



House of Commons  
Scottish Affairs Committee

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# Demography of Scotland and the implications for devolution

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**Second Report of Session 2016–17**

*Report, together with formal minutes relating  
to the report*

*Ordered by the House of Commons  
to be printed 23 November 2016*

## The Scottish Affairs Committee

The Scottish Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Scotland Office (including (i) relations with the Scottish Parliament and (ii) administration and expenditure of the offices of the Advocate General for Scotland (but excluding individual cases and advice given within government by the Advocate General)).

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Committee reports are published on the [Committee's website](#) and in print by Order of the House. Evidence relating to this report is published on the [inquiry page](#) of the Committee's website.

### Committee staff

The current staff of the Committee are Jyoti Chandola (Clerk), Peter Stam (Second Clerk), Edward Faulkner (Committee Specialist), Ami Breen (Legal Assistant), Pansy Barrett (Senior Committee Assistant), and George Perry (Media Officer).

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# 1 Introduction

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1. The demography of any country depends on a number of factors. The number of births and deaths, the pattern of inward and outward migration and the health of a population all contribute to the demographic trends which must guide policy makers, businesses and health, education and social care providers. In recent years, Scotland's demographic trends have been improved. After centuries of slow population growth, or even population decline, and high outward migration, Scotland is now a country with net inward migration and a steadily growing population. During our inquiry a number of reasons for this reversal were offered. Witnesses also noted the ongoing impact of historic events which have affected, and continue to affect, the demography of Scotland.

2. The current devolution settlement means that both Holyrood and Westminster have powers that can affect demographic trends. The UK Government has control over immigration policy, employment, pensions and the overall funding allocation to Scotland from the block grant. Health, housing and social care are devolved to the Scottish Parliament. The Scotland Act 2012 devolved limited tax powers and the Scotland Act 2016 gave further tax raising and spending powers to the Scottish Parliament. In order to address Scotland's demographic trends, the UK and Scottish Governments will have to ensure there is effective joint working, both in those areas which affect Scotland and those which affect the UK as a whole.

## Work by other Committees

3. Other committees in both Westminster and Holyrood have looked at some of the issues we consider in this report and we have referred to their evidence and findings where relevant. Both the House of Lords Select Committee on Public Service and Demographic Change's report, *Ready for Ageing?*,<sup>1</sup> and the Scottish Parliament's Finance Committee's report on *Demographic change and an ageing population*<sup>2</sup> have informed our work.

## This Inquiry

4. We launched this inquiry in February 2016 to look at the current demography of Scotland and at future demographic trends in order to consider what impact they would have on Scotland. We have taken evidence from experts in the fields of business, population and demography, migration and fiscal studies. We held four evidence sessions in Westminster, which included taking evidence from both the UK and Scottish Governments, one evidence session in Edinburgh and one on the Isle of Skye, where we visited Sabhal Mòr Ostaig and met with Marc Smith of the Cuillin Collective in Elgol and Nigel Smith, the Skye & Lochalsh Branch Chairman of the Federation of Small Businesses and owner of Seaprobe Atlantis. We are grateful to all those who have contributed to this inquiry.

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1 House of Lords, Report of the Select Committee on Public Service and Demographic Change, Session 2012–2013, [HL Paper 140](#)

2 Scottish Parliament, Finance Committee, 2nd Report, 2013 (Session 4): *Demographic change and an ageing population*, [SP Paper 265](#)

5. Much of the evidence in this inquiry was received before the referendum on the UK's membership of the European Union. The report does not, therefore, consider the impact of Brexit in depth. We have, however, highlighted some areas relating to Scotland's demography which we consider likely to be affected by leaving the European Union. We are currently undertaking an inquiry into *Scotland's place in Europe*.<sup>3</sup>

## 2 Addressing Scotland's demographic challenges

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### Overview

6. Three key Scottish demographic trends were raised repeatedly during the course of our inquiry. These were:

- a) Scotland's population is growing but at a much slower rate than the UK as a whole, mainly due to lower levels of net immigration and fertility. Scotland has historically experienced low population growth, and even decline, partly due to a history of high levels of outward migration.
- b) The age profile of Scotland's population is rising at a faster rate than that in the UK as a whole. This is most pronounced in rural areas where there has been a failure to retain and attract young people leading to a higher dependency ratio than other parts of the UK.<sup>4</sup>
- c) Life expectancy, and healthy life expectancy, is lower in Scotland than in other parts of the UK, especially for men. Both life expectancy and healthy life expectancy are increasing in Scotland. Life expectancy is increasing faster in Scotland than in the rest of the UK, albeit from a lower base.

### Problems and challenges posed by Scotland's demographic characteristics

7. Several witnesses have identified the combination of Scotland's slower population growth, its aging population and lower life expectancy as one of the key challenges facing Scotland. COSLA (Convention of Scottish Local Authorities) told us that "the projected demographic profile [...] presents significant challenges in terms of the sustainable provision of services to meet the needs of the over 65 population".<sup>5</sup> Marie Curie told us in written evidence that "people in Scotland are living with more complex needs than before. The majority of over-65s in Scotland have two or more long-term conditions, and the majority of over-75s have three or more conditions".<sup>6</sup> These people will need access to health and care services, potentially increasing the demands on NHS Scotland and Scottish social care services in the future.

8. National Records of Scotland has forecast that, over the next 25 years, Scotland will have a population with a lower proportion of working age people than it currently has, meaning that there will be a higher number of dependants. In their evidence to us they stated:

The overall dependency ratio for the UK is projected to rise from 61 to 67 dependants per 100 working age population between 2014 and 2039

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4 The dependency ratio is the number of people aged under 16 and those of state pension age compared with working age people.

5 Convention of Scottish Local Authorities ([DEM0011](#))

6 Marie Curie ([DEM0007](#)) para 9

[...]. Scotland's overall dependency ratio is projected to rise from 58 to 67 dependants per 100 working age population over the same period. This is a larger projected increase for Scotland than for UK.<sup>7</sup>

9. Although this is a positive development, an increased dependency ratio may be a concern for policy makers across the UK. In Scotland there are two main areas where an increased dependency ratio may have an impact. Firstly, the Scotland Act 2016 devolves control of significant tax revenue, notably income tax and a proportion of VAT receipts, to the Scottish Parliament. If the Scottish population as a whole gets older then demand for funding for services for an aging population would be likely to increase more quickly than the tax receipts from income tax due to the slower growth of the work age population compared to those of pension age. The second concern was that it is already difficult to fill some vacancies in a number of areas, including health and social care.<sup>8</sup> An ageing population will see more demand for those services without a commensurate increase in the pool of working age people available to fill the vacancies. COSLA explained that this was why working age people with families were the demographic they most wished to attract to Scotland. They told us that "the most financially attractive group are working-age people with families, due to their tax contribution and the ability to help counter an ageing population profile over the longer term".<sup>9</sup>

## Population growth

10. The Scottish Government believes that growing the population is necessary in order to help the economy grow and tackle the problems associated with an ageing population. The Scottish Government has set a target to match population growth in the EU15 over the period 2007 to 2017.<sup>10</sup> When the Scottish Government's Minister for International Development and Europe, Dr Alasdair Allan MSP, appeared before us he said:

We are conscious of the fact that for the long-term health of the economy, population growth is a reasonable thing for us to seek to do, the way that other European countries do. The reason behind it is obviously to grow our workforce and also to address our ageing population demographic.<sup>11</sup>

11. The Minister for International Development and Europe in the Scottish Government confirmed that Scotland was meeting those targets. Since 2007, average population growth rates for Scotland and EU15 have been 0.49% and 0.38% respectively.<sup>12</sup> The Minister went on to say that "what is in our mind now is how the longer term pans out and how the graph starts to look for us in the years between now and 2039".<sup>13</sup>

12. Some of our witnesses praised the Scottish Government for setting a population target. Professor Alan Findlay said "I am glad Scotland has a target; it is a very positive thing to have an aspiration to be demographically healthy".<sup>14</sup> There were, however, some

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7 National Records of Scotland ([DEM0018](#))

8 Convention of Scottish Local Authorities ([DEM0011](#))

9 Convention of Scottish Local Authorities ([DEM0011](#))

10 The EU15 comprises of the following 15 countries: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and United Kingdom.

11 Q284

12 Q279

13 Q279

14 Q197

witnesses who were either critical of the target or felt that further action was also needed. David Watt, Executive Director for the Institute of Directors in Scotland, stressed the importance of considering the skills of a population, as well as its size. He told us that:

About a third of Scotland’s business and organisational leaders and entrepreneurs will be retiring [...] by 2023. That figure is very scary. We are losing that senior level of expertise from organisations, so we need to encourage more business start-ups to try to replace them. [...] The Government are trying and it is vitally important to attracting people and creating, [...], that sort of economic ecoculture where people will believe that they can come and work and stay in work in Scotland and not leave.<sup>15</sup>

13. The UK Government suggested that setting a population target was not, in itself, enough to encourage population growth. The Secretary of State for Scotland, David Mundell MP, told us:

I accept the Scottish Government have every right to set that target. I want to see an end to population decline in parts of Scotland, but I do not believe that setting a target will simply achieve the outcome, particularly if that target cannot achieve a distribution within Scotland.<sup>16</sup>

14. As well as the Scottish Government’s population targets, we heard that local authority areas in Scotland are setting their own targets for population growth. Lorraine Cooke from COSLA stated:

When I was asked to give evidence, I looked at all our member local authorities’ single outcome agreements and around half of them had population growth targets as a key outcome within their SOAs (Single Outcome Agreements), if not the key outcome within it.<sup>17</sup>

COSLA’s written evidence highlighted efforts by some local authorities to attract new residents to fill specific demographic or skills gaps. Angus Council, for example, reported that it was particularly keen to attract people to fill seasonal agricultural vacancies, as “the local agricultural economy relies heavily on seasonal migrants due to the reluctance of the indigenous population to do this work. The number of migrants can reach 3,000 or so over the season”.<sup>18</sup>

15. None of our witnesses was able to tell us the optimum population size for Scotland. Professor Jim Hunter, Emeritus Professor of History at the University of the Highlands and Islands, thought that establishing an optimum was very difficult, and that it would vary depending on what economic goals were being pursued. He told us:

Optimum levels of population are very difficult concepts. It used to be argued by historians—with whom I passionately disagree—that all that happened here [in the Highlands and Islands] in the past was all perhaps a bit difficult but it was inevitable because the population had exceeded the capacity of the land to sustain it. Well, the population of London exceeded

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15 Q167

16 Q318

17 Q169

18 Convention of Scottish Local Authorities ([DEM0011](#))

the capacity of the London area to grow potatoes and turnips a heck of a long time ago, so it depends entirely what sort of economy you are looking to create here.<sup>19</sup>

16. One of our witnesses, Andrew MacNaughton from Population Matters, argued against population growth as a solution to Scotland's demographic challenges, believing that it would be better to address the current challenges by other means such as encouraging more efficient use of the existing labour pool. He told us:

From our perspective, it is about dealing with that transition rather than maybe saying we can stop this transition from taking place through migration and increasing population. At some point that is equivalent to a Ponzi scheme, where you continually need to grow the population to meet the demands of people who are passing out of working age and young people who you need to support through the taxes from those who work. That cannot keep going forever. We do have to face up to this issue at some point.<sup>20</sup>

**17. We agree with the majority of our witnesses that Scotland's growing population is a positive development after historic population decline. Population growth and further reducing the number of residents in Scotland who choose to migrate to other parts of the UK are important parts of meeting Scotland's demographic challenges and ensuring Scotland's economy and society have a thriving future.**

## Population overview

18. Scotland's population is at its highest ever level, standing at 5.37 million.<sup>21</sup> Over the last 100 years, Scotland has generally experienced slow population growth. Notable exceptions are during the Second World War and a period lasting from the late 1970s to the early 2000s when it experienced periods of population decline. Figures show that since 2004 population growth in Scotland has increased in pace.<sup>22</sup>

