



OFFICIAL REPORT  
AITHISG OIFIGEIL

# Rural Affairs, Islands and Natural Environment Committee

Wednesday 8 September 2021

Session 6



The Scottish Parliament  
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - [www.parliament.scot](http://www.parliament.scot) or by contacting Public Information on 0131 348 5000

---

**Wednesday 8 September 2021**

**CONTENTS**

**Col.**

**SCOTTISH GOVERNMENT PRIORITIES** ..... 1

---

**RURAL AFFAIRS, ISLANDS AND NATURAL ENVIRONMENT COMMITTEE**

**3<sup>rd</sup> Meeting 2021, Session 6**

**CONVENER**

\*Finlay Carson (Galloway and West Dumfries) (Con)

**DEPUTY CONVENER**

\*Beatrice Wishart (Shetland Islands) (LD)

**COMMITTEE MEMBERS**

\*Karen Adam (Banffshire and Buchan Coast) (SNP)

\*Dr Alasdair Allan (Na h-Eileanan an Iar) (SNP)

\*Ariane Burgess (Highlands and Islands) (Green)

\*Jim Fairlie (Perthshire South and Kinross-shire) (SNP)

\*Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)

\*Jenni Minto (Argyll and Bute) (SNP)

\*Mercedes Villalba (North East Scotland) (Lab)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Mairi Gougeon (Cabinet Secretary for Rural Affairs and Islands)

**LOCATION**

The Fairfax Somerville Room (CR2)



## Scottish Parliament

### Rural Affairs, Islands and Natural Environment Committee

Wednesday 8 September 2021

*[The Convener opened the meeting at 10:00]*

#### Scottish Government Priorities

**The Convener (Finlay Carson):** Good morning, and welcome to the third meeting in session 6 of the Rural Affairs, Islands and Natural Environment Committee. Before we begin, I remind all members to switch electronic devices to silent mode.

Our first item of business is evidence from the Cabinet Secretary for Rural Affairs and Islands on her priorities within the remit for session 6. I welcome Mairi Gougeon, the cabinet secretary, but I put on record our disappointment that you are not with us in person, given the explicit desire of the committee that cabinet secretaries and ministers should appear in person. It is disappointing, given the nature of the session, that you are not with us today. I hope that, in the future, we can accommodate you and your officials in front of us in the committee room. I also welcome the cabinet secretary's officials: George Burgess, deputy director, food and drink; John Kerr, head of agriculture policy division; and Caro Cowan, deputy director, funding and strategy for Marine Scotland.

I invite the cabinet secretary to make an opening statement, and then we will go to questions.

**The Cabinet Secretary for Rural Affairs and Islands (Mairi Gougeon):** I am sorry that I cannot be with you today, convener. Thank you for inviting me to give evidence to the committee. I am sure that it will not be my last appearance. I am delighted to set out the Scottish Government's stall and our priorities for rural affairs and islands over the parliamentary session.

I feel proud and humbled to have been asked by the First Minister to lead on this important portfolio, because there are exciting times ahead. There are huge challenges but also significant opportunities. I have the honour of leading one of the Government's biggest areas of reform and revitalisation over the next four years, while also aligning key rural sectors with wider national priorities.

I am determined that Scotland's rural and island areas and industries will play their part in contributing to our net zero ambitions and in

enhancing biodiversity. However, I also want rural and island economies and communities to benefit from those priorities, for there to be more inclusive growth, for green skills to create career opportunities and for fair work first principles to be applied. I want Scotland to realise the immense potential that rural Scotland undoubtedly has and to create sustainability for those areas in that process. Key to that is enabling and empowering communities to be in charge of their own destinies, contributing their knowledge and skills and turning ideas into action.

I want to see communities in charge of the changes that they want to see locally across rural Scotland, which is why I am pleased to announce the launch of the rural communities ideas into action fund, which will open for applications from not-for-profit community groups for funding of up to £50,000 from 13 September. Through that fund we will be looking for projects that demonstrate that they advance greater inclusion, equality and diversity in local communities. Projects will also need to show how they will support other priorities such as net zero ambitions and will need to be community led.

On what else we will be reforming and revitalising in the coming year, work is already under way to create a new system of rural support. The newly formed agriculture reform implementation oversight board—which I will co-chair with Martin Kennedy, the president of NFU Scotland—meets for the first time on Monday. By November, the board will have agreed a national test programme and we will have started to recruit farmers and crofters to take part in that. The board's core premise is to take forward the recommendations of the farmer-led groups, as is set out in our manifesto.

We will also consult on a new agriculture bill, setting out our vision for that new rural support system while ensuring that our future policy stays broadly aligned with the European Union. We will continue to modernise tenant farming and small landholding legislation, and we will seek to double the amount of land used for organic farming by 2026. As part of the wider reform agenda, we will start work to determine how best to support new and young entrants into farming, and by the end of this session of Parliament we will have doubled annual support for women in agriculture to develop their skills.

