

Scotland's National Strategy for Economic Transformation Programme 2: New Market Opportunities Equality Impact Assessment (Record and Results)

EQUALITY IMPACT ASSESSMENT RECORD

Title of policy/ practice/ strategy/ legislation etc.	Scotland's National Strategy for Economic Transformation (NSET) – Programme 2: New Market Opportunities
Minister	Ivan McKee MSP, Minister for Business, Trade, Tourism and Enterprise
Lead official	Richard Rollison, Director for International Trade and Investment
Directorate	Directorate for International Trade and Investment
Is this new policy or revision to an existing policy?	Both, consists of existing policies and new ones

Screening

Policy Aim

The vision of Scotland's National Strategy for Economic Transformation (NSET), published on 1 March 2022, is for Scotland to be a wellbeing economy, thriving across economic, social and environmental dimensions. The strategy sets out an ambition that Scotland's economy will significantly outperform the last decade, both in terms of economic performance and in tackling structural economic inequalities.

Analysis of the available evidence has identified six interconnected, transformational Programmes of Action to shift the economic dial and deliver our vision. Together, they tackle long term structural challenges, build on our economic strengths and position Scotland to maximise the greatest economic opportunities of the next ten years in a way that will transform the very fundamentals of how our economy works.

The **New Market Opportunities Programme** aims to strengthen Scotland's position in new markets and industries, generating new, well-paid jobs from a just transition to net zero. It consists of three projects:

- **Project 5:** Build on Scotland's Strengths to Win an Ever Greater Share of Domestic and International Market Opportunities (win market opportunities);
- **Project 6:** Support the Development of Scottish Supply Chains, Laying the Foundations of a Net Zero Industrial Strategy (green supply chain development); and
- **Project 7:** Attract and Deploy Significant Domestic and International Private Investment in Scotland (clusters, R&D, innovation).

As well as delivering the individual projects and actions outlined in the New Market Opportunities programme, our aim is also to bring these together as a coherent whole to support and accelerate Scotland's transition to net zero and

to maximise the domestic and international economic opportunities and impacts arising from that.

Who will it affect?

As NSET's aim is to create a society that is thriving across economic, social and environmental dimensions, and which delivers prosperity for all Scotland's people and places, the New Markets Programme will affect everyone in Scotland to some extent.

New Market Opportunities provides both the opportunity to build world leading industries, and provides many opportunities for new, good, green and high value jobs and careers for people across all of the Protected Characteristic groups both now, and for future generations.

Emerging industries, increased automation and digital technologies as a result of industrial transformation and a just transition to net zero, provides a strong opportunity:

- to remove many of the physical barriers to work that have been in place for **past generations of women and disabled people**, through the introduction of equipment and processes that are universally designed, tested and accessible for all;
- for employers to attract and recruit a diverse and talented workforce of people from all areas of Scotland, and with **intersectional Protected Characteristics (e.g. LGBT+, disabled, woman living in a rural area)**, through the opportunities of new careers in new industries;
- introduce more flexible working practices in sectors where flexible working may have in the past proven impractical, potentially allowing **older people** to remain in the workforce longer and share their skills and knowledge with young workers;
- opportunities to close existing pay gaps through the recruitment, or reskilling of people with Protected Characteristics to undertake new jobs, transformed jobs or substituted jobs;
- wider societal benefits for all people with Protected Characteristics throughout Scotland as the result of emerging new businesses helping to reduce poverty, in particular child poverty, through creating new jobs in industry and the wider supply chain.

It is anticipated that, as a result of new technology and the emergence of new industries, traditional roles and jobs in current industry may become obsolete. However, the skills associated with existing jobs will not become obsolete. These will serve as the foundation for the skill set required in new jobs and the basis for retraining and skills upgrading measures. The use of new technologies, new manufacturing processes and new modes of work for the green economy will lead to an increase in the demand for skills¹.

It is important to note that the ambitious industrial transformation set out in the New Markets Opportunities Programme has the potential to result in:

¹ [Mise en page 1 \(ilo.org\)](#)

- redundancy as a result of current products, processes or technologies disappearing, or where automation replaces a person;
- job substitution, such as where high carbon manufacturing jobs are replaced with jobs recycling or remanufacturing products or creating the technologies required for this; and
- job transformation and/or redefinition, where job roles are aligned to green principles.

What might prevent the desired outcomes being achieved?

Historically, occupational segregation has resulted in many skilled roles in industrial, energy and technology sectors, such as engineering, being dominated by older, white men. There is a risk that unless emerging new careers are promoted to young people, at the earliest age possible, as being equal opportunity careers for men and women, historical occupational segregation will once again become a cultural norm. This risks women, disabled people and ethnic minority people continuing to be underrepresented in new emerging industries.

The failure to ensure that equipment, technology and processes for use in new industries are universally designed, tested and accessible may result in the historical repetition of tools, equipment and machinery being designed for use by the average man² and posing physical and health and safety barriers to women, disabled people and people with Protected Characteristics.

Many young people prioritise flexible working over money³. In the current competitive labour market, there is a risk that, if emerging industries do not make provision for a degree of flexible working that allows workers to balance their work and home life responsibilities, skilled and talented workers with Protected Characteristics may find other sectors which offer flexible working as more attractive career prospects.

² [Microsoft Word - Gender 2017 \(tuc.org.uk\)](https://tuc.org.uk/microsoft-word-gender-2017)

³ <https://metro.co.uk/2021/08/20/most-employees-would-choose-flexible-working-instead-of-a-pay-rise-15124821/> [What Millennials Want From Work: Flexibility, Not Salary - The Predictive Index](#)

Stage 1: Framing

Results of framing exercise

No framing exercise has been undertaken for the New Markets Programme, however, EQIAs have been undertaken across the three projects of this programme.

A number of EQIAs have already been completed. However, where an EQIA is yet to be completed, we will undertake an assessment at the earliest possible stage in order to ensure that its findings shape the development of the policy.

Extent/Level of EQIA required

Existing EQIAs have been informed by detailed analysis of available evidence and data to consider how policy may impact, either positively or negatively, on different sectors of the population in different ways. EQIAs cover the Protected Characteristics of: age, disability, gender reassignment, sex, pregnancy and maternity, marriage and civil partnership, race, religion and belief, and sexual orientation. We will also consider whether the measures could constitute direct and/or indirect discrimination.

As NSET is a 10 year strategy, we are yet to develop policy for a number of the actions within the New Markets Programme. However, as we develop these policies, EQIAs will form a key part of their development to ensure that the requirements of the Public Sector Equality Duty (PSED) are central to our thinking.

Where an EQIA exists, these will be kept under regular review, as new data and evidence emerges to monitor the impact of the programme on people with Protected Characteristics.

The Scope of the EQIA

The EQIA for this programme has sought to utilise both existing and emerging information and evidence and analysis, as part of the policy development process. This will continue as policies develop.

These EQIAs will help in the consideration of the impacts that this programme will have on people with Protected Characteristics. It is recognised that the equality duty is not just about negating or mitigating negative impacts, as we also have a positive duty to promote equality. EQIAs undertaken for the development of the New Market Opportunities Programme identify opportunities to boost equality across industry.

Specifically, these EQIAs consider impacts on equalities groups based on the three tests they are required to address:

- Eliminate discrimination, harassment and victimisation;

- Advance equality of opportunity; and
- Foster good relations.

This EQIA for the New Market Opportunities programme is a strategy focused document which has been based on existing EQIAs.

NSET – Programme 2: New Market Opportunities

Projects and Actions

Project 5: Build on Scotland's Strengths to Win an Ever Greater Share of Domestic and International Market Opportunities (win market opportunities)	
Action	Description
20	Deliver on our export plan which takes a targeted sector and country approach to raising Scotland's international exports. Includes actions to scale up trade promotion and Scotland's overseas reach and profile and actions in Scotland to ramp up our support for firms' export capacity.
21	Promote Scotland as an innovative test bed for new technologies and markets and coordinate action across the public sector to leverage our spending power and the CivTech business incubation model to stimulate innovation in our health and other public services. The creation of an International Innovations capability within the Scottish Government will lead on the global economic and societal opportunities created through our expertise in public service innovation.
22	Provide public sector R&D grant support and finance to businesses to further increase Business Enterprise R&D spend in sectors with the greatest economic opportunity, in particular our key industries.
23	Provide capital investment to support renewable hydrogen production to make Scotland a leading nation in the production of reliable, competitive and sustainable hydrogen. The first tranche of investment will focus on driving technological progress and advancing innovation and cost reduction within the emerging sector.
24	Deliver on the ambitions of ScotWind and future renewable energy developments including on developers' commitments to invest at least £1bn in the Scottish supply chain for each GW of capacity. The Scottish Offshore Wind Energy Council (SOWEC) has been identified by both industry and government as the key vehicle for taking forward the strategic supply chain opportunities from ScotWind. SOWEC is leading on the development of a Collaborative Framework Agreement to encourage the sector to come together and work collectively to support the delivery of the volume of offshore wind projects from the ScotWind leasing round.
78 new action	Delivering the Inward Investment Plan to attract high quality inward investment and technologies into sectors such as energy transition, tech and space.

