



## **World in transition: Migration and Trade**

*Small change for a better world*

### **Narrator**

Glasgow is Scotland's largest city. During the 1990's it succeeded in creating a vibrant new image for itself. But even now outlying areas like Drumchapel still contain patches of poverty and deprivation.

For some Glaswegians self-employment provides a way of escaping from benefits. Or from the trap of low-income jobs.

### **Stella Gibson, Drumchapel Opportunities**

We start up approximately 30 businesses a year, which in the scheme of Glasgow probably isn't a lot but for Drumchapel that is a substantial amount and I think local people are keen to move forward, and to find ways of improving their own situation and being self employed is definitely an option for them.

### **Narrator:**

A small-scale network of funding and support offers local women the opportunity to set up or expand their own businesses.

### **Linda Arthur, Wellpark Enterprise Centre**

Some of the women have been turned away from banks. Some of them have tried to get a grant or a loan but the criteria of those grants and loans are so restrictive that they found that they don't fit in to any of the criteria.

### **Narrator:**

Established by women for women the Wellpark Enterprise Centre uses money from national and European funds to provide start up grants and to support local businesses.

### **Linda Arthur**

The project is funded to particularly target areas of priority treatment, where areas in Glasgow where we see social inclusion as an issue.

### **Narrator:**

Typical target areas are characterised by high levels of unemployment, poor housing conditions and poor health.

The women who seek financial help come from a wide range of backgrounds. Bryony Knox has a Master of Design degree from the Glasgow School of Art.

She's decided to stay in the city and try to make a living as a self-employed artist. She applied for a Start Up Grant, from Wellpark Enterprise.

### **Bryony Knox**

I had a series of procedures of interviews and so also talking about my Business Plan and showing my work in front of a panel and managed to get the Start Up Grant, which was for, mine was for £900, which enabled me to buy a lot of the equipment that I have here because

I already had a lot of the smaller stuff. But I needed things like a pillar drill and things to actually make things quicker to make, because that's the whole thing about my work. It's very time consuming so the quickest way to make things makes it therefore cheaper to sell, and therefore hopefully more sellable.

**Narrator**

Nancy Smith used to work in a Social Security office. Now she's opened a sandwich bar, partly funded by a Start Up grant from Drumchapel Opportunities.

**Nancy Smith**

I had heard about the Business Centre in Drumchapel Opportunities and apart from giving a lot of moral support, advice, that's over a year's period, there is also a grant you can apply for, a £1500 grant. So you have to sit in front of a panel. You know just explain what you're going to do: your business plan. And lucky enough I managed to get it.

**Narrator**

Both women are established members of local Micro Credit Groups.

**Stella Gibson**

I see Micro Credit as being a way of giving additional support. Once the businesses have started trading, we would support them for the first six months, but after that, they're out on their own.

**Nancy Smith**

I had got to a sticky point after say about five or six month in the shop and I had asked one of the advisors where I could try and go for a loan because a bank won't entertain you in the first year of business and they had mentioned about Micro Credit. I had never heard about it before.

**Linda Arthur**

Take out a loan. They have to analyse the business need for it. They have to produce the paperwork to their group. And convince their group that this is a sound business reason for a loan.

**Customer**

Two teas please and a can of coke.

**Narrator**

Nancy wants a loan to cover repairs and replacements.

**Nancy Smith**

You're always afraid that some of your appliances break down because any appliances that you've got in your shop you really really need, just to open the doors and that's always in the back of your mind that you might need an emergency loan.

**Narrator**

She is also expanding her menu and planning a delivery service.  
Nancy Smith

It's just nice to know if you're really getting into, really really for an emergency financial situation. It's nice to know you can go somewhere.

**Narrator**

Bryony belongs to a different Micro Credit group.

**Bryony Knox**

I applied for a loan for £200, because I needed to buy a showcase cabinet because I was going to do an exhibition at the Royal Concert Hall here.

**Narrator**

But there was no guarantee she would get the money.

**Bryony Knox**

The whole idea about micro credit is that the people in your group in your actual loan group who decide whether you get it or not.

**Narrator**

New members of a group are often apprehensive about borrowing money at all.

