



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE

Wednesday 5 October 2011

Session 4

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RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE
7th Meeting 2011, Session 4

CONVENER

*Rob Gibson (Caithness, Sutherland and Ross) (SNP)

DEPUTY CONVENER

*Annabelle Ewing (Mid Scotland and Fife) (SNP)

COMMITTEE MEMBERS

*Graeme Dey (Angus South) (SNP)
*Alex Fergusson (Galloway and West Dumfries) (Con)
*Jim Hume (South Scotland) (LD)
*Richard Lyle (Central Scotland) (SNP)
*Jenny Marra (North East Scotland) (Lab)
*Aileen McLeod (South Scotland) (SNP)
*Elaine Murray (Dumfriesshire) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Rab Fleming (Scottish Government)
Richard Lochhead (Cabinet Secretary for Rural Affairs and the Environment)
Eamon Murphy (Marine Scotland)
Mike Neilson (Scottish Government)
Jonathan Pryce (Scottish Government)
Jean Urquhart (Highlands and Islands) (SNP)

CLERK TO THE COMMITTEE

Lynn Tullis
Simon Watkins

LOCATION

Committee Room 3

Scottish Parliament

Rural Affairs, Climate Change and Environment Committee

Wednesday 5 October 2011

[The Convener opened the meeting at 10:00]

Decision on Taking Business in Private

The Convener (Rob Gibson): Welcome to the seventh meeting in 2011 of the Rural Affairs, Climate Change and Environment Committee. Members and the public should turn off mobile phones and BlackBerrys, because leaving them in flight mode or on silent affects the broadcasting system.

We welcome Jean Urquhart, who is joining us for this meeting.

Under agenda item 1, I ask the committee to agree to take item 8 in private, as well as all future discussions of evidence on the draft budget 2012-13 and the spending review 2011, and our consideration of the draft report. Are we agreed?

Members *indicated agreement.*

Draft Budget 2012-13 and Spending Review 2011

10:01

The Convener: Agenda item 2 is scrutiny of the draft budget for 2012-13 and the spending review 2011. I welcome to the meeting Richard Lochhead, the Cabinet Secretary for Rural Affairs and the Environment, and his officials, Mike Neilson, Jonathan Pryce and Rab Fleming. The committee's adviser, Dominic Moran, has joined us for the session. He cannot ask questions, of course, but he will be advising us, discreetly.

I invite the cabinet secretary to make some opening remarks.

The Cabinet Secretary for Rural Affairs and the Environment (Richard Lochhead): As I am sure that the committee is aware, the Scottish Government's purpose is to focus on creating a more successful country with opportunities for everyone in urban and rural Scotland to flourish through sustainable economic growth.

The spending review and draft budget, the Government's economic strategy and the programme for government reflect and support that purpose. However, delivering that purpose at a time of significant cuts in public expenditure will be a challenge. The committee is aware that I have had to take difficult decisions in my portfolios, against a backdrop of United Kingdom cuts—I remind the committee that the Scottish budget has been cut by 12.3 per cent in real terms over the period of the UK Government's spending review up to 2014-15.

I have prioritised economic growth in my spending plans. For instance, I have doubled the food and drink industry budget, to provide further assistance to help our world-class food and drink sector become a true world beater. The Scottish Government has also established the next generation digital fund, as part of the Scottish Futures Trust, to help to provide and enhance digital access in rural Scotland. Further, I have continued investment in the rural economy through a new land fund to support community empowerment, and increased resources for the land managers renewables fund.

Those policies cover my four overarching aims: community empowerment; improved rural connectivity; strengthening primary production, which will help to build up our food and drink sector; and supporting renewables to tackle climate change and protect our environment.

As the committee is aware, the transition to a low-carbon economy has become a new strategic priority for Scotland in the Government's economic

strategy. My portfolio includes the Scottish Government lead on climate change. However, the Minister for Environment and Climate Change will talk in more depth about our climate change programme when he appears before the committee in due course.

A lot of the work that we lead on emissions reduction is the responsibility of other Government portfolios to deliver, but I have gone out of my way to protect key programmes within my portfolio, such as zero waste, which has an important climate change function as well as the broader benefits of reducing waste and increasing resource efficiency. As far as possible, I have protected our science and research capability, including strategic research on rural, environmental and marine issues. Of course, a large proportion of the budgets that are managed in my portfolio are co-funded by the European Union.

We will continue to support our rural and coastal communities through the Scotland rural development programme and the European fisheries fund. This is a critical time for those schemes, as the common agricultural policy and the common fisheries policy are in the process of reform and renegotiation. I will, of course, work hard to make Scotland's voice heard in those negotiations and to get the best deal that we can for Scotland's farmers and fishermen. It is hugely important that we do so.

In 2010-11, we paid £455 million in EU funding to 20,000 producers through the single farm payment and Scottish beef calf schemes alone.

The portfolio is responsible for ensuring that Scotland's natural assets and rural resources continue to contribute to sustainable economic growth by underpinning our successful farming, aquaculture, fishing, forestry and, increasingly, energy businesses. Although we have had to make savings across the portfolio, we have where possible limited the impact in key areas that are crucial to that continued success.

Many of the challenges that we face are a result of the economic legacy of the previous Labour UK Government and the economic policies of the current coalition Government. The budget settlement has been difficult, but it will still deliver good outcomes for rural affairs, the environment and climate change. With our plans, we will continue to empower and connect rural communities; promote our fantastic food and drink sector at home and abroad; and tackle climate change and make best use of our natural resources to power us into the low-carbon economy of the future.

I am happy to take members' questions.

The Convener: Thank you, cabinet secretary. We want to cover a lot of ground, so I ask members and the cabinet secretary and his team to be as concise as possible.

I will start with the report on proposals and policies, as it affects farming. Is the funding for the farming for a better climate programme sufficient to deliver the emissions reduction targets that are outlined in the RPP?

Richard Lochhead: We have ensured that resources will be available to help our farmers adapt to climate change. As I said, we have gone out of our way to try to protect some of the crucial budgets that will contribute to emissions reductions. Given that land use in Scotland accounts for about 20 per cent of emissions, we must take seriously our responsibility for ensuring that farmers are equipped to adapt and our responsibility for general land use policies. I believe that funding will be available for the farming for a better climate programme. As I said in my opening remarks, we have set up the land managers renewables fund to help farmers adapt. We are working with agencies to fund the climate change monitor farms that are up and running. The programme allows farmers to lead by example and lets others learn how they are adapting to low-carbon farming. We are doing our best to protect those funds within our budgets.

The Convener: How many monitor farms are there?

Richard Lochhead: I recollect that there are three, but I would have to double-check that. I will write to you on that. No doubt I will have to pick up on a number of details today. I think that there are three farms across Scotland.

The Convener: That is a start.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Looking to the years post-2013, how might the emissions reduction targets be affected by CAP reforms and therefore Scotland rural development programme reforms? To what extent have those potential effects been taken into account in the budget and spending review?

Richard Lochhead: The third year of our three-year spending review will kick in with the post-2013 programmes. I apologise for a bit of vagueness, as we have only indicative figures for the first year of the next CAP and SRDP. However, it was important to ensure that we had budgets in the spending review for that.

The point is important for a couple of reasons. First, on the CAP negotiations, I am sure that the committee is looking forward to the proposals from the European Commission, which come out next Wednesday, and to considering the implications for Scotland. As part of the debate, there is a

Europe-wide aim of greening the CAP budgets. There is a potential for the Commission's proposals next week to include a regulation under which the greening element would have to be up to 30 per cent of overall payments to farmers.

That poses an issue for us about how we ensure that farmers can deliver the greening objective. Of course, that proposal will be subject to negotiations in the next year or two, but it reminds us that our farmers will have more responsibility in future to green agricultural production in Scotland. We are making good progress on that as it is, but on the proposal to make it a condition of farming support, we need to sit down with our rural stakeholders and agriculture sector to ensure that we are going in the right direction, as the new CAP begins to reflect that. I can only refer to my previous answer on how our budgets are beginning to address the issues.