I am determined to ensure that we maintain the highest possible welfare standards for all animals. We will work in partnership with other administrations across these islands where it is in everyone's best interests to do so, while also meeting Scotland's specific interests. We will review animal welfare legislation to improve animal transport legislation, and we will act to lead

on improving measures, too. Work will begin to phase out cage-laying hens and farrowing crates for pigs and to review the current honey bee health strategy.

We need the right mix of professionals to care for our animals, which is why we will progress the commitment to create a new Scottish veterinary service. The provision of vets and other animal health professionals across farming, as well as in our food and drink industry, is one of the areas where Brexit has had a negative impact and has shown how vulnerable we are when it comes to having the right people, with the right skills, in the right places. That is why we are undertaking a root-and-branch review of land-based education, an independent commission on which has already been appointed.

However, the fact remains that, no matter what work we do to reform or revitalise to create a fairer and greener rural Scotland, our efforts will be hindered by the United Kingdom Government's reckless decision to pursue a hard Brexit during the pandemic. We warned of the consequences that are now being experienced as a result of the loss of freedom of movement and free trade. Worse than that, the UK Government is intent on short changing people in Scotland yet again by failing to replace lost EU funding in full. That is the latest in a litany of broken Brexit promises. Time and again, our interests have been ignored.

However, throughout all that, rural industries and the people who work in them have shown their resilience, innovation, creativity and entrepreneurship. Nowhere is that more evident than in our vibrant food and drink sector. As we celebrate Scotland's food and drink fortnight, we will begin a series of actions to provide the sector with more support to help it to grow sustainably: we will introduce a new good food nation bill and reinstate the ministerial working group on food, we are consulting on a draft local food strategy, and we are working closely with the industry and stakeholders in delivering the food and drink sector recovery plan.

On seafood, we will set out our new blue economy vision by the end of the year, which will recognise the interconnections between social, economic and environmental incomes that exist in managing our marine assets. We will publish a new strategy for seafood next year and will continue to support an aquaculture industry that is sustainable, diverse, competitive and economically viable.

The independent review of fish farming regulation is already under way, and we will act on its recommendations by the end of the year. In 2022, we will lead on developing a new vision for aquaculture. We will take forward the future fisheries management strategy, publish a future

catching policy and roll out remote electronic monitoring to key parts of the fishing fleet.

I am particularly pleased to have been appointed the cabinet secretary for Scotland's islands. We have a range of ambitious and novel policies that we want to pursue, taking on board what island authorities and communities tell us that they need to thrive and flourish. We will introduce a new £5 million islands bond fund that will provide up to £50,000 each for up to 100 households by 2026, thereby supporting a sustainable demographic future.

In addition, over the next five years, we will invest £30 million of infrastructure investment plan capital funding to ensure delivery of the national islands plan by supporting a range of areas, including tourism, infrastructure, innovation, energy transition and skills. That will be informed by our learning from how island communities have responded and adapted to Covid-19. We will also deliver at least three carbon neutral islands by 2040, which will create jobs and protect our island environments from climate change, as well as contributing to our 2045 net zero commitment.

Our commitments to reform and revitalise rural affairs and island priorities are bold and ambitious, so it is clear that I will be busy over the coming session. However, in the spirit of the new co-operation agreement with the Scottish Greens, I want to extend an offer to work with the committee to take forward our programme for government and manifesto commitments. Many members of the committee live in rural areas or have islands in their constituencies and will know many of the issues that we face as well as, if not better than, me. It does not make sense to ignore that knowledge and experience. I am sure, too, that we all share a common aim and purpose, which, ultimately, is to make life in Scotland better for us all. I would welcome the opportunity to work with the committee over the course of the parliamentary session to help to achieve that for Scotland's rural and island communities.

I look forward to members' questions and our discussion this morning.

**The Convener:** Thank you for that opening statement. It is clear that your remit includes the Scottish food agency, agriculture, fisheries and aquaculture, animal welfare and crofting, but there are significant overlaps with the portfolios of the various cabinet secretaries. In particular, your portfolio overlaps with that of the Cabinet Secretary for Net Zero, Energy and Transport. Last week, we had a session on the food and drink supply chain, an area in which there is a potential overlap with the remit of the Economy and Fair Work Committee.

How do you intend to deal with those overlaps? How closely will you work with the Cabinet Secretary for Net Zero, Energy and Transport, particularly when it comes to issues such as biodiversity and land reform?

**Mairi Gougeon:** I will work closely with colleagues across Cabinet as well as with junior ministerial colleagues. There are a lot of areas of overlap in the marine environment and terrestrial environment policy areas, including on land use and biodiversity, and I already work closely with ministers and other Cabinet colleagues on those overlapping issues.