Project 6: Support the Development of Scottish Supply Chains, Laying the Foundations of a Net Zero Industrial Strategy (green supply chain development)	
Action	Description
25	Expand our Supply Chain Development Programme to improve the capacity, capability and development of Scottish supply chains. This will include maximising the manufacture of high-value goods and equipment in Scotland and identifying Scottish companies with the skills, capacity and capability to bid for, win and deliver contracts in our key industries and provide access to enterprise and innovation support that specialises in these areas. We will work with recipients of major government-led funding to leave a legacy of stronger supply chains in Scotland.
26	Adopt a cluster building approach to strengthen our position in new markets which can attract inward investment and talent, stimulate new business growth and boost research and innovation. This will be a structured approach, including an accreditation process and international benchmarking, focused on our identified key sectors.
27	Review our strategic approach to public ownership so that public companies are managed, developed and initiated for the public good and work collaboratively to provide support and advice to identify opportunities to establish successful public companies.
Project 7: Attract and Deploy Significant Domestic and International Private Investment in Scotland (clusters, R&D, innovation)	
Action	Description
28	Establish an investor panel, chaired by the First Minister, to attract investment to a pipeline of projects in Scotland that support our transition to net zero and to bring investor intelligence to policy and regulatory development early in the process.
29	Improve access to private capital for business investment and growth. Working with financial institutions and the investment community and through the Scottish National Investment Bank and our enterprise agencies to deliver on our Global Capital Investment Plan, focusing on sectors where Scotland can demonstrate a real international comparative advantage.
30	Expand and enhance our Green Investment Portfolio to clearly set out the sectors and projects across Scotland seeking private finance to achieve net zero, sending a powerful market signal that Scotland is ready to meet increasing green investor appetite after COP26. Our Green Market Solutions Programme will identify where additional government action is needed to support investment.
31	Establish a values-led, high-integrity market for responsible private investment in natural capital to build on Scotland's international renown for its nature and its environmental policy framework on land and sea, and supported by a national project pipeline for nature-based solutions.

Table 1: EQIA position for New Market Opportunities, Programme 2

Table 1 below sets out the position where:

- there are existing EQIAs, these will be reviewed regularly as new evidence and data emerges; and
- there is no EQIA at this stage, EQIAs **will** be undertaken at a later date as policy develops.

Therefore, stages 2, 3 and 4 of this programme level EQIA are a highlight of findings, with further in-depth information on the impact of each of the projects on people with Protected Characteristics being available as follows:

Project	Action(s)	
5	20	EQIA available at https://www.gov.scot/publications/scotland-a-trading-nation/impact-assessments/impact-assessments/
	21 & 22	EQIA will be conducted for the Innovation Strategy.
	23 & 24	EQIA will be conducted as the project develops and published when available.
	78	EQIA has been conducted, and will be published as soon as possible.
6	25	EQIAs available at Coronavirus (COVID-19): manufacturing sector guidance - EQIA - gov.scot (www.gov.scot) Supporting documents - Manufacturing - recovery plan: equalities impact assessment - gov.scot (www.gov.scot) LCMCF - Equality Impact Assessment - EQIA Record - final version - consulted on details - Objective ECM (scotland.gov.uk)
	26 & 27	EQIA will be conducted as the project develops and published when available.
7	28, 29, 30,31	EQIA available at https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2021/03/investing-purpose-scotlands-global-capital-investment-plan/documents/equality-impact-assessment-record/equality-impact-assessment-record/govscot%3Adocument/equality-impact-assessment-record.pdf

Stage 2: Data and evidence gathering, involvement and consultation

Characteristic ⁴	Evidence gathered and Strength/quality of evidence	Source	Data gaps identified and action taken
AGE	<p>Poverty Rate amongst all children, Scotland 2016-19: 24%⁵.</p> <p>Young people: COVID-19 has had a significant impact on apprenticeships. By the end of Q3 2020/21 there were⁶:</p> <ul style="list-style-type: none"> • 19 new starts and 135 in training in general manufacturing, compared to 97 and 165 respectively by Q3 2019/21; • 733 new starts and 4,305 in training in engineering and energy, compared to 1,463 and 4,518 respectively by Q3 2019/20; • 73 apprentice redundancies in engineering, compared to 28 by Q3 2019/20; and • 65% of 18-24 year olds in the UK would prefer a job in the green economy⁷. <p>Older People:</p> <ul style="list-style-type: none"> • 36.5% of those working in the manufacturing sector are aged 50+, compared to 33% of the overall Scottish workforce. 	'Poverty and Income Inequality in Scotland 2016-19', 2020 (Scottish Government)	

⁴ Refer to Definitions of Protected Characteristics document for information on the characteristics

⁵ <https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/>

⁶ [Skills Development Scotland – Modern Apprenticeship Statistics Q3 2020/21](#)

⁷ [3.7 million young people want a job in the #GreenGB economy \(fenews.co.uk\)](#)

	<ul style="list-style-type: none"> • The risk of fatal injury at work increases with age, with workers aged 60-64 twice as likely, and workers aged 65+ four times as likely to have a fatal injury at work, compared to all age groups.⁸ The development of new technology may reduce the risks associated with existing machinery and processes that contribute to workplace fatalities for older people. • Research highlights older people desire to reduce their working hours prior to retirement. Many older people wish to retire before working age, but cannot afford to⁹ <p>All age groups:</p> <ul style="list-style-type: none"> • The technological advancement will have a positive impact through intergenerational sharing of knowledge sharing, in particular young people will be able to share experience and knowledge with older people who perhaps have less experience with IT and technology and older people will be able to hand down practical workplace skills and lessons learned through years of experience. 	<p>Annual Population Survey 2019, Office for National Statistics</p> <p>HSE¹⁰</p> <p>ComputerWeekly.com</p> <p>Anecdotal</p>	
--	--	---	--

⁸ [Workplace fatal injuries in Great Britain, 2020 \(hse.gov.uk\)](https://www.hse.gov.uk/statistics/fatalinjuries/)

⁹ [A Fairer Scotland for Older People: framework for action - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/a-fairer-scotland-for-older-people/framework-for-action/pages/10.aspx)

¹⁰ [Manufacturing statistics in Great Britain, 2020 \(hse.gov.uk\)](https://www.hse.gov.uk/statistics/manufacturing/)

	<ul style="list-style-type: none"> • The disadvantage faced by disabled people with lower qualifications is evident in the particularly low employment rate (43.4%) for disabled people with below degree level or no qualifications. But even with a degree or higher qualification, disabled people are still less likely to be employed (71.7% employment rate) than non-disabled people without one (78.7% employment rate). Non-disabled people with a degree had an employment rate of 86.3% in 2019, almost 15 percentage points higher than equally qualified disabled people. However, there are indications that obtaining a degree improves the employment prospects of disabled people more than non-disabled people, and can act to reduce the disability employment gap. Having a degree boosts the employment rate of disabled people by 28.3 percentage points compared with 7.6 percentage points for non-disabled people. • Disabled people are generally overrepresented in lower paid, lower skilled jobs. If digital tools are not accessible, disabled people will be left behind. Disabled people generally experience significantly lower education levels, with disabled women often at a greater disadvantage than male counterparts¹². 		
--	--	--	--

¹² [A Fairer Scotland for Disabled People Employment Action Plan - Progress Report - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/employment-action-plan/progress-report/pages/12.aspx)

	<ul style="list-style-type: none"> • Work-related illness reported in manufacturing in Great Britain: <ul style="list-style-type: none"> ○ 2.8% of workers suffered from work-related ill health, lower than 3.3% for all industries; ○ 1.1% suffered from work-related musculoskeletal disorders, similar to 1.2% for all industries; ○ 1% suffered from work-related stress, depression or anxiety, lower than 1.5% for all industries; ○ 0.14% suffered from work-related lung disorders, slightly higher than 0.10% for all industries; ○ occupational asthma rates are around 5 times higher than all industries average; ○ occupational skin disease in some sub sectors of manufacturing (such as contact dermatitis) are at least treble than that for all industries; ○ known and probable occupational carcinogens were estimated to account for 5% of cancer deaths (in 2005) and 4% of all new cancers (2004); and ○ around 2.3% of workers sustain a workplace injury, higher than 1.8% for all industries. 	<p>Annual Population Survey 2019, Office for National Statistics</p> <p>HSE¹³</p>	
SEX	<ul style="list-style-type: none"> • In 2018, the British Private Equity & Venture Capital Association (BVCA) reported that only 6% of senior investment professionals in the UK are women, with 15% of mid-level roles (Directors, Principals, VPs, etc.) and 27% of junior roles (Associates, Analysts, etc.) filled by women¹⁴. Overall, BVCA reported that only 	Women in Private Equity, 2018 (BVCA)	Men make up the majority of the Scottish industrial workforce. Any potential changes to jobs will therefore affect more men than women. More information is needed to determine how new emerging industries, and the