Another dimension that I did not mention either in my opening remarks or in my response to the convener's question is our research and science budget. The aim of many of our research and science programmes, which are now being carried out by research institutes in Scotland, is to find out how land use policy, food policy and agricultural policy can be more sustainable and we are trying to ensure that our science and research budgets are geared towards getting some of those answers.

Having reflected on our experience of the SRDP over the past few years, I certainly think that under the next programme we should be much more focused, particularly on the climate change agenda. I hope that the next SRDP will deliver adequate support to make agricultural production greener.

Jim Hume (South Scotland) (LD): Good morning, cabinet secretary. With regard to agri-environment payments, you said that there might be a 30 per cent greening of the future CAP, that CAP reform was critical and that we need to get the best deal possible. As we know, compared with the rest of Europe, Scotland is on a pounds per hectare basis at the bottom of the table for agri-environment schemes. With that in mind, do you not think that cutting agri-environment measures by £10.9 million over the next four years weakens Scotland's position in getting a better green deal out of the new CAP?

Richard Lochhead: The best thing that we can do for Scotland is to secure much better pillar 1 and pillar 2 deals from the new CAP. As you point out, we get the lowest level of pillar 2 funding not just in Europe but in the UK, which means that we are at the bottom of the bottom of the league. That says a lot about the priority that previous Administrations gave to rural Scotland.

Compared with many other countries, we are also getting a low level of pillar 1 funding. Indeed, I think that we are fourth lowest in the whole of Europe for direct funding for farming. As I say, the best thing that we can do is to increase through the negotiations the European funding element in the years ahead and I hope that we can secure the UK Government's support in that respect. I point out, though, that in my meetings with European commissioners over the past few years they have often held up Scotland as a good example of what other countries should be doing; indeed, they highlighted the agri-environment schemes in particular. I am quite proud of and pleased with our record in such schemes.

As for the picture we are painting in the budget, we are confident that the agri-environment schemes we will fund over the next three years will meet demand. We have looked very carefully at demand in recent years and the size of the projects that are being proposed for the next couple of years and have tailored our budgets to meet that demand. There has been a modest reduction in the budget headings but the fact is that, in the first couple of years of the SRDP, there was a very slow take-up of agri-environment schemes. That was followed by two peak years—this year and the year before—and our budget for the next three years reflects what we see as the level of demand in the years ahead, which is similar to that in previous years. As I have said, we are confident that our agri-environment budget will meet demand.

Graeme Dey (Angus South) (SNP): Is Scotland on course to draw down all the available EU funds for the programme period? If there is a reduction in funding, what problems will that cause? How will the Government help the worst affected? Could the rural development funding that Scotland will receive post-CAP reform be affected?

Richard Lochhead: This issue has become more important than ever before. I can assure the committee that because of some of the cuts that the Government has to face and which have been reflected in my portfolio, we will have to squeeze every last drop out of the European pot. That is certainly our objective and it has been reflected in our budgets for the next three years. Although some budget headings setting out our contribution to some of our policies and policy aims, particularly within the SRDP, have been reduced, the cut to our overall spending power will not be as severe because we will be able to draw down more European funding.

We are also trying to maintain as much spending power as possible over the next three years by increasing co-financing rates. That will be reflected in the SRDP and other European funds.

In short, then, we will squeeze out every last drop of European funding and increase co-financing to its maximum possible rate to maintain as much spending power as possible—even though, because of our budget constraints, more will come from Europe and less from domestic funding.

10:15

On how that will affect the post-CAP negotiations, there is an interesting debate going on in Europe just now, because it is fair to say that Scotland and the UK are not the only countries in Europe facing budget cuts. As part of the European debate over the new CAP and pillar 2 funding—rural development funding in particular—the co-financing rates will be a big topic of debate. Many member states will want a bigger co-financing rate as part of the post-2013 scenario, because they will have less domestic money available. In other words, the situation that we are coping with just now might become more the norm in the future. If member states in Europe have less domestic funding, they will need more support from Europe. That will be part of the debate around the post-2013 scenario.

Alex Fergusson (Galloway and West Dumfries) (Con): You talked about an increased co-financing rate from Europe. Is that increase guaranteed or does it have to be negotiated? If it has to be negotiated, what guarantee is there that we are likely to get it?

Richard Lochhead: My understanding is that it has to be requested, but there are set limits to what we can request. We have every confidence that the process will be smooth and that we will be able to apply for what is there—just the increase in the co-financing rates.

Alex Fergusson: How much is that increase likely to be?

Jonathan Pryce (Scottish Government): On average it is expected to be 63 per cent.

Richard Lochhead: Clearly the SRDP is a massive programme that includes many schemes. We are constantly trying to balance our budgets and look at the demand for applications under each heading. We are constantly trying to shift funds from one heading to another. Agri-environment schemes might be more popular than business development, for instance. We are constantly trying to give positive responses to as many applications as possible, so sometimes we shift the budgets between headings. That also applies to the co-financing rates. In the past if we have had a lot of money available domestically, we have been able to make the European money go further by calling down less of a co-financing rate—say 40 or 50 per cent. However, as domestic funds become tighter, the co-financing

rate is increased to ensure that the schemes get funded. That is how it works; it is a constant battle that involves balancing budgets and shifting money between different headings.

Alex Fergusson: Thank you.

Annabelle Ewing: I hear what you say about shifting budgets, which seems to happen as a function partly of demand on the ground. Do you already have a clear idea of which schemes you would seek increased co-financing for, or would such decisions require to be made at a later stage?

Richard Lochhead: Our rural priorities scheme is, in effect, where we are going for a greater co-financing rate. There are different co-financing rates, but we will be maximising them all, because of our overall budget position.

The Convener: The way in which the SRDP has operated has drawn a lot of criticism, particularly around the time taken and the complexity. In this budget round, have you assessed means to speed up the way in which it deals with the different aspects of funding, so that clients can be more assured that there will be a shorter time lag between application and receipt of funding?

Richard Lochhead: That is a good point. I can only apologise to many applicants who have not had good experiences of the SRDP in terms of the bureaucracy. As I have explained to MSPs many times, a large part of that is down to the European hoops that we have to jump through. However, we hold our hands up, because I am sure that there are many things that we could have done to implement the scheme better in Scotland.

The backdrop is that 4,500 projects have been successful under rural priorities alone, which has led to fantastic projects running throughout the country. We tend to hear about the projects that have some difficulties and problems, but they are a tiny minority of the overall 4,500. However, I accept that some community groups throughout the country face some very unwelcome situations. We have taken a number of steps to deal with that and, thankfully, the number of projects that face difficulties has been reducing dramatically over the past year or so.

On how that is reflected in our budget, all that I can say is that we had to put resources in our budget for information technology systems for the post-2013 SRDP and agricultural support system. Post-2013, we have to get the infrastructure, resources and skills in place to ensure that what is likely to be quite a complicated agricultural system from Europe and the next SRDP work.

The Convener: There seem to be hold-ups sometimes at the level of risk-averse officers who

deal with particular projects. I get the impression around the country that they do not think that they can understand the rules sufficiently well, but it seems that many of those rules are much clearer than they have made out. We have examples of that. I hope that we can discuss that matter in more detail later, as it is important for people out there to know that, although there are successes, there will be ways to avoid the hold-ups that have occurred. Many of those hold-ups have been sorted out.

Richard Lochhead: Yes. I am happy to send the committee information about on-going work to improve the system in order to enable members to decide how they want to progress that debate. Fast-tracking mechanisms have been introduced for many schemes, which means that many people do not have to go through a long decision-making process if they fall under certain thresholds, and we are always improving application processes. However, we did not design the SRDP in the first place. As I have said in the past, it is like having designed a fancy new engine and a fancy new car and no one switching on the engine to see whether it works before it is sold. We have found ourselves constantly having to fix the engine with the SRDP.

The Convener: I have a question that we were going to ask you slightly before now. Given the cut in rural priorities programmes, how much support from the SRDP is likely to be available to farmers to install anaerobic digestion facilities to process animal wastes?

