eloquently about the leaky pipeline with regard to the proportion of women science graduates who do not pursue, or drop out from, STEM careers and how that costs the economy £170 million. I very much hope that the Liberal Democrats use their debate time at some point in the future to bring back the amendment that they were unsuccessful in getting selected for today's debate. I hope that Willie Rennie is reassured that this Government works very closely with organisations such as Equate Scotland. Indeed, we fund such organisations, which are crucial for the implementation of the careerwise initiative, which is in essence about early intervention, role models and work experience for young girls so that they can experience what it is like to pursue a STEMrelated career.

I have absolutely no doubt that we will indeed return to the issue of occupational segregation, because it is an agenda that I am utterly committed to. As a former social worker, I will always value the work to which women are traditionally attracted, but there is no doubt that we

need to improve women's representation in careers related to science, technology, engineering and mathematics. We are not alone in having that problem, because it is faced across Europe. However, there is an opportunity for Scotland to be an exemplar and lead the way in this area.

Members quite rightly spoke highly of the recent and timeous Wood commission report. I very much welcome the cross-party support for and interest in the commission for developing Scotland's young workforce. I reiterate that this Government very much views the report as a landmark one that has the capacity to transform the career prospects of young women and men in this country. As I said in my opening remarks, I will return to the Parliament on 17 June to focus on the implementation of the Wood commission's recommendations. With our partners in local government and COSLA, we will have to work through all 39 recommendations and see how they can be implemented and resourced.

I am cherishing the opportunity to do that because when we established the commission we on the Government benches were very struck that the countries with the lowest levels of youth unemployment were also the countries with very well-established vocational, educational and training systems that were highly regarded by employers. Our ambition is indeed far greater than returning to pre-recession levels of youth unemployment. We have to be doing far better by our young women and men in times of both economic growth and economic challenge. I am always struck by the fact that, prior to the world turning upside down in 2008 with the economic downturn, in this country youth unemployment peaked at 14 per cent at a time of economic growth. That indicates strongly to me that not only do we have an economic problem to reverse, but that we have systemic issues to address through every stage of our society if we are going to ensure that all our young people get the very best start to their working lives.

I am very pleased to report that early progress is being made on the Wood agenda. A few months ago an announcement was made with regard to Levenmouth in Fife, and Ayrshire College and North Ayrshire College announced yesterday some very interesting work. In addition, there is a head of steam for making good progress with the early pathfinder project.

The Government has also announced the expansion of the modern apprenticeship scheme from 25,000 starts a year up to 30,000 starts a year, fuelled by a growth in STEM subjects.

We have touched on issues in and around the college sector, but it is important to recognise that the Wood report described the college sector as

"re-energised" and "well placed" to take forward that agenda.

I will end with a quote from Sir Ian Wood. He says:

"Our Commission sat at an opportune time to look at significantly enhancing Scotland's approach to vocational education and youth employment. The reforms which have already taken place in schools and colleges as well as the growth in the number of Modern Apprenticeships provide a strong platform for change."

I hope that we can all move forward in that vein.

# **Parliamentary Bureau Motion**

# **Decision Time**

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of Parliamentary Bureau motion S4M-10230, in the name of Joe FitzPatrick, on substitution on committees.

Motion moved,

That the Parliament agrees that-

Bob Doris be appointed to replace David Torrance as the Scottish National Party substitute on the Equal Opportunities Committee;

Stewart Maxwell be appointed to replace Bob Doris as the Scottish National Party substitute on the Economy, Energy and Tourism Committee; and

David Torrance be appointed to replace Aileen McLeod as the Scottish National Party substitute on the European and External Relations Committee.—[Joe FitzPatrick.]