¹³ [Manufacturing statistics in Great Britain, 2020 \(hse.gov.uk\)](https://www.hse.gov.uk/statistics/manufacturing/)

¹⁴ [BVCA-Women-in-PE-Report-2018.pdf](#)

	<p>14% of investment professionals in the UK are women.</p> <ul style="list-style-type: none"> • 2018 data indicated that while the general Life Science framework had 32 female apprentices and 25 males, the Aquaculture framework had 10 times as many male apprentices (60) than female (6)¹⁵. • Despite the numbers graduating with a Life Science qualification, women only make up around 10% of senior scientists in UK universities, government labs, public science bodies and industry¹⁶. • Average wages in Digitally Enabled Financial Services are higher than the Scottish average and this holds true for both men and women. The gender pay gap within this area is 33.7% which is higher than the overall Scottish gender pay gap (15.6%). However on average women working in this area are paid approx. £2/hour more than the Scottish average wage for women. Women and people from Ethnic Minorities make up approximately 46.2% and 4.8% of all workers within the sector, this is slightly below the Scottish average for women but higher than the Scottish average for Ethnic Minorities (3.7%). 	<p>Scottish Government, 2020</p> <p>Scottish Government, 2020</p>	<p>potential for job losses, transformation and job substitution will impact men.</p> <p>Views on occupational segregation start to be formed at a young age. Views on how this can be addressed through education and role models should be sought during any EQIA consultation.</p>
--	---	---	---

¹⁵ <https://www.skillsdevelopmentscotland.co.uk/publications-statistics/statistics/modern-apprenticeships/?page=1&statisticCategoryId=4>

¹⁶ <http://www.chemicalimbalance.ed.ac.uk/scisister>

	<ul style="list-style-type: none"> • Average wages in Software and IT are higher than the Scottish average and this holds true for both men and women. The gender pay gap within this area is 24.6% which is higher than the overall Scottish gender pay gap (15.6%). However on average women working in this area are paid more than the Scottish average wage for men. Women make up approximately 25.5% all workers within the sector, this is below the Scottish average. • Average wages in Low Carbon Transition are higher than the Scottish average and this holds true for both men and women. The gender pay gap within this area is 26.6% which is higher than the overall Scottish gender pay gap (15.6%). However on average women working in this area are paid more than the Scottish average wage for women. Women and people from Ethnic Minorities make up approximately 23.3% and 1.3% of all workers within the sector, this is below the Scottish average for both. • Within 'Low Carbon Transition', is the 'Decarbonisation of Transport' sector. Average wages in this area are higher than the Scottish average for women but slightly below the Scottish average for men. The gender pay gap within this area is 1.9% which is much lower than the overall Scottish gender pay gap (15.6%). Women make up approximately 18.7% of all workers within the 		
--	---	--	--

	<p>sector, this is much below the Scottish average.</p> <ul style="list-style-type: none"> • Within ‘High Value Manufacturing’, exists the Space sector. Average wages in this area are higher than the Scottish average and this holds true for both men and women. The gender pay gap within this area is 16.8% which is slightly higher than the overall Scottish gender pay gap (15.6%). • Poverty Rate amongst female lone parents, Scotland 2016-19¹⁷: 39%. • Even where men and women have the same job, there may be different risks with different outcomes¹⁸. • Less than one in ten children imagine engineers to be a woman and just 12% of those working in engineering occupations in the UK are women, however 70% of young women express an interest in working in STEM¹⁹. • Gendered norms continue to exist in subjects undertaken by students at further education colleges in Scotland. Women dominate classes such as Health and Social Work, with men enrolling in engineering, transport and 	TUC	
--	---	-----	--

¹⁷ <https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/>

¹⁸ [Microsoft Word - Gender 2017 \(tuc.org.uk\)](https://www.tuc.org.uk/microsoft-word-gender-2017)

¹⁹ [Engineering: a diverse sector - Women in STEM](#)

	<p>construction. More change is needed to achieve gender balance across important subject areas.</p> <ul style="list-style-type: none"> • Women are more likely to be living in poverty, and experience persistent poverty, than men. Any loss of jobs as a result of job elimination due to industrial change which disproportionately affects women (such as loss of unskilled labour) is likely to result in poverty rates for women increasing. • 42% of women in employment in Scotland work part time vs. 13% of men. • In 2019, the combined pay gap between men and women in skilled trades was 21.6%, with an 18.8% pay gap for men vs. women full time average hourly pay and 32.7% gap when comparing men full time hourly pay v women's part time hourly pay. In process, plant and machine operatives, there is a 15.6% pay gap for men vs. women combined average hourly pay and full time men vs. full time women average hourly pay, with a 17.8% pay gap comparing men full time hourly pay v women part time hourly pay. When comparing full time pay gaps and the gap between men full time hourly rate and women part time hourly rates, the largest gaps are in managers and senior officials, skills trades and process, plant and machine 	<p>Women in STEM</p> <p>2019 Audit Scotland Report</p> <p>Close the Gap³⁰</p>	
--	---	--	--

³⁰ Close the Gap | Statistics

	<p>operative occupations. In full time jobs, women on average earn 23.4% less a week than men in process, plant and machine operative jobs, and 36.3% in skilled trades. The introduction of new jobs and the redefinition of jobs is an opportunity to redress this gap and introduce parity of pay.</p> <ul style="list-style-type: none"> • The UK national percentage pay gap between men and women increases with age. The 3.3% pay gap between the ages of 18-21 increases to 23.7% between the ages of 50-59. Advancement of technology, new jobs, substituting jobs and redefining jobs provides the opportunity to ensure that the pay gap between men and women's does not widen throughout a person's working life. • Equipment that is not the correct design can lead to poor working posture leading to increased risk of Muscular Skeletal Disorders (MSD). Women entering traditionally male jobs such as manufacturing and engineering are particularly at risk. This is an opportunity for technology to be designed that can improve women's safety in the workplace and reduce the risk of long term MSD. Women still typically have the dual burden of household work and caring responsibilities, exposing them to the same hazards at work, increasing the likelihood of injury²⁰. 	ONS Annual Survey of Hours and Earnings 2019	
--	--	--	--

²⁰ [Microsoft Word - Gender 2017 \(tuc.org.uk\)](https://www.tuc.org.uk/microsoft-word-gender-2017)

	<ul style="list-style-type: none"> • Workplace accidents are increasing for women²¹. To demonstrate the impact of product development that is not designed and tested universally: men are more likely to be in car crash, but women are 47% more likely to be fatally injured, and 17% more likely to die, all due to them being excluded from design and test conditions. AR/VR headsets have been developed for men, resulting in women being more likely than men to experience motion sickness due to differences in depth perception that occurs between the sexes and the oversize headsets²². • Women in the UK still make up the majority (58%) of carers, and 20% of women aged 45 to 54 are providing unpaid care for an older person with a disability or illness. Providing support for carers, such as flexible working for those who want to stay in, or return to paid work is essential if women with caring responsibilities are able to participate fully in the economy and live a life free from poverty in older age. • 64% of 400 women surveyed²³ did not feel enough was being done to create inclusive workplaces or educational institutions. Within this: 	Carers UK Org	It is imperative that tools, equipment and technology developed through NSET related funding is universally designed for safe use for men and women of all shapes and sizes.
--	---	---------------	--

²¹ [The invisible workplace accident rate - Equal Times](#)

²² [Posture could explain why women get more VR sickness than men | New Scientist](#)

²³ [Women-in-STEM-report-2.pdf \(equatescotland.org.uk\)](#)

	<ul style="list-style-type: none"> ○ over 80% of minority ethnic women; ○ 70% of women aged 35+; ○ 74% of women with caring responsibilities; ○ 90% of disabled women; ○ 80% of LGBT+ women. <ul style="list-style-type: none"> • Did not feel enough was being done to create inclusive workplaces or educational institutions and 60.54% have experienced sexism at work, college or university when trying to progress a career in STEM. • £3.8 billion²⁴ (equivalent to a 2.7% boost to the Scotland's GVA or 75,000 new and part-time jobs) could be added to Scottish economy by levelling up the Scottish female workforce participation to the highest performing region of the UK (Scotland are currently second behind the South West of England). • Men are more likely to be killed at work²⁵. The Great Britain annual average of number of fatalities in manufacturing*²⁶ between 2015/16-2019/20 is 20, with 15 fatalities in 2019/20. Fatal injuries to workers are predominantly men²⁷. It is anticipated that automation, as a result of low carbon 	<p>Equate</p> <p>PWC</p>	
--	---	--------------------------	--