Richard Lochhead: We have been funding a number of those projects over the past year or two, and it is fantastic to see a number of anaerobic digestion plants being built in Scotland. I am looking to colleagues to remind me of the current budget heading for anaerobic digestion, as the projects could be funded from more than one source.

Rab Fleming (Scottish Government): Business development.

Richard Lochhead: I am sure that it is business development. There will be more rounds for business development, albeit that they will be more focused. However, I think that it is safe to say that, because of the reduced funding and increased focus, we will look to focus on such projects as parts of agendas that we spoke about before.

The Convener: Thank you for that. We move on to new entrants schemes.

Elaine Murray (Dumfriesshire) (Lab): How much funding is available for new entrants to farming? I have not been able to find that in this year's budget. How does that funding compare with the funding in the previous year?

Richard Lochhead: There is not a specific budget heading in the SRDP for new entrants, but we have a policy of supporting applications for new entrants to the general pot. So far, there have been 79 applications for new entrants to the SRDP, of which 63 have been approved.

We have discussed new entrants in the committee before. Things have not gone as well as we would have liked because of external factors as well as funding issues, but at least we are helping some new entrants. The vast majority have had their applications approved, to a value of just under £2 million overall. We said that we would make money available in the SRDP for new entrants, and we will do that. We will ensure that the current budgets cater for applications for new entrants.

Elaine Murray: Is the funding increasing or decreasing over the piece?

Richard Lochhead: The overall budgets are decreasing.

Elaine Murray: Are the people coming forward and the money going into new entrants schemes increasing or decreasing in time?

Richard Lochhead: I think that the number of applications has been increasing, but the trickle is still quite slow. I would be misleading the committee if I said otherwise.

The Convener: The retention of capital receipts has been discussed on a case-by-case basis. Can you give details of how capital receipts have been handled in the previous 12 months?

Richard Lochhead: Are you talking about capital receipts from agencies?

The Convener: Yes—from agencies in particular.

Richard Lochhead: I will have to pass that question to Mike Neilson.

Mike Neilson (Scottish Government): You have set out the general position—we would have to consider individual cases to give you a meaningful answer. If you have any particular cases in mind, we can get back to you on them.

The Convener: We are quite interested to know, for example, what provision will be made for the requirement for one-off capital projects over the period of the comprehensive spending review.

Richard Lochhead: I am not sure whether you are speaking about the SRDP and other grant schemes, or whether you are speaking about Government agencies.

The Convener: I am talking about Government agencies.

Richard Lochhead: We have limited capital budgets available for the next three years, so very few capital projects will be going ahead that involve Scottish agencies—especially those in my portfolio. Thankfully, we have managed to fund a few such projects over the past few years. For instance, the Scottish Environment Protection Agency has built new state-of-the-art laboratory facilities in Aberdeen, and a new science facility is being built in the central belt. We have saved some capital funding for that in the budget, so that should go ahead. There will be some capital projects, but not as many as agencies would like.

Elaine Murray: I apologise for my gruff voice. On the wider issue of capital, the Cabinet Secretary for Finance, Employment and Sustainable Growth has said that at least £200 million will be transferred from resource to capital. Is that already reflected in your budget, or will you have to readjust the budget to free up some funding for the transfer from resource to capital? If so, do you know how much money may be coming off the revenue side of your budget?

Richard Lochhead: It is too early to answer those questions, as a lot of the detail of how we will take that forward is being discussed within the Government just now. It is probably a question more for the finance secretary than for me. It is, however, unlikely that that will have much impact on my portfolio; it will relate largely to the other Government portfolios. I hope that many of those projects will be built in rural Scotland, but they will not be directly under my responsibility.

The Convener: Let us turn to waste management.

Richard Lyle (Central Scotland) (SNP): Good morning, cabinet secretary. You said in your opening statement that the zero waste budget has been protected. However, the budget document shows that it will fall, in real terms, over the period. How may that affect the enforcement of the forthcoming zero waste regulations, which are a key part of the RPP? Can we do anything to help others to move towards zero waste?

Richard Lochhead: Because the zero waste agenda is very important and the committee has taken a close interest in it, we have protected the budgets, albeit that the budget is frozen at £26.4 million over the next three years. That is a substantial budget, given the pressures that we are under, and it sends out a good signal that we have protected the budget as far as possible.

Zero waste Scotland has assured us that our waste reduction programme and our other projects that are under way will be largely unaffected by the budget situation. We were in close contact with zero waste Scotland when we put together the budgets to ensure that there would not be any

adverse impact on our policies and plans for the next three years. I am confident that our zero waste programme will go ahead as expected.

The Convener: Thank you. We move to research funding.

Alex Fergusson: As everybody is aware, Scotland has for many years been blessed with world-renowned research facilities, especially in agriculture and the environment. It would be fair to say that those institutions breathed something of a sigh of relief at the budget announcement but, nonetheless, their funding has been reduced. To what extent have the main research providers been protected against the bulk of the cuts that have been made, despite the fact that there are reductions? You mentioned that some of the funding that has been left in place is geared specifically towards greening up the policies that are likely to be required under the reformation of the CAP. How do the reductions in funding tie in with that research priority?

10:30

Richard Lochhead: That is a good question. As Scotland looks forward to the rest of the 21st century and all the challenges that we face in food, energy and water security, climate change and so on, we need the best scientific evidence and advice as we implement our policies. That is why, up to now, our research institutes have been protected. I know that that is warmly welcomed. The spending review period of the next three years is not the first time that we have had to make cuts and savings, but we are now asking our research institutes and research providers to achieve around 2 per cent efficiency savings a year. As you say, that is a matter of relief compared to the savings that some other bodies are having to make. Research institutes cannot be immune from having to achieve internal efficiencies and savings when we are asking huge sacrifices of other agencies and bodies in Scotland, although we want to avoid front-line cuts as much as possible.

We are confident—and the research institutes are confident—that they can achieve those efficiency savings without any direct impact on their good work. Our existing research programmes relating to food, climate change and our agricultural sector are up and running and are aligned with our funding for the next three years. I hope that our research institutes will continue with their good advice and expertise. Given the financial climate that they face, I guess that they will also make a lot more effort to attract external funding. A lot of the domestic funding that we give to research institutes is used as a platform to attract external funding from the private sector and elsewhere. That has been very successful and has

been a hallmark of our institutes. Given the current financial climate, I expect that they will have to do more of that in the future.

Alex Fergusson: You expect and hope that they can make the savings through structural savings and efficiencies and that there will not be any impact on the research programmes that they are carrying out.

Richard Lochhead: I would be surprised if that were not the case, given what other agencies and bodies in Scotland have managed to achieve.

Alex Fergusson: You believe that that can be done without having a negative impact on preventative spending.

Richard Lochhead: I cannot sit here and say that there will be no impact, but I believe that it can be done. It might be a challenge for our research institutes—I am not denying that. However, given the cuts and savings that other bodies in Scotland have had to make, it is only fair that we ask our research institutes to make efficiency savings.

Alex Fergusson: I do not disagree, and I welcome the fact that the research institutes have been spared slightly from some of the impositions that have been made on other institutions. Are you happy that the funding that will be made available for our research institutes will allow them to match their ambitions, which have always been great and have kept them at the forefront of worldwide research in many instances?

Richard Lochhead: We provide substantial funding to our research institutes and I know that, given the cuts in research budgets that are being made elsewhere in the UK, our sectors that rely on that science welcome our support for it. These are challenging times, but I am confident that we will still be able to harness Scotland's fantastic scientific expertise.

The Convener: We now turn to marine and fisheries issues.

Jenny Marra (North East Scotland) (Lab): My question follows on neatly from the topic of research funding. How will the slight cut to the Marine Scotland budget impact on the work that it is doing to tackle the depletion of fish stocks in Scotland's waters?

Richard Lochhead: That is another pertinent issue in the run-up to the annual fishing negotiations, at which we will have to use our science to back up many of our arguments.