**Linda Arthur**

People are terrified, is the simplest way to describe it. They see debt as a bad thing. They see debt as being out of control and something that they cannot exert control over. They usually categorically tell me, 'I can be a member of a micro credit group, but I don't have to have a loan do I?' because they're terrified of the concept of it. And I usually just smile and say 'No, it's fine. It's fine'. But know that by the time I get to the end of the training those were the sort of things that I addressed and try to help them understand that to take a loan out is a positive and good action to do.

**Narrator**

The terms for loan repayment are negotiated within each group.

**Linda Arthur (addressing group)**

....what's the thoughts that anybody's got about when a loan can be taken out...

**Linda Arthur**

The terms on which they can take out the loan are so hugely flexible that they start to realise that they can make it work for them.

**Woman in group**

...You've got to look at each case individually and just make sure that the payments are a suitable size to be paid back without too much pressure.

**Linda Arthur**

So we'd encourage them to take off the loan initially in the easiest way that they could possibly do it.

**Woman in group**

You're keeping the interest rate at two per cent above the base rate as well.

**Linda Arthur**

The brilliant thing about it is that it's on a decreasing balance. So the interest rate, you could get eight per cent from the banks but not on the loans the size of a hundred pounds. Banks wouldn't entertain that and it's never on a decreasing balance of course as well which means that the women are paying off more capital than they are interest all the time.

**Narrator**

Nancy is also trying to create a financial safety net by more traditional means.

**Nancy Smith**

Even at the moment I had the bank manager in here yesterday. And I have asked him for a two hundred pound overdraft. Now two hundred pound isn't a lot of money but at the minute it would help me out because I feel I'm trying to juggle everything literally on ten pence and if I had just a couple of hundred pounds sitting in the bank, I wouldn't have to.. I have to run down to the bank literally every two to three days just to keep up with standing orders and cheques that I've written.

**Narrator**

Bryony still needs to work as a waitress to supplement her income as a self-employed artist.

The café's distinctive décor was her first big local commission.

**Bryony Knox**

The good thing about where I'm waitressing at the moment as well is that when I have had much bigger commissions on, and I need much more time sometimes we can jiggle about the times and I can get, I'd work less that week, and then more when I need to at other times.

**Narrator**

Being self-employed is a precarious business and micro credit provides an economic safety net but the rewards aren't just financial.

**Linda Arthur**

In micro credit they have to have an interest in being part of a group. I think that's the key thing. Some people don't work well in groups. Don't see the positive aspects of support from a group. And if they're like that, then it.. they're just not going to work with micro credit at all.

**Narrator**

Micro credit groups offer mutual development and support. Each group is also supported by an advisor who helps to identify training needs.

Bryony Knox

The first thing they did was take me on a book-keeping course which was brilliant because up until that point I sort of knew where all my money was vaguely going and I had masses of receipts, but it's nice to know where all your money is going basically. Instead of thinking I can't believe, everything seems to be just disappearing. Because I suddenly realised how much I'm actually spending on just tools and saw blades and little bits of metal that just sort of, it all builds up. So it was really good to see exactly where all that was going.

**Stella Gibson**

There is obviously the financial aspect of it as well but I think much more importantly is the whole group dynamics and the support that the group give each other. I think being able to access additional funding is always a good thing. But it's the support from the group which is the most important aspect of it.

**Narrator**

Helped by access to micro credit loans, self-employed women are able to make their own contribution to the local economy.

**Stella Gibson**

Being proud of running their own business and feeling that they're doing something rather than being unemployed and receiving benefits. Sometimes I think that's more important. Yes, we've had lots of businesses who've been real successes. And who, their owners have got.. the people have gone on to bigger and better things, employing local people etc., but I think that one of the most important things is for that person. If that person has gone on to do something which they are proud of and happier doing, then that's the important aspect to me.

**Nancy Smith**

I am not looking for too much. I am looking for just like everybody else, a decent wage a decent wage every week. Enough to do the things in life you want to do. And that's it basically. Sure just.. I just feel there's an awful lot of people who have got enough money to live on basically. Let along to do the nice things in life.

**Linda Arthur**

It's about empowerment and control. Whether the women use those words or not, I really don't know but that's what they talk about. They know that they've got much more satisfaction because they're doing this for themselves.

**Bryony Knox**

There's nothing better than putting that cheque in the bank when you've just finished a commission that's taken you months and has driven you nuts or whatever, and pleased with the result. You get given a cheque and you put it in the bank. There is nothing better than that because it's your work which someone's appreciated.