²⁴ [PwC: Scotland could see £4bn boost from levelling-up female workforce - Scottish Financial News](#)

²⁵ [Microsoft Word - Gender 2017 \(tuc.org.uk\)](#)

²⁶ *Manufacturing is defined using the [2007 Standard Industrial Classification](#)

²⁷ [Workplace fatal injuries in Great Britain, 2020 \(hse.gov.uk\)](#)

	<p>manufacturing technology, will reduce the risk of death in the workplace.</p> <ul style="list-style-type: none"> Men make up 42% of carers. Providing support for carers, such as flexible working for those who want to stay in, or return to paid work is essential if men with caring responsibilities are able to participate fully in the economy. 25.9% of men who are engineers have caring responsibilities, with 37.1% of men being the primary carers²⁸. <p>Non-binary/gender fluid/prefer to self-describe</p> <ul style="list-style-type: none"> Around 1% of the UK manufacturing workforce identifies as non-binary/gender fluid/prefer to self-describe²⁹. 		
PREGNANCY AND MATERNITY	<ul style="list-style-type: none"> The UK national pay gap between men and women increases with age. This is exacerbated by the ‘motherhood penalty’³¹ for women taking time off for maternity leave and caring for young children. To overcome this, targeted returner programmes are 	Make UK ED&I survey	<p>More information is required to identify the numbers of people who identify as non-binary, gender fluid or who prefer to self-describe in the Scottish manufacturing workforce.</p> <p>More information is needed about how emerging industries can incorporate more flexible working practices to assist this group to return to the workplace.</p>

²⁸ [EqualEngineers-Masculinity-Report_Final.pdf](#)

²⁹ [Manufacturing Our Recovery Through Inclusion 160621 \(1\).pdf](#)

³¹ [STEM employers tackle the career break penalty - Women in STEM](#) *Term used to describe economic impact of taking time out of labour market to look after children. Women who have spent 1 year in part time work and then worked full time, can still expect to earn up to 10% less after 15 years than those who have worked full time for the full 15 years (Francesconi and Gosling 2005)

	<p>needed to provide women with support into a suitable level role.</p> <ul style="list-style-type: none"> • In 2019, 6.9% of the 23.4% of women (13,100 women) who work in the manufacturing sector had children aged younger than 16 years. This low number, and the fact that 91.2% of workers in manufacturing work full time, would suggest that careers in traditional industry does not lend itself to flexible, part-time work, which women may need. • 1 in 6³² women have experienced discrimination related to caring responsibilities or maternity. 		
GENDER REASSIGNMENT	<ul style="list-style-type: none"> • In 2018 1 in 5 (18%) of people looking for work said they were discriminated against because of their sexual orientation/gender identity whilst trying to get a job. • 0.98% have experienced transphobia, and 5.39% have experienced gender identity discrimination at work, college or university when trying to progress a career in STEM³³. 	LGBT in Britain - Work (stonewall.org.uk)	<p>More information is required to determine how this group is impacted and how NSET Programme 2 can be used to break down barriers to a career in emerging industries.</p> <p>It is imperative that the Fair Work principles are embedded in all of the NSET Programme 2 action points to encourage private sector employers to actively seek and recruit diverse and talented people.</p>

³² [Women-in-STEM-report-2.pdf \(equatescotland.org.uk\)](https://equatescotland.org.uk/Women-in-STEM-report-2.pdf)

³³ [Women-in-STEM-report-2.pdf \(equatescotland.org.uk\)](https://equatescotland.org.uk/Women-in-STEM-report-2.pdf)

SEXUAL ORIENTATION	<ul style="list-style-type: none"> In 2018 1 in 5 (18%) of people looking for work said they were discriminated against because of their sexual orientation/gender identity whilst trying to get a job. Lesbian/Gay/Bisexual women feel less likely to report confidence when speaking about inequalities in the workplace and 4.41% have experienced homophobia at work, college or university when trying to progress a career in STEM³⁴. A third of LGBT+ people working in the technology sector believe there is a wage gap between them and heterosexual people³⁵. 	LGBT in Britain - Work (stonewall.org.uk)	<p>More information is required to determine how this group is impacted and how NSET Programme 2 can be used to break down barriers to a career in emerging industries, and ensure equal pay for equal jobs.</p> <p>It is imperative that the Fair Work principles are embedded in all of NSET Programme 2 action points to encourage private sector employers to actively seek and recruit diverse talented people.</p>
RACE	<ul style="list-style-type: none"> Within 'Health and Life Sciences', exist Sustainable Chemicals and Biotechnology. People from Ethnic Minorities make up approximately 1.6% of all workers within the sector which is below the Scottish average of 3.7%. Within 'Digital', exists Digitally Enabled Financial Services. People from Ethnic Minorities make up approximately 4.8% of all workers within the sector, higher than the Scottish average (3.7%). Within 'Digital' exists Digitally Enabled Business Services. People from Ethnic 	<p>Scottish Government, 2020</p> <p>Scottish Government, 2020</p>	<p>Investment opportunities as a result of Global Cleantech Innovation programme development will be benchmarked against Environmental, Social and Governance investment criteria.</p> <p>It is imperative that the Fair Work principles are embedded in all of NSET Programme 2 action points to encourage private sector employers to actively seek</p>

³⁴ [Women-in-STEM-report-2.pdf \(equatescotland.org.uk\)](http://equatescotland.org.uk/Women-in-STEM-report-2.pdf)

³⁵ [Tech's diversity gap: Slow growth for minority groups \(computerweekly.com\)](http://computerweekly.com/Tech's-diversity-gap-Slow-growth-for-minority-groups)

	<p>Minorities make up approximately 2.5% all workers within the sector, this is below the Scottish average.</p> <ul style="list-style-type: none"> • People from Ethnic Minorities make up approximately 1.3% of all workers within the Low Carbon Transition sector, this is below the Scottish average for both. • Poverty Rates amongst different social groups,³⁶ Scotland 2016 -2016: <ul style="list-style-type: none"> ○ White Scots – 19% ○ Asian Scots – 39% ○ Black Scots – 38% • Minority ethnic graduates are between 5-15% less likely to become employed compared to graduates from other backgrounds. • The employment rate gap between white women and minority ethnic women (20.8 p.p.) in Scotland is significantly higher than the gap between white men and minority ethnic men (4.8 p.p.). The gap for women is driven by a much lower employment rate for minority ethnic women than white women (51.7% vs 72.5%). Evidence suggests women often face intersectional gender and racial barriers that hinder employment prospects and career progression. 	<p>Equal Engineers</p> <p>Close the Gap</p>	<p>and recruit talent from minority ethnic background.</p>
--	---	---	--

³⁶ <https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/>

	<ul style="list-style-type: none"> • A number of obstacles³⁷ that minority ethnic people face in the labour market have been cited, including: <ul style="list-style-type: none"> ○ individual expectations and aspirations – studies show minority ethnic individuals are as ambitious, if not more, than white counterparts; ○ human capital, such as training, education and skills relevant to job performance; ○ lack of language skills – individuals can face a linguistic penalty in job interviews where there are hidden potential employer expectations to talk in certain ways which can be mismatched with cultural expectations; ○ geographical location (many minority ethnic people live in areas with high unemployment and lack of mobility) ○ lack of social relations and networks – a lack of role models; ○ lack of access to integration policies; ○ cultural preferences and barriers – studies show that minority ethnic students are more likely to aspire to social and enterprising careers and career preference can vary by ethnicity; ○ direct discrimination (positive or negative) by employers or co-workers – in 2007 the National Employment Panel reported that at least 25% of the 		
--	---	--	--

³⁷ [Race in the workplace: The McGregor-Smith review \(publishing.service.gov.uk\)](http://publishing.service.gov.uk)

	<p>minority ethnic employment gap is caused by discrimination in employment practices. Subject to CV testing, private sector employers showed a discrimination rate of 35% compared to 4% for the public sector;</p> <ul style="list-style-type: none"> ○ indirect discrimination – minority ethnic people are often unaware of unconscious bias towards against them, which hampers their job searches. 		
RELIGION OR BELIEF	<ul style="list-style-type: none"> • Poverty rate amongst Muslims, Scotland 2016-19 – 49%³⁸. • 9.09% of women have experienced religious discrimination at work, college or university when trying to progress a career in STEM³⁹. 		More information is needed to understand how NSET Programme 2 can help lift people out of poverty.
MARRIAGE AND CIVIL PARTNERSHIP⁴⁰	<ul style="list-style-type: none"> • Theoretically, married couples or couples in a Civil Partnership may work for the same manufacturing business, or work in comparable jobs in the sector, but receive unequal pay for the jobs which they carry out. 		<p>The Scottish Government's Fair Work criteria will be at the heart of NSET. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally</p>