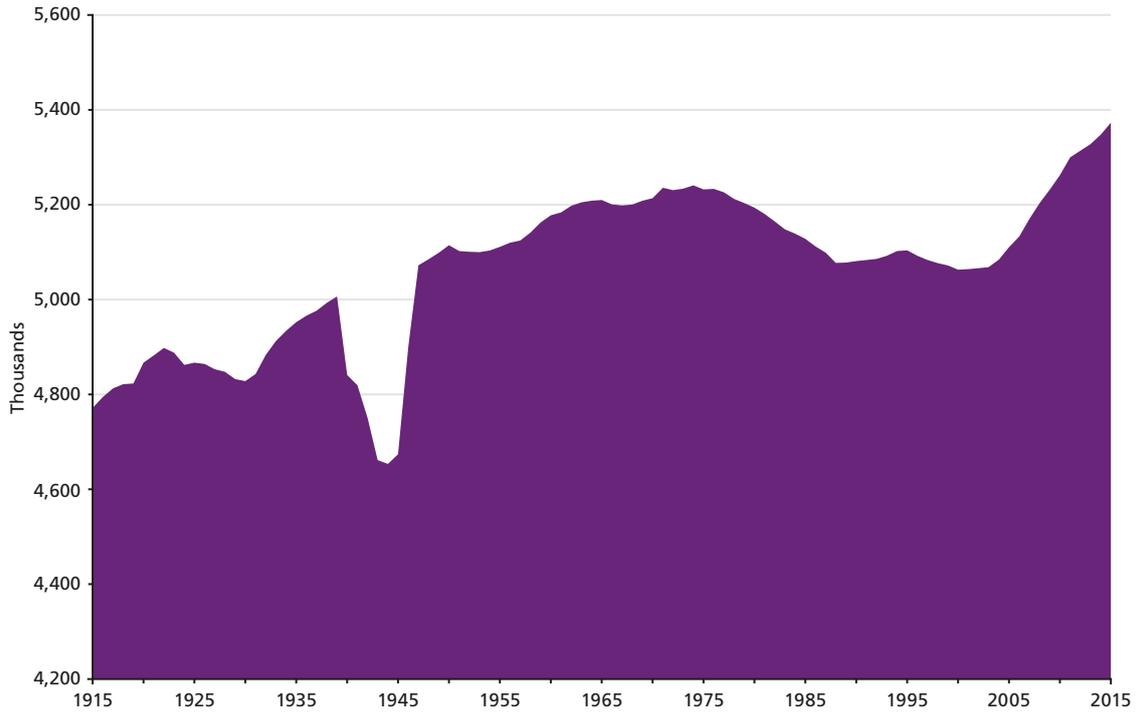
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19 Q212

20 Q6

21 National Records of Scotland, '[Mid-year population estimates—Scotland, all ages by sex: 1855 to 2015](#)', accessed 18 November 2016

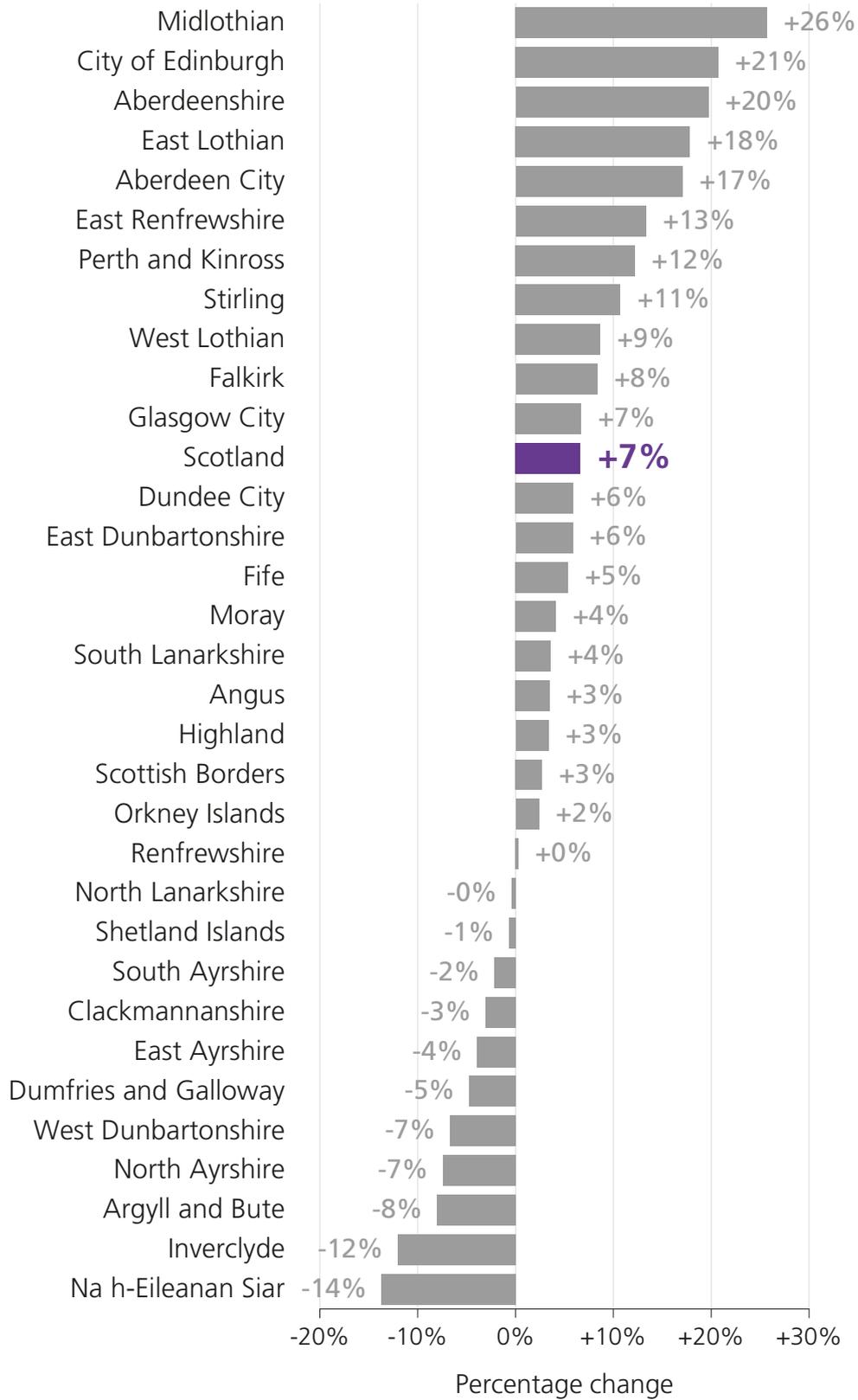
22 In 2004 the EU saw its biggest enlargement to date when Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia joined.

**Figure 1: Scotland's population change over last 100 years.**

Source: National records of Scotland, '[Population Estimates Time Series Data](#)', accessed 17 November 2016

19. A key characteristic of Scotland's population growth is that this growth has been concentrated in particular areas. In 2005–2015, Scotland's overall population increased by 5.1%. In East Lothian the growth was 11.1% and in Edinburgh 11.0%. Over the same period, Inverclyde and Argyll and Bute saw a population decline of 3.8%. The graph below shows the predicted population change in the 32 Scottish council areas, as well as in Scotland as a whole over the next 25 years. It highlights that although Scotland's population will continue to grow, growth will continue to be focused in particular areas.

Figure 2: Projected percentage change in total population by council area, 2014–2039



Source: National Records of Scotland, 'Population Projections for Scottish Areas', accessed 17 November 2016

20. Another feature of Scotland’s demography is that it has one of the lowest population densities in the European Union.<sup>23</sup> There is a large variation in population density across Scotland. National Records of Scotland say that “over 90% of people in Scotland live within settlements<sup>24</sup> [which] account for less than 3% of Scotland’s area”.<sup>25</sup> More than half of Scotland’s population is concentrated in the ‘Central Belt’ which includes Greater Glasgow, Ayrshire, Falkirk, Edinburgh, Lothian and Fife. Greater Glasgow itself has an estimated population of 1.2 million, one quarter of Scotland’s total population. In rural Scotland the population density is extremely low. For example, Alistair Danter, Area Business Manager for Skye and Lochalsh for Highlands Council told us that “Sutherland has a population density of something like two people per square kilometre. That is three less than the West African state of Mali, which is two-thirds Sahara Desert”.<sup>26</sup> In these areas of low population density economic development is particularly challenging.

### ***Comparison with the rest of the UK***

21. When compared to the UK as a whole, Scotland’s population is predicted to grow at a slower rate. National Records Scotland, in their evidence to us, stated that:

The UK population is projected to increase from an estimated 64.6 million in 2014 to above 70 million in 2027 and reaching 74.3 million by 2039—an increase of 15% over a 25 year period. Scotland’s population is predicted to grow by 6% during the same period.<sup>27</sup>

22. Population change in the four countries that make up the United Kingdom can be seen in the graph below.

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23 Population density is defined as the number of people per square kilometre.

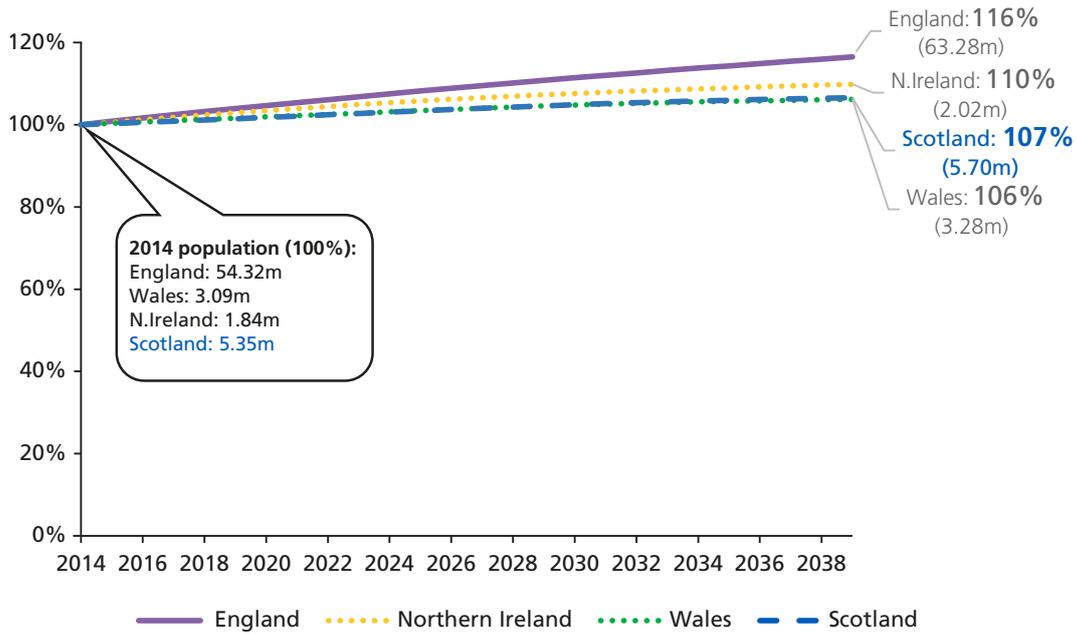
24 A settlement is defined to be a group of high density postcodes whose combined population rounds to 500 people or more.

