

Submission from FBS: Foreign language learning in primary schools

Thank you for giving us the opportunity to present our views on the European and External Relations Committee's above inquiry.

The FSB is Scotland's largest direct-member business organisation, representing around 20,000 members. The FSB campaigns for an economic and social environment which allows small businesses to grow and prosper.

As outlined in discussions with committee officials, FSB Scotland has not previously undertaken any detailed work on this issue. We have therefore limited our response to the role of languages in economic development, specifically with regard to small businesses. In the context of ever greater economic globalisation and the growth of the BRIC nations, the acquisition of language skills in the workforce will continue to be relevant for Scotland to compete in the global market. The key questions, then, are:

1. To what extent are languages a barrier to trade for FSB members?
2. To what extent are language skills important for FSB members?

With the limited evidence at our disposal, our research¹ suggests that the main barrier to trade for UK members (74%) is the lack of suitable product/service to export. Indeed, only 5% of members cite language/cultural barriers as a reason for not exporting.

Moreover, when asked about the main challenges small businesses needed to overcome when exporting goods and services, only 15% cited language/cultural barriers. The top four challenges were:

- Fluctuating exchange rate/foreign currency (35%)
- Difficulty in finding customers (24%)
- Lack of finance/working capital (23%)
- Difficulties around getting paid (22%)

These statistics can be partly explained by the fact that three of the top five countries businesses *expect* to export goods and services to in the future are English speaking nations. However, it is clear that for many of our UK members language skills are not currently considered a significant barrier to trade.

Indeed, while we broadly agree that there is an economic case for improved language skills, our evidence suggests that these are not currently priorities for most small businesses considering exporting. The most frequently cited skills problems for small businesses² are: sales/marketing/PR (46% for business owners and 34% for employees); IT (27% for both business owners and employees); and 'softer', interpersonal skills (32% regard customer service as integral to business growth).

On a slightly related matter, we also sought feedback from tourism businesses in relation to language teaching. Most agreed that language skills would be an advantage to any tourism business. However, a far greater priority was considered to be a local workforce with stronger interpersonal and customer service skills. This, rather than language skills, was felt to be the greatest challenge to workforce skills which would enable businesses to make the customer journey more authentic.

Yours sincerely

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¹ Cited from a forthcoming FSB report into exporting.

² See: "[Raising the Standards: An FSB Skills Survey](#)", Federation of Small Businesses, 2011.