³⁸ <https://www.gov.scot/publications/poverty-income-inequality-scotland-2016-19/>

³⁹ [Women-in-STEM-report-2.pdf \(equatescotland.org.uk\)](https://equatescotland.org.uk/Women-in-STEM-report-2.pdf)

⁴⁰ The Scottish Government does not require assessment against this Protected Characteristic unless the policy or practice relates to work, for example HR policies and practices - refer to Definitions of Protected Characteristics document for details.

			accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for women and men from all age groups.
SOCIO-ECONOMIC	<ul style="list-style-type: none"> • People with higher incomes are healthier⁴¹. Socio-economic inequalities are one of the most important factors in determining overall health. One of the fundamental causes of health inequalities is the unequal distribution of incomes across the population. The distribution of income between individuals and within households is influenced by a number of factors, including: <ul style="list-style-type: none"> ○ Failure to consider personal characteristics, e.g. age, gender, disability; and ○ What is seen as valuable work. <p>This can lead to particular groups receiving lower incomes from employment.</p> <p>49% of young women from lower socio-economic groups want a 'green collar' job⁴².</p>		Whilst the Scottish Government promote the real Living Wage through the Fair Work and Fair Work First policy, this policy does not promote ensuring that the nationally recognised rate for skilled jobs is paid by employers.
INTERSECTING PROTECTED CHARACTERISTICS	<ul style="list-style-type: none"> • Everyone has different layers of Protected Characteristics, i.e. minority ethnic woman with children from middle class background, older white disabled LGBT+ man from lower 		It is important that we understand how intersecting Protected Characteristics exacerbate the different barriers

⁴¹ [Income - Income inequality - Fundamental causes - Health inequalities - Public Health Scotland](#)

⁴² [3.7 million young people want a job in the #GreenGB economy \(fenews.co.uk\)](#)

	<p>end of socio-economic scale, young minority ethnic Muslim man. These intersecting characteristics can exacerbate the barriers to work.</p>		<p>presented by each of the individual Protected Characteristics before we can understand how NSET Programme 2 can be used to break down these barriers to employment in the manufacturing sector.</p>
--	---	--	--

Stage 3: Assessing the impacts and identifying opportunities to promote equality

Do you think that the policy impacts on people because of their age?

Age	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination, harassment and victimisation	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be a condition of any Scottish Government funding provided to businesses as a result of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased access to flexible working, payment of the real Living Wage, lifelong learning and fair employment, and equal pay for men and women, regardless of age, will require to be demonstrated.</p>
Advancing equality of opportunity	Yes	No	No	<p>Scottish Government's Fair Work criteria will be at the heart of NSET Programme 2, helping tackle age related inequalities, and ensuring no one is left behind, by: addressing the gender pay gap that widens with age; investing in workforce development; creating a more diverse and inclusive workplace; ensuring zero hour contracts are not used inappropriately (which may benefit this group by allowing older people more flexibility when, and for how long, they wish to work); ensuring the payment of real Living Wage for all age groups.</p>
Promoting good relations among and between different age groups	Yes	No	No	<p>The longer-term opportunity that NSET presents to diversify the workforce and work processes as new industries emerge will allow for more inclusive workplaces for people of all ages, ensuring that all workers have equality of opportunity, skills are shared between generations, improved workplace flexibility and, through helping to close the gender pay gap, equal pay for men and women of all ages.</p>

				<p>Whilst NSET Programme 2 promotes good relations between different age groups, it is recognised that older people may experience difficulties in adapting to any changes to their existing jobs as result of new and emerging technologies and industries.</p>
--	--	--	--	--

Do you think that the policy impacts disabled people?

Disability	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination, harassment and victimisation	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be a condition of any Scottish Government funding provided to businesses as a result of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for disabled and non-disabled workers.</p> <p>Scottish Government Apprenticeship Employer Grant provides incentives for employers to create apprenticeship opportunities for all people: £5,000 for employers taking on or upskilling an apprentice up to 29 years old where they are disabled, and £3,500 for employers taking on or upskilling an apprentice aged 25+.</p>
Advancing equality of opportunity	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be at the heart of NSET Programme 2, helping tackle inequalities faced by disabled people, and ensuring no one is left behind, by: addressing the gender pay gap that exists between disabled women and male counterparts;</p>

				<p>investing in workforce development; creating a more diverse and inclusive workplace; ensure the appropriate use of zero hour contracts (which may offer more flexibility and widely benefit disabled people who may be unable to commit to set working hours due to impact of their disability); ensuring the payment of real Living Wage for disabled people.</p> <p>Scottish Government has invested £75 million in the National Manufacturing Institute of Scotland (NMIS). NMIS is already looking at manufacturing technologies which will help disabled people overcome some of the traditional workplace challenges.</p>
Promoting good relations among and between disabled and non-disabled people	Yes	No	No	<p>The long-term opportunity NSET Programme 2 presents to diversify the workforce and work processes will allow for more inclusive workplaces for all disabled and non-disabled people in the manufacturing sector, ensuring that all workers have equality of opportunity, improved workplace flexibility and, through helping to close the gender pay gap, equal pay.</p> <p>The low carbon transition of industry will promote good relations with disabled and non-disabled people, through reducing the carbon emissions and waste, ensuring better health, a more prosperous economy and improving the environment.</p> <p>Whilst NSET Programme 2 promotes good relations among disabled and non-disabled people, it is recognised that disabled people, who may be in lower skilled jobs may be disproportionately affected by any phasing out of these low skilled jobs due to the introduction of new technology and industries.</p>

Do you think that the policy impacts on men and women in different ways?

Sex	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination	Yes	No	No	<p>The Scottish Government's Fair Work criteria is at the heart of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for women and men.</p> <p>Ensuring good green full and part-time work opportunities that offer flexibility for women aligns to the Scottish Government Gender Pay Gap Action Plan. The aim of the plan is to deliver a cross-government approach in tackling the causes of inequality women face in the labour market, taking an intersectional approach to recognising that women can experience multiple barriers in the workplace, i.e. ethnicity, age, socio-economic group. The plan includes ensuring new skills investment focuses on areas of job growth aligning with Scottish Government National Mission for job, regardless of gender. NSET creates an opportunity to support this commitment in our plan by breaking down barriers.</p>
Advancing equality of opportunity	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be a condition of any funding provided to businesses, helping to tackle inequalities faced by women and men and ensuring no one is left behind, by: addressing the gender pay gap that exists between women and male counterparts; investing in workforce development; creating a more</p>

				<p>diverse and inclusive workplace; ensure the appropriate use of zero hour contracts (which offer more flexibility and may widely benefit people who may be unable to commit to set working hours due to child care needs); ensuring the payment of real Living Wage for disabled people.</p> <p>The Scottish Government is undertaking work on attracting and retaining talent in Scotland. As part of this they are considering how to attract and retain women in industrial careers.</p>
Promoting good relations between men and women	Yes	No	No	<p>The opportunity NSET Programme 2 presents to diversify the workforce and work processes will allow for more inclusive workplaces for all men and women group in the manufacturing sector, ensuring that all workers have equality of opportunity, improved workplace flexibility and, through helping to close the gender pay gap, equal pay.</p> <p>Whilst NSET Programme 2 promotes good relations among men and women it is recognised that women, who may be in lower skilled jobs, may be disproportionately affected by any phasing out of these low skilled jobs due to the introduction new technology or industries.</p> <p>Skills Development Scotland are working with the Scottish Government and other partner organisations to promote gender equality across National Training Programmes⁴³.</p>

Do you think that the policy impacts on women because of pregnancy and maternity?