25 National Records of Scotland ([DEM0018](#))

26 Q216

27 National Records of Scotland ([DEM0018](#))

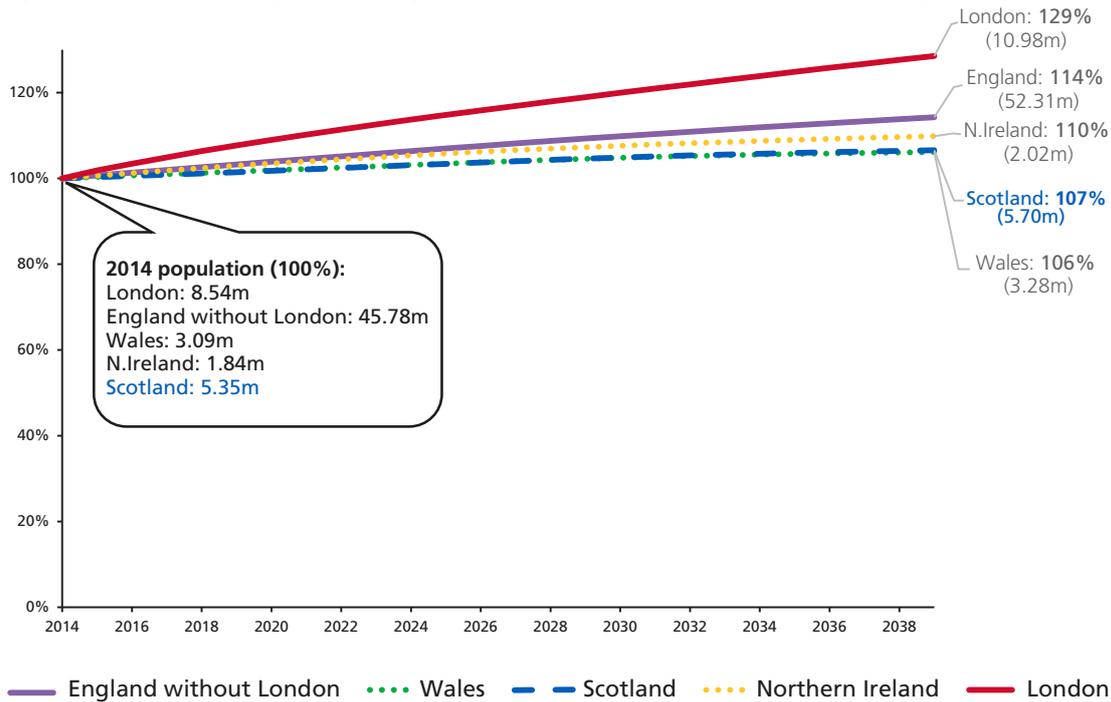
Figure 3: Population projections 2014–2039



Source: Office for National Statistics, ‘[National Population Projections: 2014-based Statistical Bulletin](#)’, accessed 17 November 2016

23. National Records of Scotland attribute the difference in population growth between Scotland and England to much higher growth in London, saying that “recent 2012-based sub-national population projections for England show clear differences between trends in London and England as a whole”.<sup>28</sup> The graph below shows, however, that even with London population growth removed, the population of England is still growing at a faster rate than that of Scotland. England does, like Scotland, have significant regional variation. Areas in the North East and North West of England are expected to grow at an almost identical rate to Scotland (7% in the next 25 years) and at a much slower rate than London and the South-East.

Figure 4: Population projections (England without London and London separately)



Source: Office for National Statistics, 'Subnational Population Projections for Local Authorities in England', accessed 17 November 2016

24. Whilst Scotland's population growth is slower than the rate for the UK as a whole, Professor Bell, Royal Society of Edinburgh, emphasised that it is still increasing more swiftly than in many other countries in Europe. He told us that:

Scotland is falling behind the rest of the UK because the rest of the UK is growing more rapidly than almost anywhere else in Europe. By the mid-2040s, according to the Eurostat projections, the UK will be the largest country in population terms in Europe. Scotland is growing but it is growing as part of a country that, based on current assumptions, [...] is growing more rapidly than the rest of Europe.<sup>29</sup>

### Fertility

25. One reason Scotland's population is growing at a much slower rate than the rest of the UK is that the fertility rate, the number children born to women in Scotland, is lower than that that for the rest of the UK. The figure for Scotland is 1.7 children per woman compared with 1.89 for the UK as a whole.<sup>30</sup> It is commonly accepted that a fertility rate of 2.1 will sustain a population. Professor Bell, from the Royal Society of Edinburgh, told us that:

The UK birth rate or total fertility rate—how many children a woman will have over her lifetime—is about 1.8. Spain is 1.3, Germany 1.47, Italy 1.37, Portugal is down to 1.23 and the EU average is 1.58. So first, the UK has quite a high birth rate. Scotland is 1.62, so it is above a lot of European countries, but it is behind the rest of the UK.<sup>31</sup>

29 Q1

30 National records of Scotland, 'Scotland's Population 2011', accessed November 2016

31 Q2

26. Whilst some of our witnesses suggested that the Government could provide incentives which encourage people to have larger families, most of our witnesses were against the idea.<sup>32</sup> Professor Findlay, University of St Andrews, told us, “I do not advocate having a policy on fertility increase”.<sup>33</sup> Written evidence from the Institute and Faculty of Actuaries suggested that, although “coercive policies [to lower fertility rates] have had a dramatic effect on fertility rates, the pro-natalist policies have tended to have a limited impact”.<sup>34</sup> They went on to suggest that policies which made it easier for women to combine motherhood and a career and which promoted availability of affordable housing and child care were more successful at increasing fertility rates.<sup>35</sup>

**27. It is clear to us that, taking into account the birth rate trends and the age profile of the population in Scotland, natural change in population cannot provide the population growth that Scotland needs. We accept that policies which aim to encourage people to have more children have limited impact on increasing the population. Those which are most effective are policies that support working parents and make it easier for women to return to work after having children.**

### **Migration**

28. Migration is already an important factor in Scotland’s population growth, and it is likely to become more important in the future. A consequence of Scotland’s lower fertility rates is that the rate of natural population increase will be lower than other regions in the UK. To match population growth with the UK as a whole, a greater proportion of the increase will have to come through net immigration.

29. National Records Scotland told us:

If current trends continue, 10% of the projected increase in Scotland’s population between 2014 and 2039 is attributed to natural increase (more births than deaths) while 90% of the increase is due to assuming continuing inward net migration to Scotland (57% from international migration and 32% from cross-border migration with the rest of the UK).<sup>36</sup>

30. The Scottish Government said:

The point is that in Scotland most of our population growth is supported by inward migration. [...] we need the UK Government to deliver an immigration system that meets Scotland’s needs because we depend so heavily on new Scots to support our economy and our communities. The Scottish Government certainly does not share the UK Government’s concern about driving down migration at any cost. In Scotland, I want to put on the record that we welcome migrants and the important role that they play in our businesses and communities.<sup>37</sup>

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32 For example, Q22 and Population Matters ([DEM0013](#))

33 Q198

34 Institute and Faculty of Actuaries ([DEM0003](#)) para 8

35 Institute and Faculty of Actuaries ([DEM0003](#)) para 8

36 National Records of Scotland ([DEM0018](#))

37 Q274

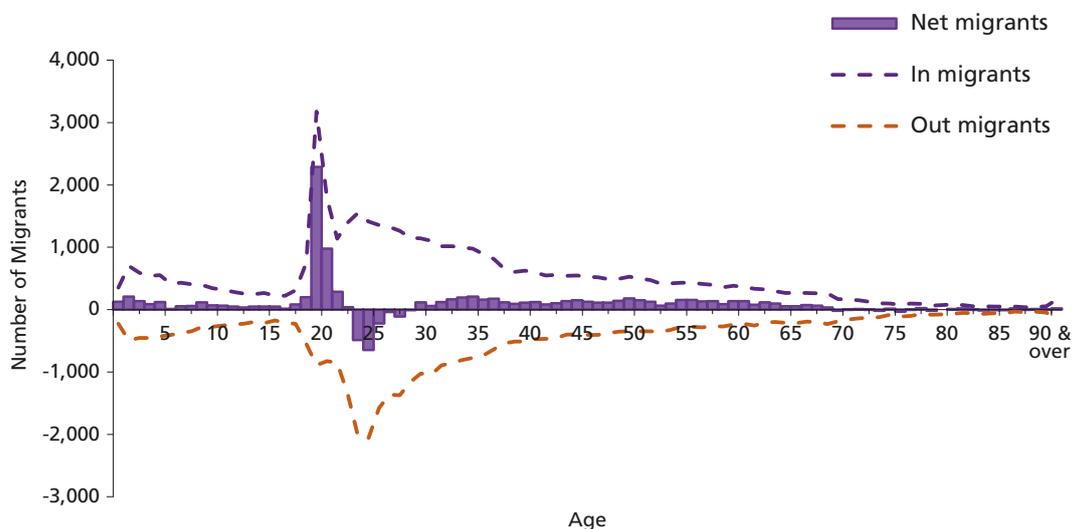
### Scotland's ability to attract migrants

31. The trend for migration in Scotland is net inward migration, demonstrating that to many people Scotland is an attractive place to live and work. Migration to Scotland is, however, much lower compared with other parts of the UK, in particular London and the South East. In the year 2014–15 (the most recent period for which figures are available), net inward migration to Scotland was 27,968, whilst net migration to England was 298,882.<sup>38</sup> Some of our witnesses expressed concern about Scotland's ability to attract migrants. Professor Alan Findlay told us that “my argument would be that the main reason Scotland's population falls somewhat differently from the rest of the United Kingdom is because of the lack of ability to attract migrants”.<sup>39</sup>

32. The Scottish Government told us that the “the peak age for migration into Scotland from the UK is 19, which does suggest people who are coming to university or perhaps taking up a first job, but more likely coming to university or college. The peak age for migration into Scotland from overseas is 23”.<sup>40</sup>

33. The graph below shows that many people move to Scotland in their late teens and early 20s but move out of Scotland afterwards, which supports the argument that people move to Scotland for university but do not remain after graduation. The table below shows a spike around university age for inward migration, which then drops off, turning into a smaller negative spike for those aged 23 to 27. This is a similar trend to university towns, where people are attracted to a city for educational opportunities but do not remain there afterwards.

Figure 5: All Migrants, by single year of age (the rest of the UK) 2014–2015



Source: National Records of Scotland, ‘[Migration between Scotland and the Rest of the UK](#)’, accessed 17 November 2016

34. The Scottish Government Minister for International Development and Europe told us that a number of bodies were analysing migration trends to identify why people were leaving Scotland in their early twenties, saying:

38 Staff analysis of Office for National Statistics, ‘[Local Area Migration Indicators, UK](#)’, accessed 18 November 2016

39 Q169

40 Q294

Our enterprise agency, our universities and others are all doing analysis of this. Obviously, some people who leave will be people who are leaving to study. Some people will be leaving to take up a job offer after university. There will be all sorts of reasons, and certainly the universities and our enterprise agencies do look at those and collate the data and, indeed, records are always made of all sorts of information from the census and all sorts of stuff as well.<sup>41</sup>

35. The Minister also acknowledged that:

We have to work as a Government, as a society in Scotland, to make sure that people feel that they have the opportunities to get jobs when they leave university and that they understand what the opportunities are. Certainly, the Government work very hard on that. I was really just pointing to the fact that we are in a healthier position than we have been at some points in the past.<sup>42</sup>

**36. We welcome the work the Scottish Government is doing to identify reasons for outward migration from Scotland. We acknowledge its commitment to developing further employment opportunities in order to create the environment to help retain a greater number of people who have moved to Scotland from both the rest of the UK and overseas.**

### *Devolution of migration policy*

37. Immigration policy is a reserved matter and there is a UK-wide immigration system. The Scottish Government has consistently argued that this system does not meet Scotland's needs and that Scotland would benefit from a more tailored approach. It told us that immigration was:

An essential plank of our economic and demographic health that is outwith the control of the Scottish Government. That is why we need the UK Government to deliver an immigration system that meets Scotland's needs because we depend so heavily on new Scots to support our economy and our communities.<sup>43</sup>

38. Other witnesses agreed that a tailored immigration policy would benefit Scotland and suggested that regional flexibility or devolution of immigration policy could ensure a system which would better meet Scotland's needs. Lorraine Cook, from the Convention of Scottish Local Authorities (COSLA), argued that "regional [immigration] flexibilities would be beneficial [...] south-east-based [immigration] policy [...] is not reflective of Scotland".<sup>44</sup> Professor Findlay said that migration policy should be devolved, arguing that "the United Kingdom would benefit if regional labour markets were able to be more influential in shaping their immigration policies".<sup>45</sup>

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41 Q293

42 Q294

43 Q174

44 Q193

45 Q193

39. Professor Findlay suggested that a ‘points based system’, similar to the Australian immigration system, could enable regional variation which could benefit Scotland. He told us that:

The Scottish White Paper ahead of the Scottish referendum recommended a points-based system and now we seem to have people within the Brexit part of the House of Commons who favour a points-based system. One of the most important features that the Committee should note is that the point-based systems in both Australia and Canada have embedded as central to them having the ability to have regional differences in the points that are used.<sup>46</sup>

40. Professor Findlay went on to argue that regional migration policies “are much more successful than immigration policies that suggest one size fits all”.<sup>47</sup> He highlighted some of the advantages of this flexibility:

The benefits are clearly that you can tailor the policy to the particular needs of the economy and the particular situation that society is in. I think it is very hard to argue against any territory being better off if it can tailor a policy on immigration. When you look around the world, very often where you have a very large city surrounded by regions whose cities do not have global status, you do get differential policies.<sup>48</sup>

41. The UK Government confirmed it had no intention of devolving immigration policy.<sup>49</sup> The Minister for Immigration told us that “having a separate immigration policy for Scotland is not something that we feel would be appropriate”.<sup>50</sup>

**42. There is a case for sub-national migration powers for Scotland to be further considered based on the evidence we have received, but this Committee makes no recommendations about the shape of that policy. We call for closer co-operation between the UK and Scottish Governments on this issue.**

### *Post-study work schemes in Scotland*

43. Our very first inquiry of this Parliament was the *Work of the Scottish Affairs Committee*. We set out, over the course of that inquiry, to ask the public what issues we should look at. One of these issues was post-study work schemes for students at Scottish universities. The Smith Commission report has also said that the UK and Scottish Governments should work together to “explore the possibility of introducing formal schemes to allow international higher education students graduating from Scottish further and higher education institutions to remain in Scotland and contribute to economic activity for a defined period of time”.<sup>51</sup> We published our report on *Post-study work schemes* in February 2016.<sup>52</sup> The report reflected the evidence we had heard that the existing route for international graduates to work in Scotland did not meet the needs of Scottish businesses,

46 Q171

47 Q178

48 Q178

49 Q353

50 Q317

51 The Smith Commission, [Report of the Smith Commission for further devolution of powers to the Scottish Parliament](#) (November 2014), p 28

52 Scottish Affairs Committee, First Report of Session 2015–16, [Work of the Scottish Affairs Committee](#), HC 331

Scottish universities or the students themselves. Our report called for an improved post-study work scheme that would better meet Scottish needs and recommended that the UK Government work with the Scottish Government to develop such a scheme.

44. The UK Government responded to our report on post-study work schemes on 19 October 2016. Unfortunately, this meant that we were unable to question the Minister in detail about the response when he appeared before us to give evidence to this inquiry. The Government response makes clear that the UK Government believes that the current system is excellent, and already meets the needs of Scottish universities and the Scottish economy more widely.<sup>53</sup> This position contrasts with the evidence we received during our inquiry into post-study work schemes,<sup>54</sup> and also stands in stark opposition to the views expressed by all of Scotland's main political parties.<sup>55</sup>

**45. We were disappointed by the UK Government's response to our report on post-study work schemes. We would recommend that the UK Government revisits our report to see what measures should be taken forward.**

46. Throughout this inquiry, many of our witnesses reiterated the call we made for the UK Government to improve post-study work options for non-EU students attending Scottish HEIs. Lorraine Cook, one of these witnesses, stated:

We have supported it [a post-study work scheme] and Edinburgh [University] gave evidence to the post-study work visa inquiry on the importance of it and it being wider than a paucity of skilled people or skilled workforce but the whole social and cultural benefits that we are losing.<sup>56</sup>

47. Business leaders were also supportive of improving post-study work schemes, arguing that students applying for graduate visas are normally highly educated and an asset to the economy. David Watt, Executive Director for the Institute of Directors (IoD) in Scotland, told us:

We are very strongly in favour of re-establishing the post-study work visa. I know there has been a ruling at the present not to do that and I think it is disadvantageous. In fact, the IoD across the whole of the UK is pretty much in favour of removing students from the immigration cap anyway. We do not think is terribly helpful in any part of the UK but certainly not in Scotland. People who are coming to study, in some cases to the highest level, have a lot to offer to the country. They have come to study and will want to stay in the country and cannot. We are very keen to see the UK Government do what they can to try to consider students very sympathetically.<sup>57</sup>

48. The lack of progress on reforming the current post-study work route for students in Scotland is all the more disappointing given that, in July 2016, the Home Office launched a pilot to allow graduates from master's courses at the University of Bath, University of Cambridge, University of Oxford and Imperial College London extra time to find work in the UK after graduation (raising the limit from four months to six months). When we

53 Scottish Affairs Committee, Second Special Report of Session 2016–17, [Post-study work schemes: Government response to the Committee's Fourth Report of Session 2015–16](#), HC 787

54 Scottish Affairs Committee, Fourth Report of Session 2015–16, [Post-study work schemes](#), HC 593, para 39

55 Scottish Government, [Post Study Work Steering Group Report of Final Recommendations](#), March 2016

56 Q194

57 Q141

asked the Scottish Government Minister for International Development and Europe if the Scottish Government had been consulted about the scheme he said they had not and went on to say that:

It would have been nice to have been asked about it. It would have been helpful. It would certainly have been helpful to see a wider number of universities involved. The inclusion of some of the Scottish universities would have been good.<sup>58</sup>

49. The UK Government told us that “the basis on which these institutions were chosen was those with a consistently low level of visa refusals”.<sup>59</sup> The UK Government has promised that, should the pilot be successful they would consider extending the scheme. The Minister for Immigration acknowledged that “there are a number of universities in Scotland that also have low visa refusal levels and, therefore, if we extended it, there would be no reason to expect that that would not include a number of blue-chip, world-class Scotland universities”.<sup>60</sup>

**50. We have heard repeated demands for the UK Government to improve the post-study work route for non-EU students attending Scottish universities who wish to remain in Scotland to work. This belies the Government’s assertion that current arrangements are “excellent”, and makes it all the more remarkable that the new pilot scheme which makes improvements to the Tier 4 visa for eligible master’s students did not include a criteria that would have allowed a Scottish university to be involved.**

***51. We restate our call for the UK Government to work constructively with the Scottish Government to explore the possibility of introducing a formal scheme to allow international higher education students graduating from Scottish further and higher education institutions to remain in Scotland and contribute to economic activity for a defined period of time, as set out in the Smith Commission Report.***

### ***Other reasons for failing to attract migrants***

52. The devolution of migration policy is not the only way to increase inward migration to Scotland. England, in particular London, seems to be able to attract and retain a greater share of migrants to the UK than Scotland. Fraser Grieve, Scottish Council for Development and Industry, suggested that one reason could be a lack of areas offering multiple employment opportunities rather than areas which are instead reliant on a small number of employers. He told us that “people want to know that when they move to an area they are not just moving to one employer, and that if that job does not work out whether there are other options available”.<sup>61</sup>

53. The UK Government has suggested the Scottish Government already has sufficient policy levers to attract people to Scotland. In evidence to the Committee’s inquiry on Revising Scotland’s fiscal framework,<sup>62</sup> the then Chief Secretary to the Treasury, Greg Hands MP, stated:

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58 Q301

59 Q334

60 Q336

61 Q142

62 Scottish Affairs Committee, [‘Revising Scotland’s fiscal framework inquiry’](#), accessed 18 November 2016

I think the Scottish Government should have and does have levers to increase its population, and it is not just me saying that. When the Deputy First Minister was in front of the Scottish Parliament Finance Committee last June and was asked about population risk he said, “It is another of the wide range of risks that we take on as a consequence of gaining the responsibilities”, actually taking responsibility because population is not just about immigration. Population is also about being able to do things like grow your economy, use planning powers, which the Scottish Government has. It is about housing powers, which the Scottish has. It is about the high quality universities in Scotland and the high quality skills base.<sup>63</sup>

54. The Institute and Faculty of Actuaries also suggested that Scotland does have some ability to attract migrants. It noted that the data provided by National Records Scotland showed that “Scotland is able to attract more people of working age than it loses”.<sup>64</sup> It suggested that among the reasons people chose to live in Scotland are job opportunities, standard of living, tax rates (individual and corporate), government services, benefits, climate, culture and political stability and security, things which the Scottish Government has at least some control over.

55. In contrast to this view, Dr Lisenkova, senior research fellow at the National Institute of Economic and Social Research, told us that Scotland was hampered in growing its population by limited powers. She said that even at a UK level “demographic policy is very difficult” but that this was “even more complex and difficult in the context of Scotland with the limited powers that Scotland has at the moment”.<sup>65</sup>

**56. We acknowledge that the Scottish Government has levers and powers which it could use to help obtain its objective of growing its population. Indeed, due to the devolution settlement, the Scottish Government has many such powers. There are, however, a number of policy levers that are held by the UK Government. The Scottish Government and the UK Governments should work together to achieve continued population growth in Scotland.**

### *Impact of Brexit*

57. Whilst much of our evidence was taken before the UK’s decision to leave the European Union, we discussed with some of our witnesses the potential impact. This will, of course, depend on the agreement reached on exiting the EU. The Scottish Government suggested that leaving the EU would reduce migration to Scotland. A paper produced by the Scottish Government, *Potential Implications of the UK Leaving the EU on Scotland’s Long Run Economic Performance*, stated that leaving the EU “could potentially increase the cost of exporting to key European markets, reduce the country’s attractiveness to overseas investors and impose new restriction on labour, increasing skills shortages and reducing productivity”.<sup>66</sup>

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63 Q186

64 Institute and Faculty of Actuaries ([DEM0003](#))

65 Q122

66 Scottish Government, [Potential Implications of the UK Leaving the EU on Scotland’s Long Run Economic Performance](#) (August 2016), p 3

58. The Scottish Government Minister for International Development was also concerned about the impact and said:

We have 180,000 people within Scotland from other European countries who are currently maybe concerned about what all this means for them and their families and who are already, in many cases, beginning to find it difficult to get mortgages.<sup>67</sup>

He went on to call on the UK Government to make a commitment that EU citizens currently living in Scotland will be able to remain after Britain leaves the European Union.

59. The Secretary of State for Scotland told us that the Government has had discussion with stakeholders in Scotland on the impact of leaving the EU. He acknowledged that “migration is one of the issues they have raised in those discussions”.<sup>68</sup> He also stated that “on immigration and Brexit, the Home Office is taking the lead in that [and], working very closely with the new Brexit Department”.<sup>69</sup>

60. The extent of the impact that the UK leaving the European Union will have on Scotland is unclear; however, some witnesses, including the Scottish Government, have expressed concerns that it will have a negative impact on levels of inward migration. ***The Government should ensure that, as part of preparations for the UK to leave the EU, they take the opportunity to work with the Scottish Government to ensure that any new immigration policies meet the needs of Scotland as well as the UK as a whole.***