**The Presiding Officer:** The question on the motion will be put at decision time.

17:01

The Presiding Officer (Tricia Marwick): There are four questions to be put as a result of today's business. The first question is, that amendment S4M-10214.1, in the name of Jenny Marra, which seeks to amend motion S4M-10214, in the name of Angela Constance, on improving entrepreneurship, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

### For

Baillie, Jackie (Dumbarton) (Lab)

Baker, Claire (Mid Scotland and Fife) (Lab)

Baker, Richard (North East Scotland) (Lab)

Baxter, Jayne (Mid Scotland and Fife) (Lab)

Bibby, Neil (West Scotland) (Lab)

Boyack, Sarah (Lothian) (Lab)

Brown, Gavin (Lothian) (Con)

Buchanan, Cameron (Lothian) (Con)

Carlaw, Jackson (West Scotland) (Con)

Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)

Davidson, Ruth (Glasgow) (Con)

Dugdale, Kezia (Lothian) (Lab)

Fee, Mary (West Scotland) (Lab)

Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)

Findlay, Neil (Lothian) (Lab)

Fraser, Murdo (Mid Scotland and Fife) (Con)

Goldie, Annabel (West Scotland) (Con)

Grant, Rhoda (Highlands and Islands) (Lab)

Griffin, Mark (Central Scotland) (Lab)

Harvie, Patrick (Glasgow) (Green)

Henry, Hugh (Renfrewshire South) (Lab)

Hilton, Cara (Dunfermline) (Lab)

Hume, Jim (South Scotland) (LD)

Johnstone, Alex (North East Scotland) (Con)

Johnstone, Alison (Lothian) (Green)

Macdonald, Lewis (North East Scotland) (Lab)

Macintosh, Ken (Eastwood) (Lab)

Malik, Hanzala (Glasgow) (Lab)

Marra, Jenny (North East Scotland) (Lab)

Martin, Paul (Glasgow Provan) (Lab)

McArthur, Liam (Orkney Islands) (LD)

McCulloch, Margaret (Central Scotland) (Lab)

McGrigor, Jamie (Highlands and Islands) (Con)

McMahon, Michael (Uddingston and Bellshill) (Lab)

McMahon, Siobhan (Central Scotland) (Lab)

McNeil, Duncan (Greenock and Inverclyde) (Lab)

McTaggart, Anne (Glasgow) (Lab)

Mitchell, Margaret (Central Scotland) (Con)

Murray, Elaine (Dumfriesshire) (Lab)

Pearson, Graeme (South Scotland) (Lab)

Pentland, John (Motherwell and Wishaw) (Lab)

Rennie, Willie (Mid Scotland and Fife) (LD)

Rowley, Alex (Cowdenbeath) (Lab)

Scanlon, Mary (Highlands and Islands) (Con)

Scott, John (Ayr) (Con)

Scott, Tavish (Shetland Islands) (LD)

Simpson, Dr Richard (Mid Scotland and Fife) (Lab)

Smith, Drew (Glasgow) (Lab)

Smith, Elaine (Coatbridge and Chryston) (Lab)

Smith, Liz (Mid Scotland and Fife) (Con)

Stewart, David (Highlands and Islands) (Lab)