Pregnancy and Maternity	Positive	Negative	None	Reasons for your decision
--------------------------------	-----------------	-----------------	-------------	----------------------------------

⁴³ [Modern Apprenticeships | Skills Development Scotland](#)

Eliminating unlawful discrimination	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be at the heart of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for women and men.</p>
Advancing equality of opportunity	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be a condition of any NSET Programme 2 related funding, helping to tackle inequalities faced by this group and ensuring no one is left behind, by: addressing the gender pay gap that exists between women and male counterparts; investing in workforce development; creating a more diverse and inclusive workplace; ensure the appropriate use of zero hour contracts (which offer more flexibility and may widely benefit people who may be unable to commit to set working hours due to child care needs; ensuring the payment of real Living Wage.</p>
Promoting good relations	Yes	No	No	<p>The opportunity NSET Programme 2 presents to diversify the workforce and work processes will allow for more inclusive workplaces for this group in the manufacturing sector, ensuring that all workers have equality of opportunity, improved workplace flexibility and parity of pay.</p> <p>Low carbon transition will promote good relations with this group of people in Scotland, through reducing the carbon emissions and waste, ensuring better health, a more prosperous economy and improve the environment.</p>

Do you think your policy impacts on people proposing to undergo, undergoing, or who have undergone a process for the purpose of reassigning their sex? (NB: the Equality Act 2010 uses the term ‘transsexual people’ but ‘trans people’ is more commonly used)

Gender reassignment	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination	Yes	No	No	<p>The Scottish Government’s Fair Work criteria will be a condition any NSET Programme 2 related funding. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for women and men.</p>
Advancing equality of opportunity	Yes	No	No	<p>The Scottish Government’s Fair Work criteria will be at the heart of NSET Programme 2, helping to tackle inequalities faced by women and men in this group, and ensuring no one is left behind, by: addressing the gender pay gap that exists between women and male counterparts; investing in workforce development; creating a more diverse and inclusive workplace; ensuring the payment of the real Living Wage.</p>
Promoting good relations	Yes	No	No	<p>The opportunity NSET Programme 2 presents to diversify the workforce and work processes will allow for more inclusive workplaces for this group in the manufacturing sector, ensuring that all workers have equality of opportunity and parity of pay.</p> <p>Low carbon transition will promote good relations with the LGBT+ communities in Scotland, through reducing the carbon emissions and waste, ensuring better health, a more prosperous economy and improve the environment.</p>

Do you think that the policy impacts on people because of their sexual orientation?

Sexual orientation	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be at the heart of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for all workers.</p>
Advancing equality of opportunity	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be a condition of any NSET related funding, helping to tackle inequalities and ensuring no one is left behind, by: investing in workforce development; creating a more diverse and inclusive workplace; ensuring the payment of the real Living Wage.</p>
Promoting good relations	Yes	No	No	<p>The long-term opportunity NSET Programme 2 presents to diversify the workforce and work processes should allow for more inclusive workplaces for this group in the manufacturing sector, ensuring that all workers have equality of opportunity and equal pay.</p> <p>Low carbon transition more generally is an opportunity to promote good relations with the LGBT+ communities in Scotland, through reducing the carbon emissions and waste, ensuring better health, a more prosperous economy and improve the environment.</p>

Do you think the policy impacts on people on the grounds of their race?

Race	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be at the heart of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for all workers.</p> <p>Scottish Government Apprenticeship Employer Grant⁴⁴ provides incentives for employers to create apprenticeship opportunities for all people: £5,000 for employers taking on or upskilling a 16-24 year old apprentice, or up to 29 years old where they are minority ethnic and £3,500 for employers taking on or upskilling an apprentice aged 25+.</p>
Advancing equality of opportunity	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be a condition of any NSET related funding, helping to tackle inequalities and ensuring no one is left behind, by: investing in workforce development; creating a more diverse and inclusive workplace; ensuring the payment of the real Living Wage.</p>
Promoting good race relations	Yes	No	No	<p>The long-term opportunity NSET Programme 2 presents to diversify the workforce and work processes should allow for more inclusive workplaces for this group in the manufacturing sector, ensuring that all workers have equality of opportunity and equal pay.</p>

⁴⁴ <https://www.gov.scot/news/gbp-25-million-apprenticeship-support/>

				Low carbon transition more generally is an opportunity to promote good relations through reducing the carbon emissions and waste, ensuring better health, a more prosperous economy and improve the environment.
--	--	--	--	--

Do you think the policy impacts on people because of their religion or belief?

Religion or belief	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination	Yes	No	No	<p>The Scottish Government's Fair Work criteria will be at the heart of NSET Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for women and men from all religious backgrounds.</p>
Advancing equality of opportunity	Yes	No	No	The Scottish Government's Fair Work criteria will be a condition of NSET Programme 2, helping to tackle inequalities faced by people of all religions and beliefs, and ensuring no one is left behind, by: investing in workforce development; creating a more diverse and inclusive workplace; ensuring the payment of the real Living Wage.
Promoting good relations	Yes	No	No	<p>The opportunity NSET Programme 2 presents to diversify the workforce and work processes will allow for more inclusive workplaces for people of all religions and beliefs in the manufacturing sector, ensuring that all workers have equality of opportunity and parity of pay.</p> <p>Low carbon transition will promote good relations with all religious communities in Scotland, through reducing the</p>

				<p>carbon emissions and waste, ensuring better health, a more prosperous economy and improve the environment.</p> <p>Whilst NSET Programme 2 promotes good relations among people from different religious and belief backgrounds, it is recognised that minority ethnic people, in particular Muslims, who may be in lower skilled jobs, may be disproportionately affected by any phasing out of these low skilled jobs due to the introduction of new technology and industries.</p>
--	--	--	--	---

Do you think the policy impacts on people because of their marriage or civil partnership?

Marriage and Civil Partnership⁴⁵	Positive	Negative	None	Reasons for your decision
Eliminating unlawful discrimination	Yes	No	No	<p>Theoretically, married couples or couples in a Civil Partnership may work for the same employer, or work in comparable jobs, but receive unequal pay for the jobs which they carry out.</p> <p>The Scottish Government's Fair Work criteria will be at the heart of Programme 2. Businesses that are granted funding will need to demonstrate commitment to the Fair Work and Fair Work First principles and equality and employment law.</p> <p>Commitment to increased use of flexible working, universally accessible technology and work processes</p>

⁴⁵ In respect of this Protected Characteristic, a body subject to the Public Sector Equality Duty (which includes Scottish Government) only needs to comply with the first need of the duty (to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010) and only in relation to work. This is because the parts of the Act covering services and public functions, premises, education etc. do not apply to that Protected Characteristic. Equality impact assessment within the Scottish Government does not require assessment against the Protected Characteristic of Marriage and Civil Partnership unless the policy or practice relates to work, for example HR policies and practices.

				within the workplace will require to be demonstrated, along with a commitment to paying the real Living Wage and equal pay for women and men from all age groups.
--	--	--	--	---

Stage 4: Decision making and monitoring

Identifying and establishing any required mitigating action

Have positive or negative impacts been identified for any of the equality groups?	Yes
Is the policy directly or indirectly discriminatory under the Equality Act 2010 ⁴⁶ ?	No
If the policy is indirectly discriminatory, how is it justified under the relevant legislation?	N/A
If not justified, what mitigating action will be undertaken?	N/A

Describing how Equality Impact analysis has shaped the policy making process

EQIAs have already been completed in respect of a number of the actions contained within the New Markets Programme. The Scottish Government has ensured that addressing the inequalities that exist for people with Protected Characteristics has been at the heart of the formation of the Programme 2 from the outset.

The outstanding EQIAs will be carried out as each of the remaining policies develop to ensure we continue to identify and tackle inequalities throughout our policy development process. The findings will be used in wider policy making decisions to tackle and address inequalities and socio-economic issues.

NSET sets out an ambitious 10 year programme, and it is not anticipated that any changes to equalities as a result of related programmes of work will be swift; a gradual change over a number of years is more likely to be seen.

Monitoring and Review

Equalities will be monitored on an ongoing basis, with EQIAs being re-evaluated in parallel to any re-evaluation of policy. We will continue to monitor the progression of EQIAs across the New Markets Programme.

⁴⁶ See EQIA – Setting the Scene for further information on the legislation.

Stage 5 - Authorisation of EQIA

Please confirm that:

- ◆ This Equality Impact Assessment has informed the development of this policy:

Yes ☒ No ☐

- ◆ Opportunities to promote equality in respect of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation have been considered, i.e.:

- Eliminating unlawful discrimination, harassment, victimisation;
- Removing or minimising any barriers and/or disadvantages;
- Taking steps which assist with promoting equality and meeting people's different needs;
- Encouraging participation (e.g. in public life)
- Fostering good relations, tackling prejudice and promoting understanding.

Yes ☒ No ☐

- ◆ If the Marriage and Civil Partnership Protected Characteristic applies to this policy, the Equality Impact Assessment has also assessed against the duty to eliminate unlawful discrimination, harassment and victimisation in respect of this Protected Characteristic:

Yes ☐ No ☐ Not applicable ☒

Declaration

I am satisfied with the equality impact assessment that has been undertaken for Scotland's National Strategy for Economic Transformation - Programme 2: New Market Opportunities and give my authorisation for the results of this assessment to be published on the Scottish Government's website.

Name: Richard Rollison

Position: Director, International Trade and Investment

Authorisation date: 17 October 2022

EQUALITY IMPACT ASSESSMENT – RESULTS

Title of Policy	Scotland's National Strategy for Economic Transformation (NSET) – Programme 2: New Market Opportunities
Summary of aims and desired outcomes of policy	The New Market Opportunities Programme aims to strengthen Scotland's position in new markets and industries, generating new, well-paid jobs from a just transition to net zero.
Directorate	Directorate for International Trade and Investment

Executive Summary

The Equality Act 2010 places a duty (known as the Public Sector Equality Duty, or PSED) on public authorities to have due regard to the need to eliminate discrimination, advance equality of opportunity and promote good relations between people who share a Protected Characteristic and those who do not. The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 (Regulation 5) require public authorities to assess and review policies and practices against the three needs of the PSED.