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67 Q310

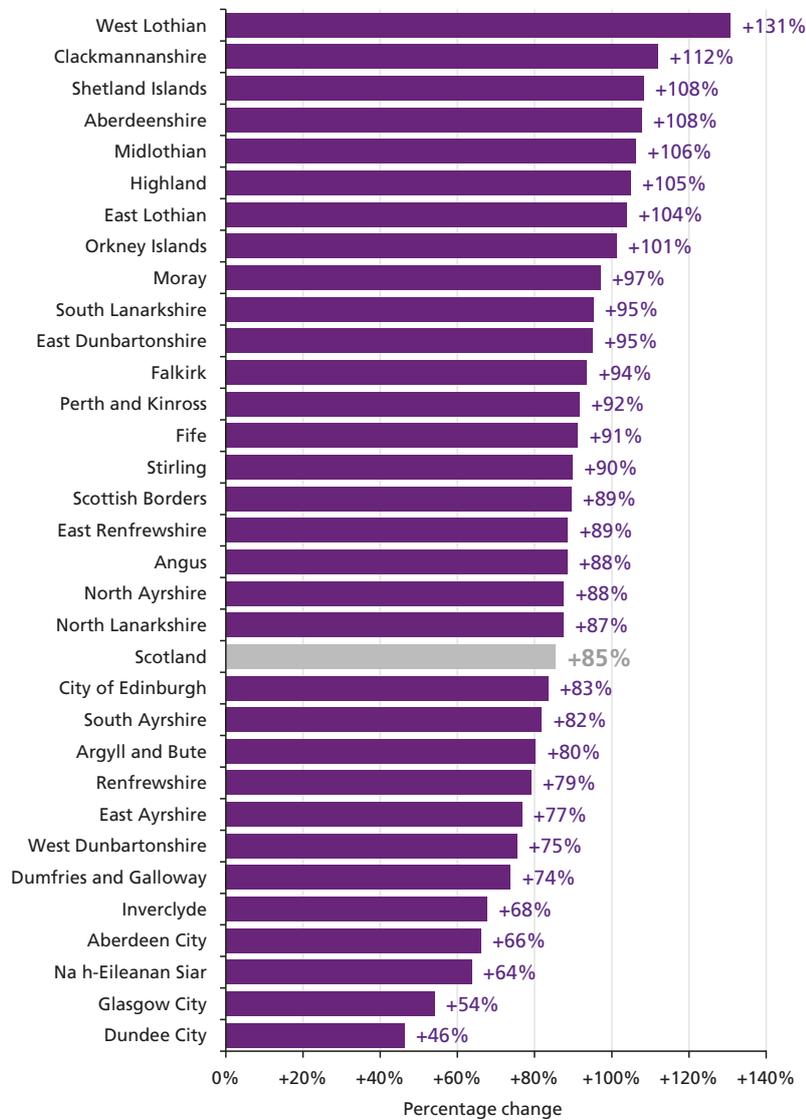
68 Q352

69 Q362

### 3 Scotland’s ageing population

61. Scotland, like much of the UK and Western Europe, has an ageing population. Compared with the UK as a whole it has a higher median age (the age where half the population is above that age and half below) and a similar proportion of people aged over 75. National Records of Scotland told us that “Scotland’s median age is currently almost two years higher than the UK” and that this “is projected to rise from 41.9 years to 45.2 years by 2039 compared with 40.0 years to 42.9 years for the UK as a whole”.<sup>70</sup> In Scotland, the number of people aged 75 of over is predicted to rise by 85% between 2014 and 2039, while the rise for the whole of the UK is 89%. The age profile of Scotland’s population varies between council areas. This will mean that some areas will be disproportionately affected by the needs of an ageing population.

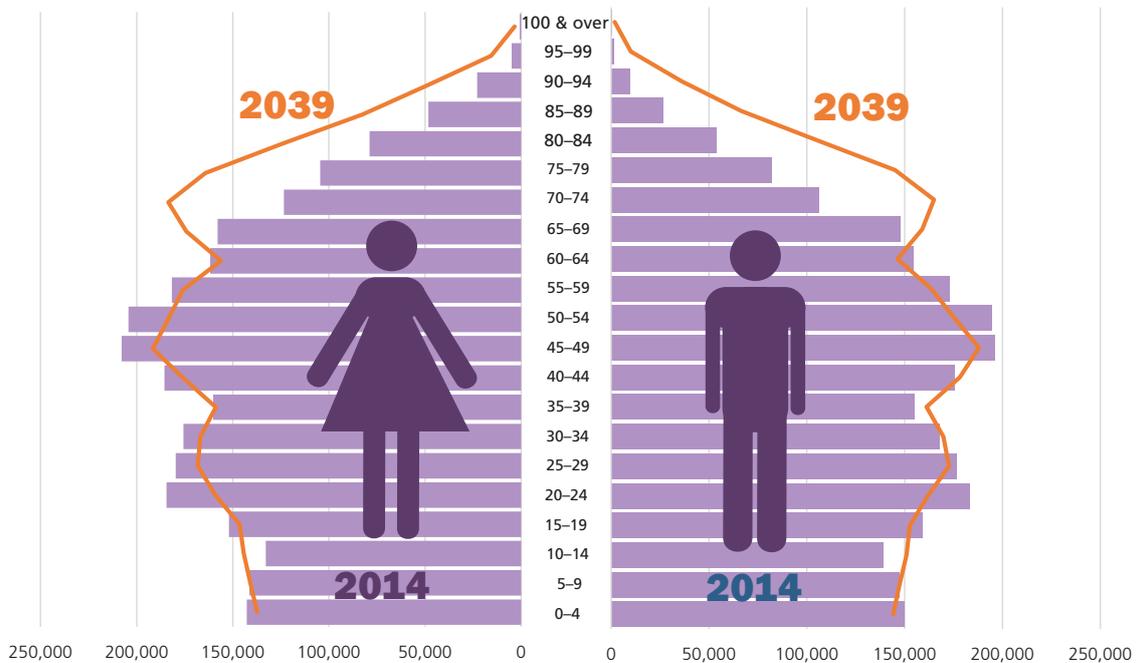
Figure 6: Population change in population over 75 over the next 25 years



Source: National Records of Scotland, ‘Population Projections for Scottish Area’, accessed 17 November 2016

62. Over the next 25 years the number of pensioners in Scotland will increase by 28%, compared with a rate of 33% in the UK as a whole. The proportion of the population who are of working age will, however, decrease relative to those who are pensioners, both in Scotland and the UK. This change will be more pronounced in Scotland. The current and predicted age structure in Scotland can be seen in the graph below.

Figure 7: Population projections for Scotland (males and females by age group)



Source: Office for National Statistics, 'National Population Projections', accessed 17 November 2016

## Population health

63. An ageing population means that a higher proportion of people are likely to suffer from chronic health conditions which means poorer health outcomes for Scotland's population as a whole. Alongside an ageing population, Scotland has long had a lower average life expectancy than the UK as a whole, particularly in urban areas. The Glasgow Centre for Population Health told us that "there is no sign of a narrowing of the gap in life expectancy between Scotland and the UK (which is about 2 years lower for Scottish men and 1.7 years lower for women [in 2012–14]) or between Glasgow and Scotland (4 years lower for Glaswegian men and 2.4 years for women)".<sup>71</sup> National Records Scotland has found that "the gap between life expectancy in Scotland and England has widened slightly over the last 30 years".<sup>72</sup>

64. Discussing the difference in life expectancy within areas of Scotland, Professor Bell gave us the following example:

The one [example] that is used most frequently in relation to Scotland is from Jordanhill to Bridgeton in Glasgow. I have forgotten how many stops

71 Glasgow Centre for Population Health ([DEM0009](#))

72 National Records of Scotland ([DEM0018](#))

there are on that line, but over the course of it life expectancy drops by 14 years. It goes from 75.8 for males in Jordanhill to 61.9 for males in Bridgeton, and for women 83.1 down to 74.6.<sup>73</sup>

He went on to make the following comparison with London, showing similar patterns in life expectancy but with smaller differences:

I then took the Jubilee line trip that I quite frequently make from Canning Town to Westminster. In Canning Town, average life expectancy for both genders is 75, so it is about the same as is in Jordanhill, and it increases to 82 in Westminster, so you have a seven-year gap along the Jubilee line and a 14-year gap within Glasgow. There is clearly an argument that health inequalities in Scotland are as great or greater than they are anywhere else in the UK.<sup>74</sup>

### Healthy life expectancy

65. A person's healthy life expectancy (HLE) is also an important demographic measure. It is the length of time an individual can expect to live free of chronic or debilitating disease. This may change at a different rate to changes in overall life expectancy, which could in turn affect social welfare and health costs (for example if overall life expectancy rises but HLE does not). The Scottish Finance Committee's Report on *Demographic change and ageing population* concluded that "HLE is key with regards to what the fiscal pressures of an ageing population will be".<sup>75</sup>

66. According to National Records Scotland, "the most recent annual estimates for Scotland are for boys born in 2014 to live 77.4 years on average, 60.3 of these in a 'healthy' state. Girls born in 2014 would be expected to live 81.4 years on average, 62.6 of these years being healthy".<sup>76</sup> There are considerable variations in life expectancy and HLE at birth in Scotland among different geographical and socio-economic groupings. For example, when comparing the projected HLE for those born between 2009 and 2013 the male HLE at birth in the least and most deprived areas in Scotland, the figures were 71.5 and 53.4 years respectively (a difference of 18.1 years). For females, the figures were 72.9 and 56.1 years respectively (a difference of 16.7 years).

## Addressing Scotland's ageing population and population health

### Growing the population

67. Both Scotland and the rest of the UK face similar challenges when it comes to an ageing population. Responsibility for health and local government in Scotland is devolved and the responsibility of the Scottish Government. As noted earlier in this report, the Scottish Government believes that the best way to deal with Scotland's ageing population

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73 Q11

74 Q11

75 Scottish Parliament, Finance Committee, 2nd Report, 2013 (Session 4): *Demographic change and an ageing population*, [SP Paper 265](#), para 27

76 National Records of Scotland ([DEM0018](#))

is through population growth. This, in its view, will provide both a larger tax base to pay for services and more people to carry out essential jobs. The Scottish Government has stressed the importance of population growth, stating that it is:

A key contributor to, and a consequence of, a more vibrant society and a more dynamic economy. It is also particularly vital to maintaining the sustainability of many of our rural and coastal communities. Scotland, like many countries, is projected to experience a significant demographic shift over the next few decades. [...] Therefore, in order to prevent adverse impacts on Scotland's economic growth performance it is important that we continue to attract more people of working age to Scotland and make the best use of our potential labour supply through increasing employment.<sup>77</sup>

68. Other witnesses suggested policies focused on improving health outcomes could be more useful. For example, Population Matters were of the view that:

Long term policy solutions that do not rely on increased population growth are necessary here, such as increasing the state pension age, and healthcare policies that aim to minimise the number of years that older people suffer from chronic illnesses, so they can live healthier, more productive lives.<sup>78</sup>

The Institute and Faculty of Actuaries suggested that:

Governments can influence mortality rates by their health policies and public health campaigns. Both of these can be targeted at specific parts of the population e.g. anti-smoking legislation, campaigns to reduce childhood obesity and healthy living campaigns for older people.<sup>79</sup>

69. Derek Young from Age Scotland praised the Scottish Government for having their Active and Healthy Ageing Action Plan which encourages people to manage their own health. He said that:

If you have a positive outlook, if you believe that you are valuable and valued, that greatly increases your quality of life and your self-perceived health, especially since that reflects on the healthy life expectancy statistics. You begin to see an effect there.<sup>80</sup>

## Welfare System

70. There is a clear link between the poverty and deprivation in an area and the levels of life expectancy and healthy life expectancy. The Glasgow Centre for Population Health suggested a conscious effort to address these differences needed to be made. In written evidence they told us:

Clearly government priorities and funding can be vitally important in addressing poor health trajectories and reducing health inequalities. [...] At a practical level, it approaches that aim to promote equal opportunity in education and employment are important, as are efforts to reduce

77 Scottish Government, '[Purpose Target: Population](#)', accessed 18 November 2016

78 Population Matters ([DEM0013](#))

79 Institute and Faculty of Actuaries ([DEM0003](#)) para 9

80 Q47

income and wealth inequality, for example, through progressive taxation, support for a living wage, etc. A welfare system that is adequately funded and protects the most vulnerable in society is also necessary. [...] Policy to address low life expectancy needs to be multifaceted, requires political will and will require effective joint-working between the UK and Scottish Governments.<sup>81</sup>

71. The Glasgow Centre for Population Health went on to emphasise the need to ensure that there were sufficient resources for deprived areas when tackling the challenges of an ageing and unhealthy population. They said that:

Taking account of demographic change alone in terms of age and ethnicity will not be sufficient in ensuring resources match need, and any distribution of resource should take account of both poverty/deprivation and need accumulated over many years.<sup>82</sup>

72. The Scottish Government has criticised the UK Government's benefit reforms for failing to address the issue of a lower life expectancy, particularly in the most deprived areas of Scotland. The Minister for International Development and Europe told us that:

A lot of the factors that affect life expectancy are, in fact, things to do with deprivation, income and, crucially for many people in Scotland that means the reforms that were put in place to the benefit system. We do have concerns about the direction of benefit reform. I am not going to try to extrapolate from that an impact on life expectancy. I am not in a position to do that. However, I do feel that for many of the communities I have mentioned, which have the lowest life expectancy, the benefits reforms have been far from helpful.<sup>83</sup>

***73. Scotland has a lower life expectancy compared with the rest of the UK and this trend is predicted to continue in the future. The UK and Scottish Governments must work together in areas of shared policy, and where they have specific UK-wide or devolved responsibilities in areas, to help improve life expectancy in Scotland.***

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81 Glasgow Centre for Population Health ([DEM0009](#))

82 Glasgow Centre for population Health ([DEM0009](#))

83 Q297

## 4 Demographics and the economy

### Funding settlement—the block grant and the Barnett Formula

74. The Scottish Government receives most of its funding in the form of a block grant from the Treasury. This block grant is adjusted through the Barnett formula. The operation of the Barnett formula means that Scotland's population relative to the rest of the UK has direct implications for the funding Scotland receives. As a result, Scotland's population growth impacts directly on Scottish Government revenue and funding as well as the Scottish economy at large.