In previous roles that I have had in Government, I worked between two cabinet secretaries and there was a lot of overlap there. That relationship worked and it makes sense for us all to work together to meet the historic and demanding targets on emissions reductions and climate change that we have. That close working has been going on and will continue.

**The Convener:** Could you give us more details about the fox control bill and where that might sit, given the potential overlap between this committee dealing with animal welfare and the Net Zero, Energy and Transport Committee dealing with land and forestry? Could you also give us details on the likely timescale for the introduction of the good food nation bill?

**Mairi Gougeon:** The fox control bill will be led by the Minister for Environment, Biodiversity and Land Reform, Màiri McAllan. The good food nation bill was in the programme for government and we will introduce that shortly.

**The Convener:** That raises a question. Màiri McAllan will be the lead minister; does that mean that the bill will come to our committee or the net zero committee?

**Mairi Gougeon:** Do you mean in relation to the committee consideration of the bill?

**The Convener:** Yes.

**Mairi Gougeon:** I believe that it may well fall inside the remit of the Rural Affairs, Islands and Natural Environment Committee, but it is ultimately up to the Parliamentary Bureau to determine committee allocation of bills and pieces of legislation.

**The Convener:** We move to questions on agriculture.

**Jim Fairlie (Perthshire South and Kinross-shire) (SNP):** You gave a broad outline of what the new agriculture bill that will be introduced is about. What do you hope to achieve and what is its purpose, specifically in relation to food production? In addition, what will the conditionality on support look like in relation to the balance

between environmental benefits and food production? What do you hope to achieve with the new agricultural subsidy system?

**Mairi Gougeon:** On the new agriculture bill and what we hope to achieve with it, ultimately we support active farming and will support the continuation of direct payments. It is critical that we continue to support food production. We have committed in our manifesto to shifting half of all funding for farming and crofting to conditional support by 2025. Farmers and crofters will be rewarded for their role in delivering wider biodiversity and environmental benefits.

The farmer-led groups considered conditionality and what that might look like for each of the different sectors, and what is clear from that work—although there were different suggestions about what it would look like—is that conditionality will mean reducing greenhouse gas emissions to the lowest possible level for every business and restoring and protecting biodiversity for our farmed landscapes. Those two objectives go hand in hand.

A critical element of developing our proposals for the bill is making sure that they are co-developed and co-produced. We want to make sure that we bring farmers and industry along with us throughout the process, which is why we established the agricultural reform implementation and oversight board, so that we can test proposals and ensure that we are working hand in hand when developing new policy. We hope that, by our doing that, new policy will be successful.

10:15

**Jim Fairlie:** You have said that there will be a 50:50 balance regarding environmental benefits and food production. My understanding is that that approach differs radically from that in the UK Agriculture Act 2020. If we have a different agricultural policy in Scotland, does that put us on a collision course with the UK Government and the United Kingdom Internal Market Act 2020?

**Mairi Gougeon:** Yes, the approach will be different from what is being pursued across the rest of the UK, particularly in England, where direct payments will be phased out and removed, and more of an outcomes-based approach will be looked at. We could start to see issues in the light of what is happening in relation to the internal market act, subsidy control and what is being brought in to replace state aid. That is a big concern for us. We are not 100 per cent clear yet about how that will impact on our ability to take a different policy course from what is being pursued elsewhere.

We specifically asked for agriculture not to be included in subsidy control. The results of the

consultation in relation to that were shared with us. That could well constrain us, and we are not yet 100 per cent clear about what the full impacts of that would be.

In the meantime, it is important for us to set our own agriculture policy for Scotland. We have a land type that is very different from that of the rest of the UK, which is why it is important that we have the ability to set our own policy and a framework for payments that works for farmers and land managers in Scotland.

**Jim Fairlie:** It is clear from that that we need to keep a very close eye on where divergences are going to be and where we could be brought into conflict with the UK Government as the policies develop. Is it fair to say that?

**Mairi Gougeon:** Absolutely. As I have said, we have to be very careful and keep a close eye on how things develop in relation to the internal market act and what is being proposed in relation to subsidy control. We continue to try to engage with the UK Government on those issues to ensure that our interests are represented and that we have the ability to create our own policy, but that can be very difficult when we are not provided with all the information that we need.

**Jim Fairlie:** I am aware that I am taking up a lot of time, but I have two more brief questions for the cabinet secretary.

First, the NFU has written to Kevin Foster to ask for a 12-month Covid recovery visa. Do you know whether it has received a response? Have you had any communication with the UK Government in order to get that visa put in place?

I have only just learned about the second thing that I want to ask you about. There is something in the new programme for government about the living wage for agricultural workers. The Agricultural Wages (Scotland) Order (No 68) 2021 takes agricultural wages well above the minimum wage. I do not know where the balance is. Will the order be scrapped, or is there something else that we do not know about at this stage?

**Mairi Gougeon:** No, we are not saying that the order will be scrapped. We will work with the Scottish Agricultural Wages Board to try to reach that goal, where wages are below the living wage.