We have gone out of our way to protect the fish science budgets within the Marine Scotland budget, so there will be a slight increase, compared to this year, in the amount of resource that will be made available for fisheries science over the next three years. It is a small increase of

a few hundred thousand pounds on what was spent this year, but at least it is going in the right direction—it is not a cut.

Overall, Marine Scotland must make substantial savings as part of the Government's policy of trying to avoid burdening front-line services with savings and getting its agencies to absorb the cuts internally. Marine Scotland will have to look at its future plans. One of the reasons why we are able to reduce its budget is that we expect more income from licensing marine activities. We took that into account when considering our budgets as, clearly, licence fees are external, not domestic funding.

Mike Neilson has been closely involved in Marine Scotland's budget challenges for the past year or so and it might be worth asking him to say a few words.

Mike Neilson: The core challenge is to meet the more ambitious agenda with a budget that is quite tight. Marine Scotland has done a number of things to achieve that. For example, in the past fisheries scientists went to ports around the country to take samples, but we are moving to a situation whereby compliance staff on the site do that, which saves significant amounts of money. We are also looking to operate our vessel fleet more effectively with others, such as SEPA, so that rather than do only a fisheries trip we do a trip that gathers more information, which allows us to reduce the overall cost of vessels. Those are examples of the sort of thing that—alongside increased licence fees, particularly from renewables—will help us to manage the reductions, which will be about 6 per cent over the period.

The Convener: There are questions about the big increase in the marine and fisheries budget for 2014-15, cabinet secretary. For example, there is a big capital increase in 2014-15 and a big increase in EU fisheries grants for that year. Is there a good reason for that?

Richard Lochhead: I expect that one of the reasons for that is the fact that we are starting new programmes from 2013 onwards. Clearly, as the EFF tails off, we have enough resource there to pull funding down. However, the new European fisheries fund will start in the final year of the three-year programme, so we had to make sure that resources were available, once the new pot of European funding was available, so that we could start to pull that down. There may be other reasons for the increases, so I will ask Mike Neilson to comment.

Mike Neilson: That is the basic reason.

The Convener: We thought that it was important to ask, because the increase stands out in a time of cuts.

We will move on to rural broadband.

Aileen McLeod (South Scotland) (SNP): Good morning, cabinet secretary. Rural communities across Scotland are putting a lot of faith in superfast broadband, which, as we know, has the capacity to unlock the economic potential of much of Scotland's rural areas. How do you define rural areas within the context of rural broadband?

Richard Lochhead: That is a good question and I am not sure that we have got an answer to it yet. The rural broadband fund in the budget just now is not only for rural Scotland, but it is predominantly for rural Scotland and a key component of the rural development policy, which is why it is within my portfolio. However, my colleague Alex Neil has overall responsibility for the digital agenda in Scotland. We will work together on the rural dimension of that.

The £15 million fund in the budget for the next four years will be crucial in transforming rural connectivity. It is not the only fund. We will top it up with around £25 million from European funding. Of course, there is also our share of the UK funding, which is £68 million out of £530 million, which is woeful in respect of what is actually required for Scotland, given that the areas in the UK that are furthest behind in connectivity are largely in Scotland. We do not think that that is reflected in the formula for breaking the fund up across the UK.

We are concerned that the UK Government is now considering targets that are based on population as opposed to land area. We are getting £68 million from the UK fund of £530 million, yet Scotland covers around 32 per cent—give or take—of the UK's land mass. We therefore have additional challenges and connectivity costs that we do not feel are reflected in Scotland's allocation. That debate is continuing between Alex Neil and his UK counterpart.

We will examine the definition of "rural" with regard to who should qualify for those particular funds. It is the same with other funds in my portfolio, such as the fund for food processing, marketing and co-operation grants. That fund is largely rural, but it also delivers support for urban communities: we help food factories and businesses in urban and rural areas, albeit that the fund comes under my portfolio.

The rural connectivity fund will operate in the same way. It will be largely rural but it will cover all areas of Scotland, so I am not sure that we will want to define too strictly who qualifies and who does not.

Aileen McLeod: Can you give us any further information on specific proposals for assigning or spending the funding that has been provided for rural broadband?

Richard Lochhead: Our initial thought was that we would roll out the plans around March 2012. More information will be made available in the next few months.

The Convener: The next subject is food and drink. Aileen McLeod will start us off again.

Aileen McLeod: As an MSP for the south of Scotland, where we have a fantastic array of local food and drink that is—as the cabinet secretary is aware—a vital element in stimulating our local and regional economy, I am delighted that there is an increase in the budget for the food and drink sector. Can the cabinet secretary outline the type of support that he intends to provide to the industry through that funding? What does he view as the main implications of the increase in that budget line?

Richard Lochhead: I thank Aileen McLeod for raising a subject that is very close to my heart, not excepting the fantastic and outstanding ale, The Grace, which I tasted when I went to Dalbeattie in her region. I will have to buy more of that at some point.

Aileen McLeod highlights the fact that food and drink is a success story for Scotland. I am sure that the committee supports keeping up the momentum on that agenda, on which we have a long way to go yet.

I would welcome the committee's views at any point in the next few months on how we should allocate that resource. I know that there is a great deal of support in that regard from all parties in the chamber, and we have some ideas at the moment.

We want to support the collaboration agenda, as we think that there is massive potential for linking up the various parts of the supply chain. In the past couple of years we have funded schemes that join up small suppliers, which have led to millions of pounds of new business for many food businesses, but there is a long way to go on that.

We also want to support the export agenda. As the committee will be aware, food exports have in the past few months broken the £1 billion mark for the first time. We know that there are many more food businesses that can grow and expand to meet the demands of the export markets, so that agenda is important.

Food education is important. I think that we all find it unfortunate that many schoolchildren still do not know where the food on their plate comes from, and do not understand many of the associated issues, such as the impact of food on their health or on the environment. We will fund many new initiatives as part of that agenda, and continue to support many of the existing successful initiatives throughout Scotland, with which we are all familiar.

Food and tourism is another big issue. We feel that we can help to boost our rural communities by considering the tourism dimension of food and drink. Again, many exciting initiatives are happening in Scotland, and VisitScotland is working on some ideas to take that agenda forward so that people who visit our attractions and communities throughout Scotland can tap into the fantastic local larder and meet local producers. That can help the tourism agenda.

I could go on for several more hours, because this is quite an exciting subject. I have perhaps given the committee a flavour, but there are many other agendas, such as health and the environment; we also need to ensure that we promote food networks in all corners of Scotland. Aileen McLeod has mentioned some of the good work in south-west Scotland, but there is a great deal of untapped potential around Scotland, and we must ensure that it is exploited.

The Convener: Such is the appetite for this subject that there are a number of supplementaries. Alex Fergusson can go first.

10:45

Alex Fergusson: First, on the subject of food education, I am sure that the cabinet secretary shares my support of the Royal Highland Education Trust, which does fantastic work in highlighting to schoolchildren the origins of food and how it gets from plough to plate, to coin a phrase.

Like the cabinet secretary, I am a representative of a rural constituency. Another issue that is of great and increasing concern to local producers is food miles. What are your thoughts on the possibility of increasing the number of local abattoirs to contend with that problem and on the hurdles that such an increase would face?

Richard Lochhead: Even this short conversation highlights lots of interacting issues in the food and drink agenda, which have lots of win-wins.

I think that the only food that the convener requires at the moment is a Lemsip. I am sure that we can get that for you; you are suffering.

The Convener: I could perhaps get something stronger and Elaine Murray might join me.

Richard Lochhead: As well as the food budgets that I referred to, which are more than doubling, there are other food budgets within the SRDP that are not included in that figure. We have protected the food processing and marketing scheme within the SRDP because that is part of the food agenda, which overall we want to promote. If rural abattoirs apply to that fund the application will be considered but, like any other

application, the challenge is having a commercial proposition. As the member will be aware, that is a big challenge for many parts of rural Scotland. There are some good news stories out there. New rural abattoirs are being put forward as feasible projects and we already have rural abattoirs, so they are feasible in many areas. We will consider applications for new rural abattoirs.