Therefore, the Scottish Government has undertaken a series of Equality Impact Assessments (EQIAs) as part of the routine process of developing policies that make up the New Market Opportunities Programme within NSET – See Annex A.

These EQIAs aim consider how a policy may impact, on people with Protected Characteristics in different ways. Equality legislation covers the Protected Characteristics of: age, disability, gender reassignment, sex, pregnancy and maternity, marriage and civil partnership, race, religion or belief, and sexual orientation.

The Scottish Government remains committed to a wellbeing economy that thrives across economic, social and environmental dimensions. The New Market Opportunities Programme aims to strengthen Scotland's position in new markets and industries, generating new, well-paid jobs from a just transition to net zero.

Background

As the global economy accelerates towards a net zero future and artificial intelligence, genomics and other scientific advances change the way we live, new markets will be created and new industries will emerge. Scotland has the potential to build world-leading industries in areas where our human and natural capital and technology and research capabilities provide the basis of global competitive advantage.

EQIA is about testing our policies to ensure they work for everyone, in a way that is founded in fairness and dignity, and which ensures that equality is safeguarded. By

working with stakeholders and placing these values at the heart of our response we will ensure that our policies meet the needs of the PSED. The needs are to:

- Eliminate discrimination, harassment and victimisation;
- Advance equality of opportunity; and
- Foster good relations.

Scope of the New Market Opportunities Programme level EQIA

The projects within the New Market Opportunities Programme include both new and existing policies and commitments. This Programme level EQIA reflects our current position, and additional action we will take to:

- regularly review existing EQIAs in light of any new data or evidence; and
- undertake EQIAs at an appropriate point in time when a proposed new or revised policy occurs during the 10 year lifecycle of this strategy.

This New Markets Programme level EQIA has been informed by detailed analysis of existing evidence and data in order to draw out the potential impacts of the policy for the Protected Characteristics as set out in the Equality Act.

Key Findings

New Market Opportunities provides both the opportunity to build world leading industries, and provides many opportunities for new, good, green and high value jobs and careers for people across all of the Protected Characteristic groups both now, and for future generations.

New Market Opportunities – positive impacts

Emerging industries, increased automation and digital technologies as a result of industrial transformation and a just transition to net zero, provides a strong opportunity:

- to remove many of the physical barriers to work that have been in place for **past generations of women and disabled people**, through the introduction of equipment and processes that are universally designed, tested and accessible for all;
- for employers to attract and recruit a diverse and talented workforce of people from all areas of Scotland, and with **intersectional Protected Characteristics (e.g. LGBT+, disabled, woman living in a rural area)**, through the opportunities of new careers in new industries;
- introduce more flexible working practices in sectors where flexible working may have in the past proven impractical, potentially allowing **older people** to remain in the workforce longer and share their skills and knowledge with young workers;
- opportunities to close existing pay gaps through the recruitment, or reskilling of people with Protected Characteristics to undertake new jobs, transformed jobs or substituted jobs; and
- wider societal benefits for all people with Protected Characteristics throughout Scotland as the result of emerging new businesses helping to reduce poverty, in

particular child poverty, through creating new jobs in industry and the wider supply chain.

New Market Opportunities – potential negative impacts

It is anticipated that, as a result of new technology and the emergence of new industries, traditional roles and jobs in current industry may become obsolete. However, the skills associated with existing jobs will not become obsolete. These will serve as the foundation for the skill set required in new jobs and the basis for retraining and skills upgrading measures. The use of new technologies, new manufacturing processes and new modes of work for the green economy will lead to an increase in the demand for skills.

It is important to note that the ambitious industrial transformation set out in the New Market Opportunities Programme has the potential to result in:

- redundancy as a result of current products, processes or technologies disappearing, or where automation replaces a person;
- job substitution, such as where high carbon manufacturing jobs are replaced with jobs recycling or remanufacturing products or creating the technologies required for this; and
- job transformation and/or redefinition, where job roles are aligned to green principles.

Protected Characteristics

All age groups

As Fair Work is at the heart of NSET, this programme is anticipated to have a positive impact on people of all ages as a result of the opportunities that will be provided for for all age groups for new, good, green, high value jobs in emerging industries. This will help advance equality of opportunity by providing the opportunity:

- for all age groups to learn new skills, upskill and reskill;
- to close the gender pay gap that widens with age;
- for young people to secure desirable careers in green industries; and
- create more inclusive and diverse work places through the introduction/adoption of automation and flexible work processes that could potentially allow older people to remain in the workplace for longer, or wind down to retirement.

This programme will promote good relations between different age groups through intergenerational sharing of knowledge. In particular young people will be able to share experience and knowledge with older people who perhaps have less experience with IT and technology and older people will be able to hand down practical workplace skills and lessons learned through years of experience.

Whilst this programme promotes good relations between different age groups, it is recognised that older people may experience difficulties in adapting to any changes to their existing jobs as result of new and emerging technologies and industries.

Disability / long term health condition

As Fair Work is at the heart of NSET, this programme is anticipated to have a positive impact on disabled people as a result of the opportunities that will be provided by the introduction of new technology and work processes in emerging industries. This will help advance equality of opportunity by providing the opportunity:

- for disabled people to learn new skills, upskill and reskill,
- to close the gender pay gap that exists between disabled women and male counterparts,
- create more inclusive and diverse work places through removing some of the historical physical barriers to employment (such as tools, machinery and equipment designed for use by the average man), through the increased adoption of automation and flexible work processes in emerging industries; and
- to create more flexible workplaces in emerging industries that could potentially allow disabled people to have healthier, productive, working lives.

This programme will promote good relations between disabled and non-disabled people through providing the opportunities for non-disabled and disabled people to work collaboratively in the planning and designing of emerging industries, work practices and workplaces. This will ensure that challenges faced by disabled people are considered at the earliest opportunity and remove potential barriers to work.

The priority sectors identified in Scotland: A Trading Nation⁴⁷ are less likely to have employees with a disability than Scotland overall (10.5% v 12.3%). The priority sectors with the lowest proportion are Energy (7.0%) and Food and Drink (10.8%).

Whilst the New Market Opportunities Programme promotes good relations among disabled and non-disabled people, it is recognised that disabled people, who may be in lower skilled jobs may be disproportionately affected by any phasing out of these low skilled jobs due to the introduction of new technology and industries.

Gender Reassignment

In 2018, 1 in 5 (18%) of people looking for work said they were discriminated against because of their sexual orientation/gender whilst trying to get a job. 0.98% have experienced transphobia, and 5.39% have experienced gender identity discrimination at work, college or university when trying to progress a career in: science, technology, engineering, and maths.

As Fair Work is at the heart of NSET, this programme is anticipated to have a positive impact on this group as a result of the opportunities that will be provided by the introduction of new technology and work processes in emerging industries. This will help advance equality of opportunity by providing the opportunity:

- for this group to learn new skills, upskill and reskill;
- to close the gender pay gap that exists between genders; and

⁴⁷ [Scotland: a trading nation - gov.scot \(www.gov.scot\)](http://www.gov.scot)

- create more inclusive and diverse work places through removing some of the historical physical barriers to employment for different genders (such as tools, machinery and equipment designed for use by the average man), through the increased adoption of automation and flexible work processes in emerging industries.

This programme provides the opportunity to diversify the workforce and work processes. This will promote good relations through providing this group with opportunities for new, good, green, high value jobs in emerging industries, with equality of opportunity and parity of pay.

However, it is recognised that more information is required to determine how this group is impacted and how NSET the New Market Opportunities Programme can be used to break down barriers to a career in emerging industries.

Sex

Even where men and women have the same job, there may be different risks with different outcomes.

The composition of employment by industry differs for men and women. According to the Institute for Public Policy Research, men tend to work in goods-related industries (e.g. chemicals and electrical equipment) and agriculture, whereas women tend to work in services sectors (e.g. education, health and social care, and retail).

As Fair Work is at the heart of NSET, this programme is anticipated to have a positive impact on both men and women as a result of the opportunities that will be provided by the opportunities for new, good green, high value jobs in emerging industries and the introduction of new technology and work processes. This will help advance equality of opportunity by providing the opportunity:

- for this group to learn new skills, upskill and reskill;
- to close the gender pay gap between men and women, and which widens with age, and as a result of women having career breaks for caring responsibilities; and
- create more inclusive and diverse work places through removing some of the historical physical barriers to employment for women (such as tools, machinery and equipment designed for use by the average man), through the increased adoption of automation and flexible work processes in emerging industries.