Was your previous question on the NFU writing to the UK Government in relation to—

**Jim Fairlie:** The NFU wrote to Kevin Foster, who is the Parliamentary Under Secretary of State (Minister for Future Borders and Immigration), to ask for a 12-month Covid visa in order to get over the short-term supply chain workforce issues in the agricultural sector. Do you know whether that visa has been granted? Have you had any

communication with the UK Government about that?

**Mairi Gougeon:** As far as I am aware, there has not been a response to that, and I have not had any communications from the UK Government in relation to it. We have, of course, continued to pursue that issue with the UK Government because, as the committee will be aware, addressing that is absolutely critical for our food production. The issue is right across the supply chain. I know that the committee took evidence on it last week, and it was raised countless times in our debate on food and drink last week.

There have been asks of the UK Government in relation to the shortage occupation list. Mr Fairlie has mentioned some of the requests. We support them, of course, but, unfortunately, the levers to try to influence any of that are not within our control.

On the back of the letters that were issued last week by industry and the NFUS, I have also written to the UK Government to request a call with the Home Secretary in order to discuss the critical issues that we, in Scotland, are facing. I hope that we will be listened to, but, as I outlined in last week's debate, we have made 19 different approaches to the UK Government to discuss migration and, so far, every one of them has been ignored.

**Jim Fairlie:** I presume that you will bring us up to date if there is any progress on any of those issues.

**Mairi Gougeon:** I am happy to do so.

**The Convener:** Just before I let Rachael Hamilton in with a short supplementary, I want to come back to your comment that you have contacted the UK Government 19 times without response. How many times have your civil servants met their Westminster equivalents over the past month?

**Mairi Gougeon:** I am not able to tell you that off the top of my head, but I am happy to come back to the committee with that information.

**Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con):** The programme for government says:

"A preliminary package of measures to reduce greenhouse gas emissions from agriculture will be developed by COP26."

That is a very tight timeframe. I also note that gene editing is not mentioned in the programme for government. I would have thought that, by going for close alignment with the European Union, you would be almost shutting the door on innovation with regard to reducing emissions. Do

you have plans in that regard that you can share with the committee?

**Mairi Gougeon:** I have no particular plans that I can share at the moment. We are aware of the discussions that are happening in the EU on the issue, and we are closely monitoring them. I will, of course, be happy to update the committee on developments.

**Dr Alasdair Allan (Na h-Eileanan an Iar) (SNP):** You will not be too surprised to hear that my questions are all islands related. First, can you tell us anything more about plans for inshore fisheries and how they might affect fishing effort within the 3-mile limit? Obviously, this is an issue of great interest on the west coast.

**Mairi Gougeon:** I completely understand that. The member and the committee will be aware of the co-operation agreement with the Scottish Green Party, which sets out a number of measures that we are looking at with regard to inshore fisheries and putting a cap on activity. It also sets out our intention to introduce highly protected marine areas, which would cover about 10 per cent of our seas. We will, of course, follow due process in relation to introducing such measures, and we will consult and engage with communities and the fisheries sector.

I also highlight “Scotland’s Fisheries Management Strategy 2020-2030”, which was published towards the tail end of last year. We will publish an action plan on that to be delivered towards the end of this year.

In my role, I undertake a lot of engagement with the various regional inshore fisheries groups; indeed, I met the chairs of the groups earlier in the week. We will continue to engage with the sector.

As Alasdair Allan will be aware, there are many competing interests in our marine environment, including renewable energy and various fishing interests, and we also have to try to improve that environment, protect our fish stocks and improve marine biodiversity. There will be a lot of challenges over the next few years, so we need engagement and consultation to ensure that we fully understand all the issues and that we work with communities in developing our future proposals.

**Dr Allan:** You mentioned designations and working with communities. An issue that has arisen in the past, at least in some parts of the country, has been the move towards more local management of marine designations. That has happened in some places but not in others. Is the Government seeking to make real the local management of designations wherever possible?

**Mairi Gougeon:** Absolutely. Where local management is in place—there have been a

couple of pilots—it seems to be operating really well, so we would welcome proposals from the regional inshore fisheries groups on how it can be done in other areas. Local management and ownership will be really important in making progress, and it will be a critical part of our work as we move forward.

**The Convener:** The Environment, Climate Change and Land Reform Committee produced a report last year that identified specific issues with capacity and funding for inshore fisheries groups. You have already said that they are important. Are there plans to improve funding so that those groups can carry on the good work on inshore fisheries?

**Mairi Gougeon:** As I said, I met the regional inshore fisheries groups earlier this week. We talked about future engagement. We want them to continue the work that they are doing and we know that they will need support with that. We will continue to consider those issues. We want to ensure that the groups have the resources that they need to enable them to deal with issues such as future local management plans and to undertake the engagement that will have to happen. We will continue discussing that with them.