Annabelle Ewing: We are all hugely enthused by the successes of the food and drink industry in Scotland. Significant progress has been made, even over the last few years. It is a great credit to all concerned that they have made a huge success of the industry for Scotland.

I represent Mid Scotland and Fife and would like to put on the record that there are, of course, significant players in the food and drink sector throughout the whole of Mid Scotland and Fife whose produce is greatly enjoyed by people in Scotland and elsewhere.

In the context of the next few years, it occurs to me that many small potential suppliers are not really part of the awakening and perhaps do not know exactly where they should first turn to get in on this significant success story. Can the cabinet secretary indicate whether it is intended to reform the way in which the programme is communicated throughout Scotland to ensure that people have the information that they need about how to get started?

Richard Lochhead: Annabelle Ewing raises another topical point. How we engage with the many new producers that are springing up all over Scotland is something that I, too, am quite frustrated about. When I travel around Scotland, I often meet new producers who tell me that they have started a business in the past couple of years, they have found some niche markets and they are excited about the future, but I am not sure how we are capturing that and ensuring that good support is available for them in the future.

A lot of good things are happening and Scotland Food & Drink is involved in many of these projects. Scotland Food & Drink now works much more closely with small producers, but I think that it accepts that it can do a lot more to help smaller producers and we are speaking to it actively about that. How we deliver more support for small food producers over the next year or two is firmly on our agenda.

A large part of our food agenda that I did not mention in my previous answer is adding value. We must do a lot more in Scotland to add value to our primary products and capture that value in Scotland. Added value will be a central plank of our food policy. We want the primary produce that is reared, grown or produced in Scotland, but we

also want to add the value here. It will be of huge benefit to our economy if we can do that.

Some small producers want to grow to become medium-sized or large companies; we must identify and support those, but we must accept that others are happy to be small producers that supply local markets. That is a valuable role, not least for food tourism and strengthening local economies, about which we have spoken. We will cater for small producers.

Jim Hume: My question also concerns food—in particular, local food procurement. There have been some fine examples of that, such as East Ayrshire Council, which has been quoted as a fine example all the years that I have been an MSP. Is any work on local food procurement by public agencies progressing at the moment?

Richard Lochhead: Yes. There has been a lot of progress on public procurement over the past few years. Robin Gourlay, who was largely the architect of the success in East Ayrshire Council, was brought into the Government as a secondee to help advise other public agencies and local bodies on it. I await a report from officials on that, so perhaps I can write back to the committee on it. It is a good topic.

We published advice to agencies on procurement and various events have been held to bring together the buyers from local authorities and other public bodies. Local procurement will not happen overnight, but there are many examples of good practice. I am sure that many members acknowledge that some of the local authorities in their areas are doing more to source locally for their schools, for instance. We have to ensure that that approach spreads right across the public sector.

Jim Hume: It would be good to see what progress we are making. That is useful, thank you.

The Convener: We will hear from the cabinet secretary on some of those points. That is good.

Richard Lochhead: I would be happy to get a report from Robin Gourlay and forward it to the committee.

Graeme Dey: I hope that you will forgive another constituency pitch, cabinet secretary. Do you have any initiatives in mind to support the important soft fruit sector which, as we saw earlier this year, can be dealt severe blows by bad weather?

Richard Lochhead: After this discussion, in which we are all talking about our constituencies, I look forward to a tour with committee members around their various constituencies, sampling local food and drink. Committee members can visit a distillery in Speyside at my invitation as part of that. I am happy to arrange that.

The soft fruit sector in Graeme Dey's constituency is another success story. I spoke to the sector during the recent bad weather, when the high winds caused significant damage. Thankfully, that damage did not have as much of an impact as many people expected, but it served as a wake-up call to ensure that we help that sector.

We had a good conversation when I visited one of the farms and discussed the fact that we perhaps do not tap in enough to the good news story, which is the health benefits of soft fruit. Apparently, there is scientific evidence that Scottish soft fruit is the healthiest that you can get. We should tell that story, because the country needs to improve its health record.

In light of that, we have agreed to work with the soft fruit sector to find new opportunities for it and to play to the Scottish brand. Many soft fruit growers benefit from that brand, but others are not doing what they should, and could do a lot more to get even more benefit for their businesses, so I am keen to pursue that work.

We have a continuing dialogue with the soft fruit sector and I am happy to keep the committee up to date with that.

The Convener: I will raise a point that was made forcefully at the Scottish Crofting Federation annual general meeting about making land available for people to grow their own food. New entrants are trickling into crofting and farming, but there is an increasing problem throughout the country with opportunities for people to get allotments. Part of the food and drink revolution is the fact that people want to grow their own. Is it part of your remit to try to increase the number of allotments, perhaps through using public land that is no longer required for its previous purposes or getting land from farmers and crofters? How would making land available in that way affect their benefits?

Richard Lochhead: That is very much a growing issue—forgive the pun. The climate challenge fund has funded a number of grow-your-own projects, and eco-schools throughout Scotland have been creating vegetable patches and allotments, which is fantastic. We have ensured that the climate challenge fund scheme funds a significant number of projects.

A local authority officer recently told me that a major obstacle to having more allotments is the legislation, which is geared towards allotments that have pigs and all sorts of other livestock on them, and is perhaps more suited to a bygone age than to the 21st century. I have given a commitment to pursue the issue and, if the regulations need to be addressed, the Government will have to do that. The approach is

currently regarded as bureaucratic and is leading to all sorts of obstacles for local authorities.

Many local authorities have a waiting list for allotments and we know that some local authorities are much more enthusiastic than others about making surplus land available. We need the support of our local authorities and other public bodies. I will be happy to write to the committee to update you on where we are getting to.

The Convener: That is helpful, thank you.

Elaine Murray: An interesting allotment project opened in my constituency yesterday, in Kelloholm. It has received financing through the building healthy communities programme, which demonstrates that there are ways of drawing in funding from other parts of the Scottish Government budget. The project involves a partnership between a number of housing associations, the council, the national health service and other people in the community, who have been extremely successful in securing funding in an area that is high on the index of multiple deprivation.

Richard Lochhead: Thank you for the information. I will get some information on the project, so that I can understand how it was put together.

The Convener: That is excellent. Thank you, cabinet secretary, for your answers. I am sure that in the second year of the budget process we will have many more supplementary questions. The committee has been pleased to get started on its consideration and I thank all our witnesses for their efforts.

10:57

Meeting suspended.

11:00

On resuming—

Subordinate Legislation

Inshore Fishing (Prohibition of Fishing for Cockles) (Solway Firth) (Scotland) Order 2011 (SSI 2011/319)

The Convener: Item 3 is consideration of subordinate legislation. Alex Fergusson has lodged a motion to annul the order. The usual practice in such circumstances is to take evidence briefly from the cabinet secretary and allow members to ask questions and seek clarification. I will then ask Alex Fergusson if he wants to move the motion, and if so we will proceed to a debate. The cabinet secretary is still with us and I welcome his accompanying official, Eamon Murphy, who is policy manager in Marine Scotland. I invite the cabinet secretary to make opening remarks.

Richard Lochhead: I will be brief, and I will do my best to respond to the committee's concerns. The order has come before the committee because the Solway Firth Regulated Fishery (Scotland) Order 2006 has expired. Before it did so, a lot of work went on to consider alternative management arrangements for cockles in the Solway, but unfortunately a successful outcome was not achieved and more time is required. We face the difficult choice of having an unregulated fishery or putting in place the temporary order that is before the committee until, first, the stock is deemed to have recovered enough to be harvested, and, secondly, alternative management arrangements for the Solway are identified. That is the current position.

The most recent survey of the state of the stock was carried out in 2009. I am advised that it takes about three years for cockles to reach the stage at which they can be harvested, so we must wait until 2012 to get an up-to-date picture of the stock. We hope to have more scientific surveys in early 2012—or the early summer of that year, at the latest—so that we can have up-to-date scientific advice on the sustainability of the cockle stock.