Analysis showed that the priority sectors identified for specific focus in delivery of Scotland: A Trading Nation, have a lower proportion of female employees than Scotland overall (43.4% v 48.3%). These priority sectors include Engineering and Advanced Manufacturing and Energy (16.5% and 15.7% respectively). However the Scottish Government has a priority to address women's labour market inequality and to close those pay gaps. This is reflected in Scotland's labour market strategy which commits to 'continuing to tackle inequalities around pay gaps and occupational segregation in the labour market.'

The New Markets Opportunities Programme promotes good relations as it presents an opportunity to diversify the workforce and work processes. This will allow for more inclusive workplaces for all men and women group in the manufacturing sector, ensuring that all workers have equality of opportunity, improved workplace flexibility and, through helping to close the gender pay gap, equal pay.

Whilst this programme promotes good relations among men and women it is recognised that women, who may be in lower skilled jobs, may be disproportionately affected by any phasing out of these low skilled jobs due to the introduction new technology or industries.

Pregnancy and Maternity

As Fair Work is at the heart of NSET, this programme is anticipated to have a positive impact on women as a result of the opportunities that will be provided by the increased opportunities for flexible working in emerging industries. This will help advance equality of opportunity by providing the opportunity:

- for this group to learn new skills, upskill or reskill on return from maternity or career breaks;
- to close the gender pay gap between men and women, and which widens with age and as a result of women having career breaks for caring responsibilities,
- create more inclusive and diverse work places through removing some of the historical physical barriers to employment for pregnant women (such as tools, machinery and equipment designed for use by the average man), through the increased adoption of automation in emerging industries.

The UK national percentage pay gap between men and women increases with age. This is exacerbated by the 'motherhood penalty' for women taking time off for maternity leave and caring for young children. To overcome this, targeted returner programmes are needed to provide women with support into a suitable level role.

In 2019, 6.9% of the 23.4% of women (13,100 women) who work in the manufacturing sector had children aged younger than 16 years. This low number, and the fact that 91.2% of workers in manufacturing work full time, would suggest that careers in traditional industry does not lend itself to flexible, part-time work, which women may need.

This programme promotes good relations, however, more information is needed about how emerging industries can incorporate more flexible working practices to assist this group to return to the workplace.

Marriage and Civil Partnership

Theoretically, married couples or couples in a Civil Partnership may work for the same manufacturing business, or work in comparable jobs in the sector, but receive unequal pay for the jobs which they carry out.

This programme provides the opportunity for couples to receive parity of pay for work of equal value.

Race

The majority (96%) of Scotland's population identify as white, with 4% identifying as from minority ethnic backgrounds. People from minority ethnic backgrounds are underrepresented in industries such as the Scottish manufacturing sector, with 1.9% of the workforce from minority ethnic backgrounds. The Annual Population Survey confirms that ethnic minorities make up a larger proportion of service industries, than manufacturing and agriculture. This demonstrates the imperative of encouraging and breaking down barriers for minority ethnic people to work in jobs created during the low carbon transition.

As Fair Work is at the heart of NSET, this programme is anticipated to have a positive impact on people from all ethnic minority communities and backgrounds as a result of the opportunities that will be provided by the increased opportunities for flexible working in emerging industries across the whole of Scotland. This will help advance equality of opportunity by providing the opportunity:

- for this group to learn new skills, upskill or reskill;
- to close the race pay gap;
- create more inclusive and diverse work places through removing some of the historical physical barriers to employment for ethnic minority women or ethnic minority disabled people (such as tools, machinery and equipment designed for use by the average man), through the increased adoption of automation in emerging industries; and
- Provide more flexible working opportunities for ethnic minority people who may have caring responsibilities for family members.

The long term outcomes of project actions, such as the Low Carbon Manufacturing Fund, available to businesses in all regions, should increase the potential for businesses in low income regions to become a net generator of good, green jobs, and offering new local opportunities to create a sustainable and inclusive world of work for all people within this group.

Religion

The poverty rate amongst Muslims in Scotland (2017-20) was 52%. With 9.09% of women have experienced religious discrimination at work, college or university when trying to progress a career in: science, technology, engineering, and maths.

This programme is anticipated to have a positive impact on people from all religious backgrounds as a result of the opportunities that will be provided by the increased opportunities for flexible working in emerging industries across the whole of Scotland.

The New Market Opportunities Programme promotes good relations among people from different religious and belief backgrounds through this programme providing everyone, regardless of religion, an equal opportunity to exploit the opportunities provided by new and emerging industries.

It is recognised that minority ethnic people, in particular Muslims, who may be in lower skilled jobs, may be disproportionately affected by any phasing out of these low skilled jobs due to the introduction of new technology and industries.

Sexual Orientation

Lesbian/Gay/Bisexual women feel less likely to report confidence when speaking about inequalities in the workplace and 4.41% have experienced homophobia at work, college or university when trying to progress a career in: science, technology, engineering, and maths. A third of LGBT+ people working in the technology sector believe there is a wage gap between them and heterosexual people.

This programme is anticipated to have a positive impact on this group result of the opportunities that will be provided by the increased opportunities for new, good, green, high value jobs in new and emerging industries across the whole of Scotland. This will help advance equality of opportunity by providing the opportunity:

- for this group to learn new skills, upskill or reskill;
- create more inclusive and diverse work places through removing some of the historical physical barriers to employment for women and disabled people in this group (such as tools, machinery and equipment designed for use by the average man), through the increased adoption of automation in emerging industries; and
- Provide more flexible working opportunities for people in this group.

More information is required to determine how this group is impacted. It is imperative that the Fair Work principles are embedded in all of this Programme to encourage private sector employers to actively seek and recruit diverse talented people.

Intersecting Protected Characteristics

Intersecting identities such as gender, age, ethnic identity and disability play an exacerbating role in pushing people with a combination of Protected Characteristics into informal, part time or segregated working arrangements. Paying attention to specific needs while providing opportunity for decent work can help counter marginalisation.

Through the various impacts on people with protected characteristics identified in this EQIA, it is anticipated that multiple barriers to working in new or emerging industries will be captured and mitigated.

Recommendations and Conclusions

It is worth noting that new evidence and data is continually being produced; this EQIA has been developed based on available evidence, and data at this time.

As NSET is a 10 year strategy, specific policy interventions are yet to be developed for a number of the actions within the New Market Opportunities Programme. However, as policy develops, EQIAs will be undertaken - and reviewed - to ensure

that the specific barriers for each of the Protected Characteristics are fully considered.

Where an EQIA exists, these will be kept under regular review, as new data and evidence emerges to monitor the impact of this programme on people with Protected Characteristics.

This Programme level EQIA assesses the impacts of applying a proposed new and/or revised policy to meet the needs of the public sector equality duty, to:

- Eliminate discrimination, harassment and victimisation;
- Advance equality of opportunity; and
- Foster good relations.

As NSET's aim is to create a society that is thriving across economic, social and environmental dimensions, and which delivers prosperity for all Scotland's people and places, the New Markets Programme will affect everyone in Scotland to some extent.

The long-term opportunity presented by the New Markets Programme to diversify the workforce and work processes will allow for more inclusive workplaces for all across industry and new market opportunities. This will ensure that all workers have equality of opportunity, improved workplace flexibility and, through helping to close the gender pay gap, equal pay.

Table 1: EQIA position for New Market Opportunities, Programme 2

Table 1 below sets out the position where:

- there is an existing EQIAs, these will be reviewed regularly as new evidence and data emerges, and
- there is no EQIA at this stage, EQIAs will be undertaken at a later date as policy develops.

Therefore, stages 2, 3 and 4 of this programme level EQIA are a highlight of findings, with further in-depth information on the impact of each of the projects on people with Protected Characteristics being available as follows:

Project	Action(s)	EQIA position
5	20	EQIA available at https://www.gov.scot/publications/scotland-a-trading-nation/impact-assessments/impact-assessments/
	21 & 22	EQIA will be conducted for the Innovation Strategy.
	23 & 24	EQIA will be conducted as the project develops and published when available.
	78	EQIA has been conducted, and will be published as soon as possible.
6	25	EQIAs available at Coronavirus (COVID-19): manufacturing sector guidance - EQIA - gov.scot (www.gov.scot) Supporting documents - Manufacturing - recovery plan: equalities impact assessment - gov.scot (www.gov.scot) LCMCF - Equality Impact Assessment - EQIA Record - final version - consulted on details - Objective ECM (scotland.gov.uk)
	26 & 27	EQIA will be conducted as the project develops and published when available.
7	28, 29, 30,31	EQIA available at https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2021/03/investing-purpose-scotlands-global-capital-investment-plan/documents/equality-impact-assessment-record/equality-impact-assessment-record/govscot%3Adocument/equality-impact-assessment-record.pdf



© Crown copyright 2022



This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-80525-135-4 (web only)

Published by The Scottish Government, October 2022

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS1182862 (10/22)

W W W . g o v . s c o t