## Against

Adam, George (Paisley) (SNP) Adamson, Clare (Central Scotland) (SNP) Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP) Allard, Christian (North East Scotland) (SNP) Beattie, Colin (Midlothian North and Musselburgh) (SNP) Biagi, Marco (Edinburgh Central) (SNP) Brodie, Chic (South Scotland) (SNP) Brown, Keith (Clackmannanshire and Dunblane) (SNP) Burgess, Margaret (Cunninghame South) (SNP) Campbell, Aileen (Clydesdale) (SNP) Campbell, Roderick (North East Fife) (SNP) Coffey, Willie (Kilmarnock and Irvine Valley) (SNP) Constance, Angela (Almond Valley) (SNP) Crawford, Bruce (Stirling) (SNP) Cunningham, Roseanna (Perthshire South and Kinrossshire) (SNP) Dey, Graeme (Angus South) (SNP) Don, Nigel (Angus North and Mearns) (SNP) Doris, Bob (Glasgow) (SNP) Dornan, James (Glasgow Cathcart) (SNP) Eadie, Jim (Edinburgh Southern) (SNP) Ewing, Annabelle (Mid Scotland and Fife) (SNP) Fabiani, Linda (East Kilbride) (SNP) Fergusson, Alex (Galloway and West Dumfries) (Con) Finnie, John (Highlands and Islands) (Ind) FitzPatrick, Joe (Dundee City West) (SNP) Gibson, Kenneth (Cunninghame North) (SNP) GIBson, Rob (Caithness, Sutherland and Ross) (SNP) Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP) Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP) Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP) Keir, Colin (Edinburgh Western) (SNP) Kidd, Bill (Glasgow Anniesland) (SNP) Lochhead, Richard (Moray) (SNP) Lyle, Richard (Central Scotland) (SNP) MacAskill, Kenny (Edinburgh Eastern) (SNP) MacDonald, Angus (Falkirk East) (SNP) MacDonald, Gordon (Edinburgh Pentlands) (SNP) Mackay, Derek (Renfrewshire North and West) (SNP) MacKenzie, Mike (Highlands and Islands) (SNP) Mason, John (Glasgow Shettleston) (SNP) Matheson, Michael (Falkirk West) (SNP) McAlpine, Joan (South Scotland) (SNP) McDonald, Mark (Aberdeen Donside) (SNP) McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP) McLeod, Aileen (South Scotland) (SNP) McLeod, Fiona (Strathkelvin and Bearsden) (SNP) McMillan, Stuart (West Scotland) (SNP) Neil, Alex (Airdrie and Shotts) (SNP) Paterson, Gil (Clydebank and Milngavie) (SNP)

Robertson, Dennis (Aberdeenshire West) (SNP)

Robison, Shona (Dundee City East) (SNP)

Russell, Michael (Argyll and Bute) (SNP)

Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)

Stewart, Kevin (Aberdeen Central) (SNP)

Sturgeon, Nicola (Glasgow Southside) (SNP)

Swinney, John (Perthshire North) (SNP)

Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)

Torrance, David (Kirkcaldy) (SNP)

Urquhart, Jean (Highlands and Islands) (Ind)

Watt, Maureen (Aberdeen South and North Kincardine)

Wheelhouse, Paul (South Scotland) (SNP)

White, Sandra (Glasgow Kelvin) (SNP)

Wilson, John (Central Scotland) (SNP)

Yousaf, Humza (Glasgow) (SNP)

The Presiding Officer: The result of the division is: For 51, Against 64, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that amendment S4M-10214.3, in the name of Murdo Fraser, which seeks to amend motion S4M-10214, in the name of Angela Constance, on improving entrepreneurship, be agreed to. Are we agreed?

Members: Yes.

The Presiding Officer: The amendment is agreed to—[Laughter.] I was surprised, too.

Amendment agreed to.

The Presiding Officer: The next question is, that motion S4M-10214, in the name of Angela Constance, on improving entrepreneurship, as amended, be agreed to.

Motion, as amended, agreed to,

That the Parliament recognises the positive impact of entrepreneurial activity by women and young people on the Scottish economy; affirms its commitment to working with public, private and third sector partners to make Scotland a world-leading entrepreneurial nation by ensuring that all of Scotland's people are better able to participate in entrepreneurial activity, and welcomes the work undertaken as part of Scotland CAN DO and Women in Enterprise, a framework and action plan to deliver public, private and third sector partnerships to bolster entrepreneurial activity among women and young people; notes the recommendations of the Commission for Developing Scotland's Young Workforce, chaired by Sir Ian Wood, which are designed to move toward better qualified, workready and motivated young people with skills relevant to modern employment opportunities, both as employees and entrepreneurs; welcomes the proposals to improve vocational education, and calls on the Scottish Government bring forward plans to implement recommendations as soon as possible.

The Presiding Officer: The next question is, that motion S4M-10230, in the name of Joe FitzPatrick, on substitution on committees, be agreed to.

Motion agreed to,

That the Parliament agrees that—

Bob Doris be appointed to replace David Torrance as the Scottish National Party substitute on the Equal Opportunities Committee;

Stewart Maxwell be appointed to replace Bob Doris as the Scottish National Party substitute on the Economy, Energy and Tourism Committee; and

David Torrance be appointed to replace Aileen McLeod as the Scottish National Party substitute on the European and External Relations Committee.

Meeting closed at 17:03.

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