



## **Economy, Energy and Fair Work Committee**

Fiona Hyslop MSP,  
Cabinet Secretary for Economy,  
Fair Work and Culture,  
Scottish Government

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Sent by email only

13 January 2021

Dear Fiona,

### **COVID-19 inquiry – impact on businesses, workers and the economy**

As you are aware, the Economy, Energy and Fair Work Committee has continued its inquiry on COVID-19 with oral evidence sessions based around the impact on [urban](#) and [rural](#) areas and the [North East of Scotland](#). The Committee also spoke to young people in focus groups to supplement the oral evidence.

As part of this work, a number of issues were raised with the Committee which are additional to the issues covered in the Committee's report on its inquiry. At its meeting on 22 December 2020, the Committee agreed to write to the Scottish Government to highlight these issues.

The Committee agreed to highlight the following issues:

#### *Impact on young people*

- the need to provide support to young people seeking to start a business at this time;
- the need to ensure that transport links allow young people to access training and employment, especially in rural areas;
- the need for improved communication with young people about support that is available;
- the need to explore how more opportunities can be offered to young people for digital engagement.

#### *Impact on workers*

- the need to develop skills for future careers, including digital and energy transition skills;

- the need to ensure that people on zero hours contracts receive support.

*Impact on businesses*

- the impact of the pandemic on town/city centres and the decline of the high street (raised in urban and North East sessions);
- the impact of the delay of the review of business rates highlighted in North East session;
- access to finance issues and the role of the banks (banks using a traffic light system that makes borrowing difficult).

*Digital issues*

Issues around digital working came up across all three regional sessions, specifically:

- North East businesses are not adequately prepared to go digital;
- Digital connectivity can be a barrier in rural areas;
- There is a demand for skills in digital sector but challenges with skill shortages.

I would invite the Scottish Government to provide a response to the matters highlighted above. If you are able to provide a response to this letter alongside your response to the Committee's report, that would be appreciated.

Kind regards,

A handwritten signature in black ink, appearing to read 'Gordon Lindhurst', with a stylized flourish at the end.

Gordon Lindhurst MSP  
Convener