**Dr Allan:** I know that you are aware of the issue of crofting law. It does not feature in this year’s legislative programme. Is any planning being done on what future crofting reform legislation might look like, given that we have a body of work—the attractively named crofting law sump—on the changes that might be made? Will that be made use of and considered by the Government?

**Mairi Gougeon:** We know that a lot of work has already been undertaken. Unfortunately, we were unable to progress it in the previous session of Parliament. Although it is not in this year’s programme for government, we have made a commitment to modernise crofting law. We will look at all the work that has been done on it so far.

The committee will be aware that crofting legislation is complex. Future work on it will not be straightforward. The work that has been undertaken has highlighted difficulties in reaching consensus on key issues, some of which might seem to be simple. Building consensus on those issues will be key in driving the work forward. I assure the committee that the work that was previously undertaken by the crofting law group and the Law Society of Scotland will stand us in good stead when we commence work on crofting law reform. We are still looking for time for that in the legislative programme. Decisions about that will be taken by the Cabinet as it sets out the future legislative programme. I reiterate our commitment to modernising crofting law. We will take that forward.

**Dr Allan:** A consultation is under way on the Government's policy on islands bonds. I am sure that the Government will be open to what comes from the consultation. What scope is there to refine the policy to ensure that it meets everyone's needs?

**Mairi Gougeon:** There will be a lot of scope to refine the policy as it develops. The consultation is open. We have committed to developing £5 million-worth of islands bonds. The intention is to offer 100 bonds of £50,000 each to young people and families. The bonds could encourage people to move to islands that have fragile populations or suffer from depopulation, or it could be used to help to keep people on our islands.

We are in the early stages of that and are keen to hear what people think. I have already been inundated with emails. I hope that there will be a high rate of response to the consultation. I encourage everyone to take part and to make their views clear. We will also undertake an island communities impact assessment as part of that work. We want to do that work early so that it can inform how the policy develops. We are open to ideas. The consultation is important in shaping the policy.

The bonds are just one measure. We do not expect them to resolve the depopulation that some islands are experiencing, but they are one tool to tackle some of the issues.

10:30

**The Convener:** We will jump back to fisheries. Karen Adam and Beatrice Wishart have questions on policy.

**Karen Adam (Banffshire and Buchan Coast) (SNP):** As you are aware, the fishing industry has had quite a hard time of late, especially because of the double whammy of Covid and Brexit. Naturally, its people are concerned for their future. With that feeling of vulnerability, they are quite sceptical about the co-operation agreement with the Scottish Green Party. Will you say something to alleviate their fears? In particular, can you tell us a bit more about how the distribution of quota and tackling of discards and by-catch are being worked on within the future fisheries management strategy?

**Mairi Gougeon:** Absolutely. On your first question, which was about the co-operation agreement with the Greens, engagement with different stakeholders is a critical part of my job and something that I have sought to do since I was appointed. Since we announced the co-operation agreement, I have sought to meet fisheries stakeholders to discuss concerns and potential issues.

However, the fact remains that we want sustainable development across our fisheries sector. I understand that there are concerns. As we move through the agreement that we have reached and the policies that we have outlined, it is really important to engage and consult and to base our decisions on the best available evidence. Working with stakeholders and carrying out that engagement is a critical part of the process.

There are a lot of issues in the marine environment. I have spoken about the increasingly cluttered landscape when it comes to our seas, about competing interests between fisheries and renewable energy, and about trying to protect our marine environment in the best possible way. I assure the committee that we will engage in the proper process as we develop the policies that we have set out in the co-operation agreement.

You also asked about catching policy. We have, in the programme for government, set out in some detail how we intend to move forward on that and on other work on fisheries. However, as you said, the pandemic has had an impact on the seafood industry and, in particular, on the fisheries industry. That has shown how much we need to boost the resilience of the industry overall, and to strengthen the links between the catching sector and onshore interests—for example, through diversification of fishing opportunities and attracting new entrants.

We want to tackle some of the known issues, an example of which is the landing obligation. We will introduce a future catching policy to take a tailored approach to tackling discards and reducing unwanted catch through various technical and spatial measures. We intend to consult on that before the end of the year and to introduce legislation next year. As I said in my previous response, we will also publish a delivery plan that will set out our plans for delivering the future fisheries management strategy and the 12 points within it, which will address a lot of the issues that are being experienced. That has strong backing from all our stakeholders and will be a critical piece of work.

It is also important to note that the co-operation agreement will build on what is set out in the future fisheries management strategy.

**Karen Adam:** Thank you. You touched on enticing new entrants into the industry. I know that there has been fantastic work in and around women in agriculture. Is there any scope to look at a programme for women in aquaculture and fisheries?

**Mairi Gougeon:** You are absolutely right that that is a key piece of work that we have taken forward on agriculture.

We are also working closely with the Scottish fishing industry, through the Scottish fishing industry safety group, on improving safety for all fishers. That group recently received £140,000 through the marine fund Scotland to deliver free safety training for fishing vessel crews.