The exploitable tonnage was around 6,735 tonnes in 2009, but I understand that the figure in 2003-04 was 34,000 tonnes, which gives an indication of the decline in the stock in the Solway. That is why we think that the order is important for conservation purposes. If members have questions about the detail and about conversations that are taking place with local stakeholders, I will do my best to answer them.

Alex Fergusson: I am sure that other members also have questions, so I will not cover everything at this point. I find that the more I read the order

and the correspondence around it, the more questions I have. However, I do not for one minute want there to be an unregulated fishery for cockles on the Solway—I think that other members share that opinion.

I have always wanted to do a first, and I think that I must be the first member to lodge a motion to annul in this session of the Parliament. Where we get to with that will depend on the answers that we hear today.

I have a number of questions. The whole situation has arisen from what can only be called the disaster of the Solway Shellfish Management Association, which was put in place to regulate the 2006 order. I think that everybody would agree that it has been something of a disaster, through no individual fault but because of a collective difficulty. Trying to keep all stakeholders on board on such an issue probably inevitably leads to a difficult situation.

Great play has been made of the fact that Marine Scotland has been exploring management options with all the local parties in what—I get the impression—was a fairly urgent exercise that had as its aim the idea of introducing new management procedures. Will you give more extensive detail of whom the discussions have been with? Will you also give us more information on what the proposed aim of the new management regime was to be—or is to be, if the potential for it still exists?

Richard Lochhead: I will address the second point, and I will ask Eamon Murphy, who has been closely involved, to give the committee information on how we have engaged with stakeholders and whom we have spoken to.

We have looked at all the options for the management arrangements of the Solway. That included a continuation of the previous arrangements, considering the whole fishery and not just cockles, and using different types of regulation to protect stocks and allow for local management. I guess that I am trying to say that none of the options was off the table, and I know that officials have been flexible in discussing them. It has basically been a case of trying to find out who is interested and who wishes to take part in the new management regime.

I will bring in Eamon Murphy to give the committee an insight into the discussions that have taken place.

Eamon Murphy (Marine Scotland): I will also put things in reverse order. First, as always, the long-term aim in the Solway is to put in place a sustainable, exportable fishery. People who know the area will know that in the past it has been boom or bust—it is difficult to predict stock levels

and so on. We are setting ourselves quite a task, but that is the aim.

I am afraid that I am in a bit of a difficulty on the discussions. We have had lots of discussion with local individuals, groups and public bodies, but a lot of what is being proposed has a commercial confidentiality element to it. People have proposals and ideas involving aquaculture and mariculture, and several orders under the Sea Fisheries (Shellfish) Act 1967 and other regulating orders are also involved. It would be remiss of me to go into the detail of the proposals and individuals, but I am hopeful that over the next few months we can pursue at least some of the proposals and reach a point at which we can have a public discussion of what they are. To go into details now would be in breach of the confidential nature of some of the discussions that have taken place.

Alex Fergusson: I certainly would not want to press you on issues of confidentiality, but I must say that I find it regrettable that we are not able to know more details in considering the order. I will leave it to other members to ask questions and will come back in later—if I may, convener.

The Convener: Certainly.

Aileen McLeod: I have a couple of questions about the future management arrangements. What consideration has been given to the methods of cockle fishing that future management arrangements would support? Would they involve hand gathering or the use of vessels, or would there be a mixture of the two, as happened under the 2006 order?

Richard Lochhead: That would depend on the state of the stock. In the past, we have had both kinds of fishing, but the stock is not in a good position at the moment, so we would have to wait until that changed dramatically before both kinds of fishing were undertaken. I know that the question has been a feature of the discussions, so I ask Eamon Murphy to come back in.

Eamon Murphy: It is an emotive subject, but we think that, in an ideal world, the Solway should be able to cater for both types of fishing. If we had measures that dealt with one type of fishing at the expense of another, it would lead some parties to take umbrage and complain. Ideally, the management arrangements would support both types of fishing but, as the cabinet secretary has stated, a lot depends on the stock levels and how patchily stocks are distributed across the Solway. Widespread stocks make it more difficult for vessel fishing to exploit the fishery in an economically viable way.

Alex Fergusson: Surely the experience of the past five years suggests that a sustainable fishery cannot be open to all types of fishing. Am I right to

assume from your answer that you continue to consider the possibility of suction dredging, when the Solway is the only estuary left in Great Britain that still allows suction dredging?

Eamon Murphy: You raise two points. I tend not to agree that the regulating order was an absolute shambles. Some circumstances were outwith the grantee's control, such as stock decline and adverse weather. We learned quite a lot from the regulating order process and it is incumbent on us to put those lessons into practice. The situation was not all down to having two types of fishing.

In line with the commitment that was made in the management plan—after the local inquiry and before the regulating order was granted—the SSMA did a piece of work to compare suction dredging with elevator dredging. As is often the case, that work was inconclusive, but it identified no key differences between the two types of dredging. There is work to do on that. Before we went down the road of suction dredging again, I would like another piece of science that considered how serious the impact of such fishing is not only on stocks but on the wider environment. That is work in progress and must be resolved.

Jim Hume: I, too, am aware of aquaculture proposals down on the Solway. Issues have arisen in the past with licensing to farm cockles—with people seeding the beds—because they are classified as wild mammals, or fish animals or whatever. That has always been a problem, whereas other parts of the UK provide such licences—the Humber is one estuary that does that. Has much thought been given to introducing a Scottish statutory instrument that would quash any hopes of cockle farming, as in seeding, for several years to come? That would scupper many people's plans of even contemplating aquaculture with cockles.

Richard Lochhead: We certainly do not want to do that. We have said that the order is temporary and that we want to obtain more scientific evidence in the coming months. In 2012, we will have much more information with which to decide how to move forward. Between now and then, discussions about potential management arrangements will continue.

If it would help the interested committee members—a contingent of south of Scotland members is here—we could set up a special meeting between scientists, Marine Scotland and members, to hear members' ideas and let them know exactly what is happening. At that point, we might be able to provide more information than we can today.

Jim Hume: That would be useful.

Elaine Murray: Our predecessor committee considered a motion to annul a Luce bay order, so people could be forgiven for thinking that us Solway characters are a bit awkward. I associate myself with what Alex Fergusson said. The problem is not the regulatory process but the fishery's management. That is not necessarily totally the SSMA's fault; the situation was extremely difficult because of poaching and all sorts of other reasons.

Richard Lochhead mentioned the decline in stock to 6,735 tonnes. Mr Murphy said that reopening the fishery had been discussed. Surely the Scottish Government would not consider reopening the fishery at such a stage. If that is so and if the fishery is likely to remain closed, why was the truncated timescale required? Surely the Government must have known that the fishery was not ready to be reopened.

To what extent was the dramatic stock decline due to inappropriate fishing methods? Those of us who heard what was going on on the ground cannot escape the conclusion that the methods that were applied to the fishery were, in some respect, inappropriate. It might be possible to reopen the fishery to hand gathering, for example, but the last thing I want is for the fishery to be reopened but not regulated. I would really not like that to happen, on the grounds of the health and safety of the human beings who might be part of it, as well as the health of the stocks. There is a lot of danger in an unregulated fishery anyway. Were you considering reopening the fishery? If you were not, why was the timescale so truncated?

11:15

Richard Lochhead: One of the challenges was that the discussions over a successor management regime continued into this summer. It then became clear that there was not going to be a successor management regime that people wanted to take part in at this point in time, so we had to put something else in place to avoid opening an unregulated fishery. It was not so much about saying that we wanted there to be a fully active fishery in the Solway. There might have been some activity if there was a new management arrangement to govern it, but we did not have that. We did not want to open an unregulated fishery, so we introduced the temporary order. Some of the issues are clearly interlinked.

Eamon Murphy: I reiterate what the cabinet secretary has said. The Scottish Government is absolutely receptive to any new proposals that are made and is considering proposals for the management and exploitation of the fishery that are already on the table. The answer to the point about whether the order scuppers any of those

proposals, whether they relate to aquaculture or whatever, is that it does not. We see it as a temporary measure.