#### Box 1: The Barnett formula

The Barnett formula is the mechanism by which changes to the block grant allocation are calculated. Its main aim is to ensure that any changes to expenditure by the UK Government in areas which the devolved administrations are responsible for leads to a proportionate change in funding for the devolved administrations. The overall funding settlement is determined by the change in funding as calculated by the Barnett formula to a baseline, which is roughly equivalent to the previous year's expenditure. There are three factors that determine changes to Scotland's block grant under the Barnett formula:

*Change to planned UK government spending*—either increases or decreases to public spending in England (or England and Wales).

*The comparability percentage*—the extent to which the relevant UK government department's spending is comparable with the services carried out by each devolved administration. Changes to expenditure in the Department for Education, for example, will have a comparability percentage of 100% or near 100% because the block grant will have to pay for all those services in Scotland. However for the Ministry of Defence, the comparability percentage will be zero as the Scottish Government does not have to pay for defence.

*The appropriate population proportion*—each country's population as a proportion of England or England and Wales.

Although the size of the block grant is determined by changes in UK Government departments expenditure, the Scottish Government can spend the block grant on what it chooses, irrespective of changes in individual UK Government departments' spending.

The Scottish Government also receives funds from the UK Government for Annually Managed Expenditure (AME). AME is set on an annual basis and comprises items such as pensions that are deemed to be outside the Government's control. In addition the Scottish Government receives income from locally raised taxes.

#### *Population in the Barnett formula*

75. Any changes to the Barnett formula, will have an impact on Scotland because Scotland's relative population, compared to both the population of England alone and the population of England and Wales has been falling. Dr Lisenkova from the National

Institute of Economic and Social Research explained to us that the impact of Scotland's population growth on funding is different depending on whether you look at the change to the block grant the Scottish Government receives or if you look at overall value of the block grant per person. She explained:

The change in the block grant is equal to the change in the corresponding UK level of spending on a comparable item and then the share of the Scottish population relative to the rest of the UK population. In this context the change portion of the block grant is directly affected by the population growth rate. Another bit that is important to keep in mind is that since Scotland was experiencing different population growth compared to the rest of the UK, the level of the block grant, not the change but the level per person, has been changing. If Scotland has a slower population growth rate this level is increasing and if it has a faster population growth rate compared to the rest of the UK then it would be decreasing. In the recent past and projected in the future [...] Scotland is going to have a slower population growth rate. In this context, the way the Barnett formula was applied until this new round of devolution had two opposing effects on the level of public spending per person. The first one is beneficial coming from the level and the other one is negative coming from the change. In terms of the change, you are getting less if your population is growing slower but in terms of the level you are getting more because your population is smaller now. In some respect the balance between these two forces determine whether the Barnett settlement gets better or worse for Scotland.<sup>84</sup>

Scotland's lower population growth relative to the rest of the UK means that it will receive a smaller increase from *changes* to the block grant but the level of funding per person in the block grant itself would increase.

76. There is, however, a risk that the growth of Scotland's revenues will not keep pace with that of the rest of the UK.<sup>85</sup> During our inquiry on *Revising Scotland's fiscal framework*, we looked at the impact of slower population growth on the Scottish economy and how the UK and Scottish Governments should respond to this. The then Chief Secretary to the Treasury, Greg Hands MP, when asked whether it would be wrong for the fiscal framework to result in declining levels of spending per head of Scottish population (a situation that could arise because of lower population growth in Scotland than in the rest of the UK) said that it was for the Scottish Government to grow the Scottish population and economy, arguing that:

We have to find a system that is fair to taxpayers in both Scotland and the whole of the UK but is consistent with allowing the Scottish Government to make the choices, to take the risks and bear the responsibilities of making decisions that are positive for growing the economy, which will also have a big impact on the tax take as well, but also to bear some of the risks if things go wrong.<sup>86</sup>

84 Q115

85 Office for National Statistics, [National Population Projections: 2014-based Statistical Bulletin](#) (October 2015), table 1

86 Oral evidence taken on [3 February 2016](#), HC (2015–16) 660, Q167

77. Whilst population level is taken into account in the Barnett formula, the characteristics of the population and its ‘needs’ are not; for example, relative age profile of population and/or higher mortality rates are not reflected. We also note that the Welsh Government and a House of Lords Committee on the Barnett formula have both argued that the Barnett formula should be replaced by a needs-based system of determining grants which could take into account factors such as the ageing profile of the population and also varying mortality rates.<sup>87&88</sup>

**78. The Barnett formula takes into account the population growth of Scotland compared to the rest of the UK but not the age of the population or higher mortality rates. We recommend that the Government considers how it can take into account Scotland’s higher relative mortality rates and ageing profile of its population within existing funding arrangements, given that these factors lead to significant cost pressures for the Scottish Government.**

### *Pensions—additional powers*

79. In May 2014, the Scottish Government produced a report on ‘*Life expectancy and the state pension*’ which showed that there was a gap between lifetime value of a state pension in Scotland and elsewhere in the UK because of Scotland’s lower life expectancy.<sup>89</sup> Scottish men and women have a lower life expectancy at birth than people born anywhere else in the United Kingdom. The Scottish Government has suggested that pensioners in Scotland could be up to £11,000 worse off than in the UK as a whole because of the differences in life expectancy.

80. The Scottish Government have previously called for pension policy to be devolved to the Scottish Parliament to take this difference into account. In evidence to us, Dr Alasdair Allen MSP, Minister for International Development and Europe in the Scottish Government, argued that the state pension age in Scotland should be decided by the Scottish Government:

You will not be too surprised to hear that I think it would be helpful if some of these decisions, or all these decisions rather, were taken in Scotland. We have not, as a Government, challenged the move to 66 as a pension age. We do recognise that, despite the problems you have just outlined, life expectancy has been increasing. We are concerned about the rapid move to 67 for some of the reasons that I have mentioned. We have certainly expressed our concern about the very rapid move towards acceptance of that age.<sup>90</sup>

81. The Scotland Act 2016 gives additional powers to the Scottish Government with regard to welfare. Pensions and universal credits remain reserved but the Scottish Parliament would have the power to vary the housing element of universal credit and vary payment arrangements. The Scottish Government will have complete autonomy for the benefits listed below or any benefits that may replace them:

87 National Assembly for Wales, [Final Report of the Independent Commission on Funding and Finance for Wales](#) (July 2010)

88 House of Lords, Report of the Select Committee on the Barnett Formula, Session 2008–2009, [HL Paper 139](#)

89 Scottish Government, Communities Analytical Services, [Life Expectancy and the State Pension](#) (May 2014)

90 Q296

- Disability Living Allowance, Attendance Allowance, Personal Independence Payment, Carer’s Allowance, “Industries Injuries Disablement Allowance” and “Severe Disablement Allowance”;
- benefits which currently comprise the Regulated Social Fund—Winter Fuel Payments, Cold Weather Payments and the Sure Start Maternity Fund; and
- discretionary Housing Payments.<sup>91</sup>

These categories comprised 14% of benefits, state pensions and tax credits in Scotland (around £2.5bn).<sup>92</sup> In addition to having the power to create new benefits in the areas of devolved responsibility, the Scottish Parliament would have new powers to make additional discretionary payments from its own budget in any area of welfare.

82. We asked the Secretary of State for Scotland, Rt Hon David Mundell MP, about the possibility of devolving pension powers to the Scottish Government. The Secretary of State told us that “the structure of the Scotland Act would mean that pensions, as administered by the DWP, remain reserved and could not themselves be paid earlier or differently by the Scottish Government”.<sup>93</sup> He did, however, go on to say that “with an innovative use of the powers that are being transferred in relation to top-ups and the power to create new benefits, then there would an ability, if there was a desire, to pay benefits to certain targeted people within the community, who clearly could be pensioners”.<sup>94</sup>

**83. We note that the Secretary of State suggested that the Scottish Government should look at “innovative” ways of using the welfare powers that have been devolved to them. We recommend that the UK Government and the Scottish Government work constructively together should the UK Government decide to vary or change the existing devolved benefits.**

## Business in Scotland

84. As we noted previously, while Scotland is an attractive place for people to attend university it loses many migrants from elsewhere in the UK as they move into work. When we asked David Watt, Institute of Directors, why Scotland was unable to induce those people to stay he told us that:

A key issue for Scotland going forward is linking the college and university education courses to the jobs that are out in the community or the jobs that are developing as well. For example, very recently I was talking to somebody who installed my telephones. Erecting telephone masts all over the country is still a booming business and most of the providers are short of people to do it. I do not know how many people we have in the food chain to supply that marketplace.<sup>95</sup>

91 House of Commons Library Research Paper, [Scotland Bill Welfare and Employment Support](#), No. 0727, 4 June 2015, pp 4, 10

92 HM Government, [Scotland in the UK: An Enduring Settlement](#), Cm 8990, 22 January 2015, para 4.1.2

93 Q340

94 Q340

95 Q142

85. Fraser Grieve from the Scottish Council for Development and Industry agreed with this analysis. He went on to make the point that people want to move to an area where there are career progression options which can be provided by a variety of different employers, stating:

People want to know that when they move to an area they are not just moving to one employer, and that if that job does not work out whether there are other options available. How do you package that up? How do you sell an area not just in terms of one particular leading light but looking at how you match up the skill sets required by different businesses in the area? People want to know that if they move to an area they are not tied to one employer, they have opportunities to progress beyond that point.<sup>96</sup>

### **Business and retaining talent**

86. The Secretary of State for Scotland in a speech in January 2016 entitled *The year of a new Scottish Parliament* argued that the new funding settlement for Scotland would give the Scottish Government the power to attract more businesses to Scotland and help grow the Scottish economy. In particular, he highlighted that:

The Scottish Parliament will be provided with around £12 billion in revenues from this income tax devolution, at the current UK rates. [...] The Scottish Government will be assigned half of all VAT receipts in Scotland, worth around £4.5 billion of revenue, and the Scottish Parliament will determine the tax on air passengers departing Scottish airports. [...]

I am confident the Scottish Government can take positive decisions that will see the economy grow. If they do so, Holyrood will be able to keep more VAT revenue. In addition, more people will want to work in Scotland and contribute to the economy.<sup>97</sup>

87. Following the 2016 Scottish Parliamentary elections, the Scottish Government set out their plans to help the Scottish economy to grow. In a speech entitled *Taking Scotland Forward—The Economy*, Keith Brown MSP, Cabinet Secretary for Economy, Jobs and Fair Work told his audience that Scotland has a “thriving and innovative tech start-up landscape” with many innovative companies emerging and that Scotland’s growing economy, highly-educated community and good transport links “attract companies to invest in Scotland”.<sup>98</sup> He went on to say that:

We [the Scottish Government] will continue to invest in our innovation centres, and through initiatives such as Interface, which bring businesses and academics together to collaborate, and to develop new ideas and products in some of the key growth sectors of the future.

96 Q142

97 Scotland Office and The Rt Hon David Mundell MP, [‘The year of a new Scottish Parliament speech’](#), accessed 18 November 2016

98 Scottish Government, [‘Speeches and Briefings: Taking Scotland Forward—The Economy’](#), accessed 18 November 2016

We will build on this by launching an annual Innovation Prize, and by inviting the Council of Economic Advisers and the CAN DO Forum to propose specific actions to boost productivity through innovation.