As well as looking at safety, we are carrying out specific research into the barriers that are faced by new entrants and by specific equalities groups, including women, to entering and progressing through the fishing industry. We will be looking to take specific action on that through the future management strategy, in order to ensure that we have the right support in place. In addition, through the marine fund, new entrants are able to apply for funding towards the purchase of a second-hand fishing vessel. In relation to new entrants and women—as you said, as we have done for women in agriculture—we realise that there is more scope for diversity in fishing, so we want to ensure that we make the industry as open as possible.

**The Convener:** I will bring in Jenni Minto for a supplementary question on fishing, before moving to Beatrice Wishart.

**Jenni Minto (Argyll and Bute) (SNP):** Thank you for attending, cabinet secretary. Following on from Karen Adam's question, mine is about the local ability to process fish. Given Brexit and its impact on our local inshore fishermen, how can the Scottish Government support them to change their market from Europe to Scotland, and what support are you giving them?

**Mairi Gougeon:** You are absolutely right about there being impacts, and we know that there have been huge issues in processing as a result of Brexit, as I outlined in my opening statement. We are working on a strategy, to be delivered next year, for which we will look at the various opportunities and what we can do to work with the industry and to develop the market and find new markets, based on what has been lost by leaving the EU. We have been working with the industry throughout to develop that strategy and we will continue to work with it on implementation. We want the industry to be a success.

Jim Fairlie touched on the labour element, which is critical. I have spoken to seafood processors that have highlighted the serious problems that they face in recruitment. The proportion of the seafood-processing workforce that was EU citizens was nearly 60 per cent. In Grampian, the proportion was even higher—I think that it was about 70 per cent or higher. That is one of the immediate critical issues that we continue to press to resolve. We want to do what we can to encourage people in Scotland into the sectors, and we want to develop and help the industry as much as we can.

**Beatrice Wishart (Shetland Islands) (LD):**

Good morning, cabinet secretary. Thank you for taking the time to come to Shetland in the early days of your new appointment. I hope that that was not the last time that we will see you in Shetland.

I want to ask about vessel tracking and monitoring systems. What are the plans and potential issues that you see in trying to monitor movements of fishing vessels via GPS? We know that there are concerns about fisheries enforcement, so I am interested in your take on that.

**Mairi Gougeon:** Thank you. I had a very busy visit to Shetland, and, of course, I met fishers and people from the seafood industry when I was there. It will not be my last visit there; I fully intend to keep that engagement going and to visit again when I can.

I understand that there might be concerns about electronic monitoring, but I think that it is a positive measure. It helps us to build a picture, and, when it comes to monitoring and enforcement, it fills in those data gaps, so I think that it will work to the benefit of fishers. Right now, people can be accused of entering into or undertaking activity in marine protected areas when they have not done so. Electronic monitoring will help to protect the industry from such accusations.

Monitoring also helps us to build data and evidence. As I said, we have outlined our plans to develop a suite of highly protected marine areas, as well as introducing management measures for marine protected areas and protecting priority marine features. The ability to look at where vessel activity is taking place will be vital in that regard, so I see monitoring as a positive step.

**Beatrice Wishart:** How does that impact on enforcement with regard to foreign vessels? You will be aware of the concerns that some have expressed that foreign vessels are boarded more often than UK or Scottish vessels.

**Mairi Gougeon:** I understand the concerns around that and I have received a fair bit of correspondence on the matter from various members. However, in response to freedom of information requests, we have published information that shows that that is not necessarily the case.

In addition, compliance on some of the other issues that we see is the responsibility of the Maritime and Coastguard Agency. I requested a meeting with the MCA, which has been arranged for some time soon—I cannot remember the exact date—to discuss some of those issues and how we can prevent some of the conflicts from taking place.

The measures that we introduce in Scotland are not only for our vessels. We want to ensure that all vessels are part of the programme and that it is implemented in a fair and transparent way.

**Beatrice Wishart:** Moving on to the aquaculture sector, is there a timescale for the regulatory reform?

**Mairi Gougeon:** Yes. I am sure that the committee will be aware that we appointed Professor Russel Griggs to lead on that work. I would be happy to send the committee the terms of reference if you do not have it already.

We are expecting a report by the end of the year. The first few months are about fact finding, and at that stage we expect recommendations from Professor Griggs on which areas we need to look at for reform and other pieces of work. In the next few months, we expect to see the initial outcome from the first phase of the review, before we go on to look at further actions.

**The Convener:** I have a final question on inshore fisheries. There are moves to look at bringing back a 3-mile limit for mobile fishing gear, which will almost certainly lead to an increase in static gear. It has been suggested that, in inshore waters, static gear is a source of mortality in humpback whales, which could be occurring at a rate and order of magnitude that would render the species unsustainable. What are the Government's policies to ensure the right balance between static and mobile fishing gear and the impact on species such as humpback whales?