The order does not have a sunset clause because we do not know how long it will take the stocks to recover to the extent that there is a full reopening. However, the situation is relatively straightforward and we can occasionally be fleet enough of foot to unpick temporary orders and amend them quite quickly—in this case, to allow the fishery to be exploited under one of the proposed arrangements.

As an alternative to the current situation, we might have had to put in place an order like the closure order that we put in place last January. We had to withdraw that order because new proposals for a piece of mariculture somewhere on the Solway came up, which meant that we had to unpick what we had done. I guess it was a case of damned if you do, damned if you don't. At the time, our judgment was to let things run as long as possible, to consider the proposed management arrangements, and then to take action to close the area if necessary—and it became necessary. That is where we were.

The jury is still out on the point about unsuitable fishing under the order. It might be that tonnages, allocations and all sorts of things were out of kilter—there is quite a lot to be learned from the Solway process. However, I would stop short of saying absolutely that the demise of the Solway under the SSMA was down to inappropriate fishing methods. There was a lot of poaching and bad weather, and a dramatic stock decline; unlike previously, the SSMA for the first time had to take account of oyster catcher biomass. There were a lot of problems.

There is a lot that we would sort next time, but I would not put the problem solely down to fishing methods.

Annabelle Ewing: I want to pick up on what Mr Murphy has just said about the lack of a sunset clause. As I recall from last week's discussion, the reason why the order was brought to the committee's attention was because, on the face of it, it did not state that it was a temporary measure, whereas it is clear that, in theory at least, it is supposed to be. I understand that that is why we had the discussion that we had last week and why we are having this further discussion.

The detail of what has happened and what might happen in future is obviously of concern to members who represent voters in the south of Scotland. However, according to our remit, this is a technical discussion about whether the order is competent because although it is supposed to be a temporary measure, it does not state that it is.

Can the cabinet secretary help the committee to understand what would be the best thing to do? Can he say whether the lack of any language to the effect that the order is temporary can be put to one side in the circumstances, taking into account the informative discussion that we have had?

Richard Lochhead: I sit before you as the minister saying that it is a temporary measure. I give that assurance. The outcome that we want is local management in some shape or form as soon as possible, as well as recovery of the stocks. That is our policy aim. We would all agree that people in Edinburgh should not be managing the Solway fishery and that it should be managed locally, if at all possible. That is the situation that we would like to get to at some point.

I offer the committee, or those members who have a specific interest, a briefing early in 2012 with Marine Scotland, so that we can get your views and update you on the science and on how discussions are progressing with local interests about putting in place a new management arrangement.

It is fair to say that, over the years, a disproportionate number of motions for annulment of instruments in this committee and its predecessors have related to inshore fisheries matters, which perhaps highlights the difficulties that Government, regulators and local authorities face.

Richard Lyle: A number of my questions for the cabinet secretary have been answered. The concerns that members had last week have been alleviated. Basically, the order is a temporary measure. I see Alex Fergusson smiling, so perhaps that is wrong, but the cabinet secretary has said that the order will not need to be in force for a number of years and there will be an ongoing review. Although I come from a landlocked region, I am still concerned about cockles and the issues that Alex Fergusson has raised. However, most of the concerns that I had have been dealt with.

Graeme Dey: I seek information from the cabinet secretary. What sort of stock levels would have to be reached to lead to the reopening of the fishery, either for hand gathering or for vessels? How realistic is it to expect that, come mid-2012, the figure will be arrived at?

Richard Lochhead: We have listened to the views of our scientists and we will have to commission them to undertake a survey to find out whether the fishery is sustainable. At present, we can only compare the figures from the most recent survey with the history of fishing in the area.

Graeme Dey: The point that I am getting at is whether we have to get halfway to the 34,000

tonnes that was there previously or close to it, or whatever. I am looking for a general guide.

Richard Lochhead: It is fair to say that we need a dramatic improvement, but I repeat that we will have to take scientific advice on that.

Eamon Murphy: To add to that, another factor that is difficult to predict is that we now must take into account oyster catcher populations in the Solway estuary. It is right to do so because the estuary is important for nature conservation reasons under the birds and habitats directives. A way of calculating that was developed under the SSMA. We set up something called the bird model. One bit of data that must be fed into the model is on oyster catcher numbers. In theory, if there is a larger number of oyster catchers, setting aside what they need to eat means that the amount of cockles needed for a viable fishery goes up. There are fluctuations that are difficult to predict. That makes it all the more difficult and important that we collect proper data through another survey and scientific consideration of the process.

Alex Fergusson: I have a couple of brief points. One difference between the current order and the previous one is that no gathering for home consumption is to be allowed under this one, as I understand it. How will that be policed, given the difficulty of policing any such activities on the Solway coast? Why is that particular provision being brought in? It seems unnecessarily Big Brother-ish, if I may say so.

Richard Lochhead: Given the number of inshore fisheries around Scotland, policing is clearly a challenge and enforcement is not easy. To help us, we have recently deployed in Scotland's waters smaller vessels such as rigid inflatable boats or RIBs; after all, the big, grey Marine Scotland fisheries protection vessels that everyone is used to would hardly be appropriate for, say, the Solway cockle fishery.

Alex Fergusson: The huge numbers of holidaymakers who stay along the Solway coast and are quite in the habit of collecting a bucketful of cockles for their evening meal will probably not be aware that the order exists. I hope that they will not be handcuffed as soon as they appear on the beach with a bucket and spade. I am sure, though, that that will not be the case.

On a slightly more serious note, the Solway Shellfish Management Association and its trading arm, Solway Shellfish Management Trading Ltd, have been in breach of company law four times in the past six years because of late returns to Companies House—to such an extent, I should add, that both have been fined considerable amounts of money. Although those moneys were eventually compensated for in a grant from

Dumfries and Galloway Council, it still amounts to compensation from the public purse. Are you able to guarantee that whatever is put in place to oversee the management of this fishery will not be in a position to breach company law?

Richard Lochhead: That is a good point. I guarantee that we will, as Eamon Murphy mentioned earlier, learn lessons from the previous regime. It is important that we do so.

I certainly think that Scotland has a lot to learn about managing its inshore fisheries—full stop. I intend to undertake work on the issue during this parliamentary session and will certainly welcome input from the committee and members with experience of contentious inshore fishery issues on their own doorstep. We must ensure that we have sustainable inshore fisheries that play a major role in our local coastal communities and benefit not only food production but tourism and a lot of other aspects. We have a lot to do to improve Scotland's inshore fisheries management in the years ahead.

The Convener: I thank the cabinet secretary and his official for their evidence and very much welcome the offer to meet interested members at the beginning of next year to discuss this matter.

We move to the debate on the order. Only MSPs may contribute to the debate, which may last up to 90 minutes, and the accompanying Scottish Government official cannot take part. I invite Alex Fergusson to speak to and move his motion.

Alex Fergusson: Or not, I believe.

The Convener: Indeed.

Alex Fergusson: I am sure that the cabinet secretary and Mr Murphy have taken on board some of members' frustrations in relation to this particular order. Members are not trying to be awkward. Their frustrations arise from the belief that there is such a thing as a sustainable cockle fishery on the Solway. It might consist of a limited number of hand gatherers or a mixed fishery, but the fact is that, over the period in which the previous order was in force, frustration has grown at SSMA's inability, for whatever reason, to bring about a sustainable fishery.

By the way, I attach absolutely no blame to Mr Murphy, whom I have met on a number of occasions to discuss the Luce bay closure and cockle fisheries. I think that he is one of the most patient men I have ever met, because he gets a pretty hard time whenever he comes near the Solway and I absolve him of any blame in any of the criticisms that have been forthcoming. I also assure Richard Lyle that I was not laughing at anything he said—I was on a slightly different tangent at the time.

I echo the convener's welcome of the cabinet secretary's offer to meet interested members in the new year. It is a very positive step. After all, we all want the same outcome.

Given all that, I do not propose to move the motion to annul in my name. Of course, it is open to other members to do so.