Internationalisation and improving export performance are also fundamental drivers of our economic success.<sup>99</sup>

**88. The focus by both the UK and Scottish Government on growing Scotland's economy is something which we welcome. A strong economy is essential for expanding existing businesses, attracting new businesses and drawing people to Scotland.**

### ***Impact of Brexit on Scottish Business***

89. The impact of the UK leaving the EU on Scotland will depend very much on the nature of the agreement reached by the UK and the EU. Our inquiry into *Scotland's Place in Europe* is examining what this may mean for Scotland and is an important piece of work for us.

90. The Scottish Government has said that it believes there are “advantages in freedom of movement of people and the single market” for businesses in Scotland but any advantages to Scotland will depend on the type of Brexit negotiated by the UK Government.<sup>100</sup>

91. There are several industries in Scotland which might be affected by the UK's vote to leave the European Union. It is unclear, at the time of writing, what the outcome of the negotiations will be. Professor Findlay told us that industries in Scotland which were particularly reliant on seasonal migrant work could feel the impact of leaving the EU particularly strongly. He told us that:

There will still be a demand for strawberry pickers because we like buying strawberries from our supermarkets, so Fife's fruit farms will still want these people as long as they can have access to the country. At least for two years I would anticipate there will not be a huge decline in those type of migrants because most of the demand for care workers in old folks homes or for strawberry pickers will continue. These are not jobs that many Scottish people seem to seek or not as many as there are demands for these people.<sup>101</sup>

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99 Scottish Government, '[Speeches and Briefings: Taking Scotland Forward—The Economy](#)', accessed 18 November 2016

100 Q308

101 Q187

## 5 Rural Scotland

92. A rural area is classed by the Scottish Government as a settlement of 3,000 people or fewer. Rural Scotland, while accounting for the majority of Scotland's land mass, has 18% of the population.<sup>102</sup> There has been a turnaround in population trends in recent years and overall rural Scotland has experienced more rapid growth than Scotland as a whole, although as with the rest of Scotland this has not been spread evenly among all rural areas.

93. People in rural Scotland also tend to live longer than in other parts of Scotland. According to the Scottish Public Health Observatory Healthy of life expectancy at birth was on average 5.4 years better in remote rural areas compared with large urban areas.<sup>103</sup> Scotland's rural population will see the average age rise at a faster rate than Scotland as a whole. Dr Gould from the Skye and Lochalsh access panel, a group working towards improving access for disabled people in the area, told us that:

Recent statistics for Scotland as a whole have shown that, between 2006 and 2031, the number of people aged 75 years and over is projected to increase by 81%. However, the number of people aged 75 years and over in Skye and Lochalsh is projected to increase by 143.5%, so you can see that compared to the national average we are much higher.<sup>104</sup>

### Highlands and Islands

94. When we visited the Isle of Skye, Professor Jim Hunter summarised population trends in the Highlands and Islands. He told us that:

Across the Highlands and Islands as a whole this was an area characterised for a very long time by runaway population loss. The Highlands and Islands had a much higher proportion of the overall Scottish population if you go back to the 18th century and presumably beyond that, although details are scanty once you go further back. That began to change in the 19th century, particularly with the Highland Clearances and related events, and, as a result of the famine of the 1840s, population outflow became so extensive that it began to run away altogether.<sup>105</sup>

95. While in the last 10 years the Highlands and Islands have experienced a higher percentage of population growth compared with Scotland as a whole, this growth has not been uniform. In evidence John Norman MacLeod, Director of Studies and Vice-Principal of Sabhal Mòr Ostaig, said:

There are still areas of the Highlands and Islands that are suffering population decline—particularly Argyll and The Isles is one area—but there have also been huge increases in population, like the Inner Moray Firth area, Shetland and this particular sub-area as well of HIE (Highlands and Islands Enterprise), that is Skye, Lochaber and Wester Ross.<sup>106</sup>

102 Scottish Government, '[National Statistics—Rural Scotland Key Facts 2011](#)', accessed 18 November 2016

103 Public Health Information for Scotland, '[Healthy life expectancy: urban rural classification](#)', accessed 18 November 2016

104 Q235

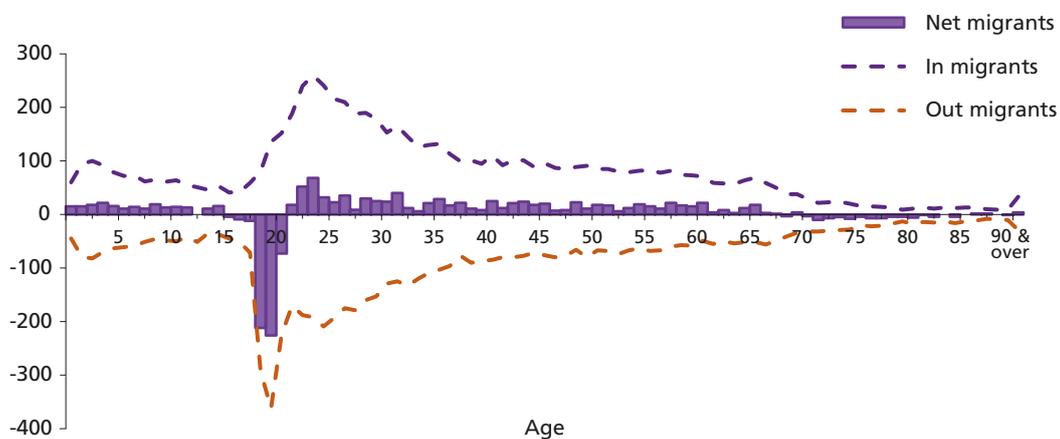
105 Q201

106 Q215

96. Alistair Danter from Highlands Council agreed, saying that “there are pockets where the population has grown and Skye is one of them”.<sup>107</sup> He did, however, note that in other areas there were still population challenges and gave the example of Sutherland which has a population density of less than three people per square kilometre.

97. As with much of Scotland, the Highlands and Islands have difficulty retaining young people. As the graph below shows, the 16 to 29 year old age group accounted for the largest group of inward migrants to the Highlands and Islands there but are also large numbers of people leaving the Highlands and Islands in this age group. More specifically, for 18 to 20 year olds there is net out migration (and also the biggest spike in either net in or out migration). It is likely that this reflects young people leaving to attend university. The highest net inward migration is among 22 to 23 year olds but this is a much smaller figure than the net out migration of the younger age group.

**Figure 8: All Migrants, by single year of age, 2013–2015 (Highland) In, out and net migration, by council area and single year of age, 2013–2015 average**



Source: National records of Scotland, ‘[Total Migration to or from an Area](#)’, accessed 17 November 2016

98. This trend means that larger numbers of young people move away and do not return to their birthplace compared with Scotland as whole. We heard that in some parts of the Highlands and Islands a number of job vacancies remain unfilled, in particular in the health and social care sectors.<sup>108</sup> In other areas, the trend reflects a lack of suitable jobs to attract young people to return.<sup>109</sup>

99. Access to health and social care service can be more difficult in Highlands and Islands, which includes some of the most remote parts of Scotland. Morag Hannah, Citizens Advice in Skye, told us:

What we are finding, through our monthly staff feedback and discussions, is that clients in Skye and Lochalsh are now having difficulty just getting to travel to their local GP surgeries. So, yes; it is the travel to consultants at Belford and Inverness hospital but it is even just locally, 10 miles up the road; the affordability and the transport links.<sup>110</sup>

107 Q216

108 Q241

109 Q234 & Q219

110 Q247

100. Lack of internet access was also raised as a problem both for businesses and for individuals who needed to access services. Sandra Mackenzie from Skye and Lochalsh Mental Health Association told us that many people “do not have access to the internet”<sup>111</sup> and even if they did, that:

They would not even know where to begin doing that. That is another issue—I know it was spoken about earlier on—broadband. If there was wi-fi available, we as workers would be able to take equipment into people’s homes and do things with them whereas we cannot at the minute because it is not there.<sup>112</sup>

### Addressing rural Scotland’s population challenges

101. When considering how to address rural Scotland’s population challenges, we have looked at those regions where there has been population growth in recent years, to see if lessons can be learnt for other rural areas. We heard that the Isle of Skye and the Shetland Islands, in particular, have seen their population grow well in the last number of years. Professor Jim Hunter argued that the unique local culture and the Highlands and Islands University have been key contributors to population growth in Skye.<sup>113</sup>

102. In talking about the Highlands and Islands University, Professor Hunter emphasised the important part that the University plays in the creation of jobs. Similarly, Alistair Danter, from the Highlands Council, said:

The demographics may be different but, similar to other areas, what has to happen in the Highlands and Islands area is that we have to create a situation where we have an enterprise culture, where there is opportunity for young people and for working age people to successfully relocate to live in these communities. In many ways people coming to live in this part of the world, their requirements are no different to people living anywhere. Essentially, they are opportunities for employment, good housing and education and a decent transport and communication network.<sup>114</sup>

103. Broadband was identified by the Scottish Government as a key factor in determining the attractiveness of rural Scotland as a place to live. They said that a key to keeping young people in rural areas would “of course, be our broadband connections”.<sup>115</sup> They went on to say that:

That is why the Scottish Government is working with others just now to make sure that in the course of this Parliament we have 100% superfast broadband coverage; otherwise, it would be very difficult indeed to persuade young people to live in some places in Scotland.<sup>116</sup>

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111 Q240

112 Q240

113 Q207

114 Q219

115 Q285

116 Q286

**104. Access to superfast broadband is not a luxury add-on for rural communities, but a key part of the infrastructure required for those communities to thrive and develop. We acknowledge that the UK Government is working to ensure that rural areas throughout the UK get superfast broadband coverage. We are also pleased that the Scottish Government is working to ensure 100% superfast broadband coverage over the next five years.**

## 6 Conclusion

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105. Scotland has seen a transformation in its demographic trends that has left it in a much better place to meet future challenges. The last ten years have seen consistent population growth and Scotland's population is now at its highest ever level. Businesses in Scotland have also experienced periods of economic growth and Scotland is recognised as an attractive place to live and work.

106. Challenges do remain, among them the uneven population growth across Scotland and even population decline in some areas. We have also heard that there are areas which it is difficult to fill job vacancies and to attract both people and business investment. A major concern is the impact of Scotland's ageing population and lower life expectancy.

107. Knowledge of the demographic profile of Scotland and future trends can help both the UK and Scottish Governments plan for the future. Unless the demographic make-up of Scotland changes substantially in the near future, the Governments must work together to prepare for an ageing population in Scotland. They will also need to consider the impact of leaving the European Union on Scotland's demographic trends.

108. We hope that this report will inform both the UK and Scottish Governments as they plan for Scotland's future. Scotland faces both challenges and opportunities and it is essential that both Governments work effectively together in order to build a thriving Scotland for the future.