**Mairi Gougeon:** On your first point about the 3-mile limit, we have not agreed to nor adopted such a policy because we do not agree with taking a blanket approach, given how different and variable the coastline of Scotland is. A tailored approach is seen to be a lot more effective and beneficial.

The work that we have done through the future fisheries management strategy, with the regional inshore fisheries groups, looking at where local management can work, has been vital in helping to inform how we move forward and how we handle some of the issues that you outlined. So far, we have taken an approach of engagement and consultation, looking at the different environments surrounding coastal communities in Scotland. That approach makes sense, and we fully intend to continue with it.

**The Convener:** Mercedes Villalba has some questions on islands.

**Mercedes Villalba (North East Scotland) (Lab):** In your opening remarks, you said that the Government is taking on board what island communities say that they want. There has been much talk of island community impact assessments. Do you think that the Scottish

Government has had sufficient concern for island communities and island economies with regard to the decision by Highlands and Islands Airports Limited to push ahead with a process of centralisation?

10:45

**Mairi Gougeon:** As you mentioned, we have a legal duty under the Islands (Scotland) Act 2018 to take islands issues into account when developing or reviewing policies, strategies and services through island communities impact assessments. That is hugely important when we are looking to develop policy, and the assessments have been effective in identifying issues.

We continue to engage with communities and stakeholders, as part of the island communities impact assessments process, on a wide range of policies and services that are under development, including transport, health and various aspects of food and drink.

We also seek feedback throughout the process. If there is anything that we can do to update the guidance and toolkit, we will very much look to do that.

I am sure that the member is aware that the HIAL issue falls within the remit of the Minister for Transport, Graeme Dey, so I suggest that the committee contact him on any issues that you want to follow up. He will be happy to provide you with further information.

**Mercedes Villalba:** Given that HIAL is publicly owned and that the Government has a policy of repopulating islands, I am surprised that more has not been done. However, it is good to hear that you are engaging with different stakeholders.

I am aware that the matter falls under the remit of the transport minister. The workers and their trade union representatives have written to him, asking to meet him. Would you encourage him to meet them?

**Mairi Gougeon:** I know that the transport minister has been undertaking engagement in and around the issue. I would be happy to ask him to get in touch with the committee and to outline the work that is taking place, if you would find that helpful.

**Mercedes Villalba:** Okay. Thank you.

**The Convener:** Last night, Alasdair Allan, one of our committee members, led a very interesting members' business debate on ferries. Ferries are, by their very nature, 100 per cent connected to islands. If we were to look at further pieces of work on ferries to the islands and, potentially, the make-up of CalMac Ferries's board and so on, are those issues that you would take up, given that they are

solely an islands affair, or is that something that we would take up with the transport minister?

**Mairi Gougeon:** It is not solely an islands affair, but ferries fall within the remit of the transport minister, so, if the committee was looking to do any specific pieces of work on that, he would be best placed to respond to that.

**The Convener:** Thank you. We move on to questions on animal welfare.

**Rachael Hamilton:** You will be aware that the British Association for Shooting and Conservation, with the support of rural workers, is calling for the formation of a task group to consider the findings of Scottish Government research in that area. Why is that not in the programme for government? Is the Government considering progressing the issue?

**Mairi Gougeon:** I am really sorry but I missed the first part of your question about the task force and what you were asking for.

**Rachael Hamilton:** You commissioned research on the abuse of Scottish gamekeepers. I am wondering why that is not included in the programme for government and whether you have any intention to progress the issue on behalf of rural workers.

**Mairi Gougeon:** I would be happy to come back to the member and the committee with more information on what stage that work has reached. Obviously, a lot of work is on-going across Government that is not necessarily detailed point by point in the programme for government.

**Rachael Hamilton:** How soon can we expect grouse licensing and the modernisation of the Deer (Scotland) Act 1996? Who will be responsible for progressing that? Which committee will scrutinise the licensing aspects?

**Mairi Gougeon:** In relation to committee scrutiny, again, as we touched on earlier, it is a matter for the Parliamentary Bureau to discuss and determine which committee would be best placed to consider which pieces of legislation.

When it comes to wildlife and some of the issues that you mentioned—the grouse moor management review and the response to the deer working group—those are the responsibilities of the lead minister, the Minister for Environment and Land Reform, Màiri McAllan.

**Rachael Hamilton:** Can the cabinet secretary give us a bit more information about what the programme for government means when it says that the Scottish Government will

“Review the wider species licensing system”?

**Mairi Gougeon:** I am sorry, but do you mean wider species licensing in general?

**Rachael Hamilton:** We know about the grouse moor licensing and other licensing that you are likely to bring in, but do you have any detail on what it means when you refer to “wider species” in the programme for government?