The Convener: Does anyone else want to move the motion?

Members: No.

The Convener: In that case, does the committee agree not to make any recommendation on the order?

Members *indicated agreement.*

Poultrymeat (Scotland) Regulations 2011 (SSI 2011/318)

Marketing of Horticultural Produce (Scotland) Amendment Regulations 2011 (SSI 2011/324)

11:30

The Convener: Item 5 is also subordinate legislation. We have two negative instruments to consider, which are listed on the agenda. No motion to annul has been received. I refer members to the committee papers on the matter. Does the committee agree that it does not wish to make any recommendations on the instruments?

Members *indicated agreement.*

Petitions

Wild Salmon and Sea Trout (Protection) (PE1336)

11:32

The Convener: Item 6 is consideration of two petitions that have been referred by the Public Petitions Committee. We have a set of papers on the petitions. I will invite comments from members on each petition, but we will take one petition at a time, beginning with PE1336, which is on wild salmon and sea trout protection.

Annabelle Ewing: I have read the helpful note from the clerk on the petition, which sets forth several recommendations. It is open to the committee to come up with any other proposal, but I propose that we go along with the suggestion to note the petition and associated evidence and agreed to consider it as part of our consideration in due course of the aquaculture bill. It would make sense to do that in light of the fact that the legislation will shortly arrive on our doorstep.

Elaine Murray: I agree with that suggestion.

Graeme Dey: It seems sensible.

The Convener: The aquaculture bill is likely to arrive in the late spring of next year, which is quite a distance away, but we can take evidence ahead of that. It is important that we get the people involved around a table and discuss the various views. There is Mark Pattinson, for example, who was involved in the successful reseeded of the River Carron, where trout and salmon are now much more plentiful, despite the fact that there are major fish farms there. There are people in the wild angling lobby and the fish farm lobby who have points of view, and there is the third element of the aquaculture bill.

I suggest that, ahead of the bill, we get people together round a table that is bigger than this one to explore the issues on the basis of the science. There has been much discussion in the fishing press and in many other places that is a bit like shouting from one hilltop to another. I think that it is our duty to try to bring people together so that we can discuss the issues in a civilised and scientifically based fashion.

Graeme Dey: That suggestion is fine, if we can find time to fit it in. If we are to have evidence, can we try our best to ensure that we have a geographical spread of witnesses that reflects the whole of the country? There may be specific issues for specific areas, so it would be good if we could guarantee a geographical spread of witnesses.

Richard Lyle: I agree with the convener's and Graeme Dey's suggestions. We should bring in the people the convener described to try to get a handle on the issues and to try to ensure that, whatever happens, it suits all.

The Convener: It seems that the committee agrees with recommendation B in the papers. Do members agree to set up a round-table discussion?

Elaine Murray: I just want to make an observation. I hear what Graeme Dey is saying, but the conflict between wild salmon and trout, and aquaculture is specific to certain parts of the country. In my area, where we have salmon and trout fishing, there is not much aquaculture, so there is not really a problem. There is much more of a problem on the north and west coasts. It might be difficult to have a total geographical spread of witnesses in that regard.

Graeme Dey: Absolutely.

The Convener: I have a very strong constituency interest in this subject, as some of the petitioners are the sort of people I know very well and they have strongly held views. I am sure that we can get people from different parts of Scotland to take part.

Jim Hume: You mentioned the River Carron. Before I was an MSP, I had the pleasure of releasing some smolts in that river, so I know exactly what you are talking about. There are areas in the south of Scotland where we have aquaculture as well as some very—

Elaine Murray: There is not the same issue there.

Jim Hume: There is still the potential. The Tweed Foundation is doing some good work. There are some freshwater trout farms, which might have an effect. I concur with Graeme Dey: we should make sure that we have a geographical spread of witnesses.

The Convener: Indeed. We note that the south of Scotland is heavily represented on the committee and it would be unwise to exclude that area.

Alex Fergusson: This is not as big an issue in the south. There are different issues there. I have problems in my constituency, but they are not related to salmon farming. There are different issues in different parts of the country.

The Convener: With those provisos, we have agreed on recommendation B.

Inshore Fisheries (Management) (PE1386)

The Convener: Petition PE1386 is on inshore fisheries management and relates directly to my constituency. Do members have a view about it?

Annabelle Ewing: Again, the note from the clerk is very helpful. I would be inclined to support recommendation B, whereby we write to obtain further information from the fisheries management and conservation group. We can consider the further information received on another date.

The Convener: Thank you. It is essential that we get a clear idea of the management structures that Marine Scotland intends to put in place. At the moment, there are pilot schemes in the Clyde, on Shetland, on the Berwickshire coast and in the Sound of Mull. Those are aimed to be for a period of four or five years and include detailed proposals. The management of an area such as Loch Torridon is not part of that, but it will be in future. It will be helpful for us all, from various parts of the country, to understand how all that will be rolled out. We also have to understand how it relates to inshore fisheries groups and, because it is the first time I have heard about it, to the fisheries management and conservation group, which has been set up.

There seems to me to be a complex set of regulatory procedures, so it will be important for us to see how they interact. The people on inshore fisheries groups have a particular issue about catching, but there is a difference between fixed-gear creelers and trawlers.

We have a complex situation that extends beyond getting information from the fisheries management and conservation group. I suggest that we seek evidence from Marine Scotland and from whoever runs inshore fisheries groups as well as making sure that we understand the relationship of the fisheries management and conservation group with those existing bodies; otherwise, we will not be able to make progress. Once we get that information, I suggest that we decide how we take forward the petition. Is that agreed?

Members *indicated agreement.*

The Convener: Thank you. We can let the petitioners know what we have decided.

Broadband Infrastructure Inquiry

11:39

The Convener: For item 7, the committee is invited to consider a letter from the Infrastructure and Capital Investment Committee on its inquiry into Scotland's broadband infrastructure. I refer members to the paper and invite comment.

Alex Fergusson: Aileen McLeod and I attended a lunchtime briefing of the Infrastructure and Capital Investment Committee two or three weeks ago and learned a bit. A lot of statistics and figures were flying around, one of the most interesting of which was that, in age bands, the take-up of—oh, I cannot remember what it was. I meant to bring my notes today, but I did not. There were a lot of interesting statistics. Given the discussions that we had earlier this morning, we should keep a tab on what that committee is doing if we can, although I know that members are busy. We should probably have a reporter on that committee, but I am not volunteering to be it.

The Convener: We might wish to volunteer you.

Graeme Dey: Do that committee's meetings clash with ours?

The Convener: Indeed, they do. It is having discussions about these things today at which we are not able to be present, and the context of the letter is not helpful to us. That is why we need to think seriously about appointing a reporter for its inquiry, as Alex Fergusson suggests. We need to be kept up to date with that. Does any member want to be our reporter? The question is whether we can get somebody to go along to those meetings at the same time as we are having our meetings. We need to find a way of doing that, and it would be best if members took the lead. However, if nobody wants to volunteer, I suggest that we ask the other committee to give us a weekly briefing on its proposals, if need be. We may also ask it to include some items that come to our attention once we know what its proposals are, making it plain to the committee that we want to have a part in the framing of its activities.

Simon Watkins (Clerk): We could appoint a reporter who would not be expected to attend the meetings but who could receive all the papers that relate to this issue. They could then report back to us at our meetings. That would be one way of tackling it. It is unfortunate that both committees meet at exactly the same time.

The Convener: And I think that we need to know about it. Is anyone willing to take on that duty?

Elaine Murray: I do not mind receiving the papers—I am happy to do that.

The Convener: That is excellent. Elaine Murray can read, at least, although she cannot speak at the moment. It will be helpful to have somebody to perform that function. Are we agreed to write to the Infrastructure and Capital Investment Committee in those terms?

Members indicated agreement.

The Convener: We agreed earlier to move into private, so I now close the public gallery to the people who are still in attendance. The next meeting of the committee will be held on 26 October.

11:44

Meeting continued in private until 12:03.

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