## Conclusions and recommendations

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### Addressing Scotland's demographic challenges

1. We agree with the majority of our witnesses that Scotland's growing population is a positive development after historic population decline. Population growth and further reducing the number of residents in Scotland who choose to migrate to other parts of the UK are important parts of meeting Scotland's demographic challenges and ensuring Scotland's economy and society have a thriving future. (Paragraph 17)
2. It is clear to us that, taking into account the birth rate trends and the age profile of the population in Scotland, natural change in population cannot provide the population growth that Scotland needs. We accept that policies which aim to encourage people to have more children have limited impact on increasing the population. Those which are most effective are policies that support working parents and make it easier for women to return to work after having children. (Paragraph 27)
3. We welcome the work the Scottish Government is doing to identify reasons for outward migration from Scotland. We acknowledge their commitment to developing further employment opportunities in order to create the environment to help retain a greater number of people who have moved to Scotland from both the rest of the UK and overseas. (Paragraph 36)
4. There is a case for sub-national migration powers for Scotland to be further considered based on the evidence we have received, but this Committee makes no recommendations about the shape of that policy. We call for closer co-operation between the UK and Scottish Government on this issue. (Paragraph 42)
5. We were disappointed by the UK Government's response to our report on post-study work schemes. We would recommend that the UK Government revisits our report to see what measures should be taken forward. (Paragraph 45)
6. We have heard repeated demands for the UK Government to improve the post-study work route for non-EU students attending Scottish universities who wish to remain in Scotland to work. This belies the Government's assertion that current arrangements are "excellent", and makes it all the more remarkable that the new pilot scheme which makes improvements to the Tier 4 visa for eligible master's students did not include a criteria that would have allowed a Scottish university to be involved. (Paragraph 50)
7. *We restate our call for the UK Government to work constructively with the Scottish Government to explore the possibility of introducing a formal scheme to allow international higher education students graduating from Scottish further and higher education institutions to remain in Scotland and contribute to economic activity for a defined period of time, as set out in the Smith Commission Report.* (Paragraph 51)
8. We acknowledge that the Scottish Government has levers and powers which it could use to help obtain its objective of growing its population. Indeed, due to the devolution settlement, the Scottish Government has many such powers. There

are, however, a number of policy levers that are held by the UK Government. The Scottish Government and the UK Governments should work together to achieve continued population growth in Scotland. (Paragraph 56)

9. *The Government should ensure that, as part of preparations for the UK to leave the EU, they take the opportunity to work with the Scottish Government to ensure that any new immigration policies meet the needs of Scotland as well as the UK as a whole. (Paragraph 60)*

### Scotland's ageing population

10. *Scotland has a lower life expectancy compared with the rest of the UK and this trend is predicted to continue in the future. The UK and Scottish Governments must work together in areas of shared policy, and where they have specific UK-wide or devolved responsibilities, in areas to help improve life expectancy in Scotland. (Paragraph 73)*

### Demographics and the economy

11. The Barnett formula takes into account the population growth of Scotland compared to the rest of the UK but not the age of the population or higher mortality rates. (Paragraph 78)
12. *We recommend that the Government considers how it can take into account Scotland's higher relative mortality rates and ageing profile of its population within existing funding arrangements, given that these factors lead to significant cost pressures for the Scottish Government (Paragraph 78)*
13. *We note that the Secretary of State suggested that the Scottish Government should look at "innovative" ways of using the welfare powers that have been devolved to them. We recommend that the UK Government and the Scottish Government work constructively together should the UK Government decide to vary or change the existing devolved benefits. (Paragraph 83)*
14. The focus by both the UK and Scottish Government on growing Scotland's economy is something which we welcome. A strong economy is essential for expanding existing businesses, attracting new businesses and drawing people to Scotland. (Paragraph 88)

### Rural Scotland

15. Access to superfast broadband is not a luxury add-on for rural communities, but a key part of the infrastructure required for those communities to thrive and develop. We acknowledge that the UK Government is working to ensure that rural areas throughout the UK get superfast broadband coverage. We are also pleased that the Scottish Government is working to ensure 100% superfast broadband coverage over the next five years. (Paragraph 104)

# Formal Minutes

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**Wednesday 23 November 2016**

Members present:

Pete Wishart, in the Chair

|                      |                |
|----------------------|----------------|
| Deidre Brock         | Chris Law      |
| Mr Christopher Chope | Ian Murray     |
| Margaret Ferrier     | John Stevenson |
| Mr Stephen Hepburn   |                |

Draft Report (*Demography of Scotland and the implications for devolution*), proposed by the Chair, brought up and read.

*Ordered*, that the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 16 read and agreed to.

Paragraph 17 read.

Amendment proposed, to leave out from “We agree” to end and insert “that Scotland’s growing population can be an important factor in ensuring that Scotland’s economy and society have a thriving future.”—(*Mr Christopher Chope*)

Question put, That the Amendment be made.

The Committee divided

|                      |                  |
|----------------------|------------------|
| Ayes, 1              | Noes, 3          |
| Mr Christopher Chope | Deidre Brock     |
|                      | Margaret Ferrier |
|                      | Chris Law        |

Question accordingly negatived.

Paragraphs 18 to 26 read and agreed to.

Paragraph 27 read.

Amendment proposed, to leave out “It is clear” to “that Scotland needs.”—(*Mr Christopher Chope*)

Question put, That the Amendment be made.

The Committee divided

Ayes, 1

Mr Christopher Chope

Noes, 3

Deidre Brock

Margaret Ferrier

Chris Law

Question accordingly negatived.

Paragraphs 28 to 44 read and agreed to.

Paragraph 45 read.

Motion made, and Question put, That paragraph 45 stand part of the Report.

The Committee divided

Ayes, 3

Deidre Brock

Margaret Ferrier

Chris Law

Noes, 1

Mr Christopher Chope

Question accordingly agreed to.

Paragraphs 46 to 49 read and agreed to.

Paragraph 50 read.

Motion made, and Question put, That paragraph 50 stand part of the Report.

The Committee divided

Ayes, 3

Deidre Brock

Margaret Ferrier

Chris Law

Noes, 2

Mr Christopher Chope

John Stevenson

Question accordingly agreed to.

Paragraph 51 read.

Motion made, and Question put, That paragraph 51 stand part of the Report.

The Committee divided

Ayes, 3

Deidre Brock

Margaret Ferrier

Chris Law

Noes, 1

Mr Christopher Chope

Question accordingly agreed to.

Paragraphs 52 to 55 read and agreed to.

Paragraph 56 read.

Amendment proposed, to leave out from “such powers” to end and insert “We recommend that the Scottish Government should concentrate on taking responsibility for its own policy by using the powers which it already has instead of seeking to transfer responsibility to the UK Government”—(*Mr Christopher Chope*)

Question put, That the Amendment be made.

The Committee divided

|                      |                  |
|----------------------|------------------|
| Ayes, 2              | Noes, 3          |
| Mr Christopher Chope | Deidre Brock     |
| John Stevenson       | Margaret Ferrier |
|                      | Chris Law        |

Question accordingly negated.

Paragraph 57 read.

Motion made, and Question put, That paragraph 57 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraph 58 read.

Motion made, and Question put, That paragraph 58 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraph 59 read.

Motion made, and Question put, That paragraph 59 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraph 60 read.

Motion made, and Question put, That paragraph 60 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraphs 61 to 77 read and agreed to.

Paragraph 78 read.

Amendment proposed, to leave out “The Barnett formula” to end, and insert “We recommend that the Government considers introducing a needs based system of determining grants to the Scottish Government in place of the Barnett Formula so that issues such as higher relative mortality rates and the age of the population which create additional costs can be equitably taken into account.”—(*Mr Christopher Chope*)

Question put, That the Amendment be made.

The Committee divided

|                      |                  |
|----------------------|------------------|
| Ayes, 2              | Noes, 3          |
| Mr Christopher Chope | Deidre Brock     |
| John Stevenson       | Margaret Ferrier |
|                      | Chris Law        |

Question accordingly negatived.

Paragraphs 79 to 82 read and agreed to.

Paragraph 83 read.

Motion made, and Question put, That paragraph 83 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraphs 84 to 89 read and agreed to.

Paragraph 90 read.

Motion made, and Question put, That paragraph 90 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraph 91 read.

Motion made, and Question put, That paragraph 91 stand part of the Report.

The Committee divided

|                  |                      |
|------------------|----------------------|
| Ayes, 3          | Noes, 1              |
| Deidre Brock     | Mr Christopher Chope |
| Margaret Ferrier |                      |
| Chris Law        |                      |

Question accordingly agreed to.

Paragraphs 92 to 108 read and agreed to.

*Resolved*, That the Report, be the Second Report of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available (Standing Order No. 134)

[Adjourned till Wednesday 30 November at 2.00pm]

## Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

### Monday 18 April 2016

*Question number*

**Professor David Bell**, Fellow, Royal Society of Edinburgh, and **Andrew Macnaughton**, Population Matters, Scotland [Q1–33](#)

**Keith Dryburgh**, Citizens Advice Scotland, **John McAllion**, Scottish Pensioners Forum, **Derek Young**, Age Scotland, and **Owen Miller**, Alzheimer Scotland [Q34–63](#)

### Wednesday 27 April 2016

**Dr Katerina Lisenkova**, National Institute of Economic and Social Research, and **Dr Alasdair Rutherford**, University of Stirling [Q64–133](#)

### Wednesday 29 June 2016

**Dermot Grenham**, Institute and Faculty of Actuaries, **Fraser Grieve**, Scottish Council for Development and Industry, and **David Watt**, Scotland Regional Director, Institute of Directors [Q134–167](#)

**Professor Allan Findlay**, University of St Andrews, and **Lorraine Cook**, Policy Manager, Convention of Scottish Local Authorities, Migration, Population and Diversity Team [Q168–199](#)

### Monday 4 July 2016

**Professor Jim Hunter**, former Director for the University of the Highlands and Islands Centre for History [Q200–213](#)

**Alistair Danter**, Area Business Manager for Skye and Lochalsh, Business Gateway, **John Norman MacLeod**, Vice-Principal, and **Dr Donnie Munro**, Director of Development, Fundraising and the Arts, Sabhal Mòr Ostaig [Q214–230](#)

**Dr Caroline Gould**, Skye and Lochalsh Access Panel, **Judy Footit**, Advocacy Highland, **Sandra Mackenzie**, Skye and Lochalsh Mental Health Association, and **Morag Hannah**, Bureau Manager, Skye and Lochalsh Citizens Advice Bureau [Q231–247](#)

**Ian Blackford**, Member of Parliament for Ross, Skye and Lochaber, **Gregg Brain**, and **Kathryn Brain** [Q248–273](#)

### Wednesday 14 September 2016

**Dr Alasdair Allan MSP**, Minister for International Development and Europe, **Sarah Mohammed**, National Records of Scotland and **Nikola Plunkett**, Head of Migration Strategy [Q247–312](#)

### Wednesday 19 October 2016

**Rt Hon David Mundell MP**, Secretary of State for Scotland and **Robert Goodwill MP**, Minister of State for Immigration, Home Office [Q313–363](#)

## Published written evidence

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The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

DEM numbers are generated by the evidence processing system and so may not be complete.

- 1 Ariel Killick ([DEM0014](#))
- 2 Convention of Scottish Local Authorities ([DEM0011](#))
- 3 Glasgow Center for Population Health ([DEM0009](#))
- 4 Gregg Brain ([DEM0012](#))
- 5 Institute and Faculty of Actuaries ([DEM0003](#))
- 6 Institute and Faculty of Actuaries ([DEM0015](#))
- 7 Marie Curie ([DEM0007](#))
- 8 Mr Ian Martlew ([DEM0006](#))
- 9 National Records of Scotland ([DEM0002](#))
- 10 National Records of Scotland ([DEM0018](#))
- 11 Population Matters ([DEM0013](#))
- 12 Population Matters—Scotland Group ([DEM0005](#))
- 13 Professor James Hunter ([DEM0008](#))
- 14 Scotland Office ([DEM0017](#))
- 15 Skye and Lochalsh Access Panel ([DEM0010](#))
- 16 The Royal Society of Edinburgh ([DEM0004](#))

## List of Reports from the Committee during the current Parliament

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All publications from the Committee are available on the [publications page](#) of the Committee's website.

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

### Session 2015–16

|               |  |                    |
|---------------|--|--------------------|
| First Report  | Work of the Scottish Affairs Committee | HC 331             |
| Second Report | Creative industries in Scotland        | HC 332<br>(HC 394) |
| Third Report  | Revising Scotland's fiscal framework   | HC 660             |
| Fourth Report | Post-study work schemes                | HC 593<br>(HC 787) |

### Session 2016–17

|                       |   |                   |
|-----------------------|---|-------------------|
| First Report          | The renewable energy sector in Scotland   | HC 83<br>(HC 741) |
| First Special Report  | Creative industries in Scotland: Government Response to the Committee's Second Report of Session 2015–16        | HC 394            |
| Second Special Report | The renewable energy sector in Scotland: Government Response to the Committee's First Report of Session 2016–17 | HC 741            |
| Third Special Report  | Post-study work schemes: Government Response to the Committee's Fourth Report of Session 2015–16                | HC 787            |