

Cabinet Secretary for Wellbeing Economy, Fair Work
and Energy
Rùnaire a' Chaibineit airson Eaconamaidh do Mhath
Dhaoine, Obair Chothromach is Cumhachd
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Scottish Government Response to *Pathways: A New Approach for Women in Entrepreneurship*

Dear Ms Baker,

I made an undertaking to provide further details on how the Scottish Government will respond to Ana Stewart and Mark Logan's report *Pathways: A New Approach for Women in Entrepreneurship*.

The Scottish Government welcomes the review and accepts the key recommendations that have been set out in the report. We will now begin work to address those recommendations .

The implementation of *Pathways* will open up greater economic opportunities for women. Widening access to entrepreneurship and addressing the challenges faced by women will contribute to building a fairer, more prosperous wellbeing economy for all.

A copy of the Scottish Government's response is provided as an annex to this letter. I hope the Committee finds this information useful.

Yours sincerely,

NEIL GRAY

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SG response to *Pathways: A new approach for women in entrepreneurship*

We welcome Ana Stewart and Mark Logan's ground-breaking report *Pathways: A new approach for women in entrepreneurship*.

The report's findings are stark. Only one in five of Scotland's businesses are led by women. Start-ups founded by women receive only 2% of overall investment capital. The Pathways report describes this as "*a denial of opportunity on, literally, an industrial scale.*" This is unacceptable.

The report's recommendations are broad, encompassing both long-term intervention in our education system and immediate supports to women in business. And the report's recommendations are challenging, calling out the societal barriers that continue to disproportionately affect women.

We accept this report and we will now begin work to implement the key recommendations.

Aligned to our implementation of the National Strategy for Economic Transformation, this is a long-term undertaking. We will immediately allocate funding to support implementation of the report's key recommendations. As a result of this commitment we will

- Establish a capacity building fund to support and evaluate partner-led projects supporting the key *Pathways* themes of access to support, access to finance and investment and education.
- Work with our enterprise agencies, the Scottish National Investment Bank, and private sector investors to open up investment avenues for women-led businesses, and for other under-invested groups;
- Work with partners to enhance entrepreneurial learning in schools; and
- Work with delivery and academic partners to improve our collection and reporting of data, developing a dashboard of measures that show how women are supported by our business support systems and how our actions are closing the gender gap and widening participation in entrepreneurship.

These initial actions will form the foundation for a full implementation of the review's recommendations. We will develop our proposals for the report's core recommendations on pre-start centres and pop-up business supports, undertaking procurement processes to allow services to commence in 2024.

But we will go further.

Inclusion and accessibility are not the preserve of specialist services for under-represented or excluded groups. Inclusivity must be woven through our business support systems, and we will ensure that our broader implementation of the National Strategy for Economic Transformation is inclusive by design.

Ana Stewart and Mark Logan's recommendations were developed through extensive consultation and engagement with entrepreneurs. As we develop our delivery proposals we will continue to put the voices of entrepreneurs at the core of what we do to ensure that our interventions are fit for purpose and that we deliver support where it is most needed through services that are open, accessible and inclusive.

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The *Pathways* report also recognises that barriers to participation are not solely economic. Addressing societal barriers is essential if we are to address the root causes of under-participation and fully open up pathways to entrepreneurship.

As outlined in our policy prospectus *Equality, opportunity, community*, we will:

- increase the availability of flexible childcare, building upon our existing free childcare programme
- build a system of school age childcare and develop a funded learning and childcare offer for 1 and 2 year olds, focusing on those who need it most
- continue to support the vital work of the First Minister's Advisory Council on Women and Girls (NACWG), collaborating to make the gains for women's equality in Scotland we all want to see.

Implementation of the *Pathways* recommendations will open up greater economic opportunities for women. Widening access to entrepreneurship, and addressing the challenges faced by women will contribute to building a fairer, more prosperous, wellbeing economy for all.

Neil Gray MSP

Cabinet Secretary for Wellbeing Economy, Fair Work & Energy

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