**Mairi Gougeon:** We have licences relating to a number of species in Scotland. We have talked about licensing for grouse moors and we have licences in relation to beavers. Some of that work has been set out in the co-operation agreement with the Scottish Green Party. It is about ensuring that our licensing scheme works in the way that we hope it does and that it is effective.

**Rachael Hamilton:** On the proposed fox control bill, considering your role as cabinet secretary in supporting the wider rural economy, the countryside and the people who work there, what role will you play to ensure that the people who work in rural areas can support and protect their livestock and livelihoods? How will you be part of that process, given that you said that Màiri McAllan will lead on that bill?

**Mairi Gougeon:** As I mentioned, I was previously a minister who worked between two cabinet secretaries. In that situation, you do not work in isolation, especially when the issues concern various aspects across wider portfolios, so there will be close working on that. We also have a responsibility to ensure that, as we develop proposals for legislation, we engage with all the stakeholders and people who will be affected by it. I did that in my previous role and I do it now. It is critical for any legislation that there is open consultation so that we get the necessary feedback on the proposals to help us to shape the legislation and frame it in the best possible way.

That work will be undertaken in the process of developing the legislation that the member refers to. There is always a lead minister or cabinet secretary to take forward various bits of legislation, depending on where it falls in the portfolio. As I mentioned, that piece of legislation falls within the portfolio of the Minister for Environment, Biodiversity and Land Reform, who will take the lead on that.

**Rachael Hamilton:** I do not know about other committee members, but it might be helpful if, at a later stage, we heard about why that legislation would fall into another portfolio, particularly when it is about control of a pest to protect livestock, which is under your remit. However, I will move on.

Is there a plan to update Forestry and Land Scotland’s powers for controlling the deer population and in relation to the welfare of pregnant female hinds as we move to planting more trees across Scotland?

**Mairi Gougeon:** That issue has received a lot of attention recently. However, deer numbers across Scotland almost doubled in the period from 1990 to now, and managing numbers is absolutely necessary if we are to reduce the ecological damage that deer can do and to protect young trees. That is absolutely imperative in helping to tackle the climate and biodiversity crises.

I reassure the committee that that activity is licensed by NatureScot, which takes welfare very seriously when it is considering authorising the taking of deer during the period of highest welfare risk to dependent young. The people who undertake that activity have to go through rigorous training to comply with best practice. What we have seen announced recently is not a routine operation. Forestry and Land Scotland is responding to its annual survey of crop damage and habitat impacts from deer, and it is trying to prioritise deer management on vulnerable areas of land. A substantial number of Scotland's land management organisations recognise the need for on-going control of deer populations and acknowledge that Forestry and Land Scotland delivers deer management to the highest possible standards.

Going back to the point that you made at the start of your question about where various bits and pieces fall, I note that wildlife management is the responsibility of the Minister for Environment, Biodiversity and Land Reform, which is why the legislation in that regard will be led by that minister.

**Rachael Hamilton:** Okay. I think that we will work out where it lies in terms of scrutiny and the joint responsibility between the two committees.

My final question is not about animal welfare; it is about future farm policy. How will the current Scottish tenancy legislation fit in with the conditionality of public money for public goods? How will you get involved in forming future land reform that has an effect on Scottish tenants who might be breaching rules of husbandry where agricultural production is of paramount importance in their role as tenants?

**Mairi Gougeon:** We have made a PFG commitment in relation to tenant farmers, and that work will be undertaken through land reform legislation, so the committee will be closely involved in it. We also want to ensure that tenant farmers can play as full a role as possible when we are looking to undertake measures for climate mitigation and emission reductions. A number of schemes are being worked on to ensure that that can happen.

**The Convener:** I have a question before we jump back to agriculture with some questions from Ariane Burgess. You have a commitment to

establish a new Scottish veterinary service. Will you set out what you aim to achieve and what the outcomes will be? Will you also give an indication of how long you think it will take to set up the service?

**Mairi Gougeon:** Yes, and I am happy to give the committee a bit of background information on where the commitment came from. We had an independent review of the field services that are delivered by the Animal and Plant Health Agency. That was commissioned by ministers a couple of years ago to ensure that they continue to offer value for money and to see whether any other models could deliver efficiencies or improve effectiveness. The report was published early last year and it contained 10 recommendations including the creation of a stand-alone Scottish animal health and welfare delivery body, which would, it was felt, best meet Scotland's long-term interests.

We recently asked Professor Milne, who undertook that work, to revisit the report—to look at the manifesto commitment and update his report to take account of the changes that have taken place since then. Obviously, we have had the impact of EU exit, the new animal health regulations and Covid-19. We expect to get the report back in October.

We expect that a new Scottish veterinary service will at least be established within the current session of Parliament, subject to ensuring that we get the parliamentary time to deliver it. It is estimated that the initial work to create it will take about 18 months. There is a lot of information that we have to scope out as part of that process. We will consider what the most effective model will be and how we are going to deliver it. As I said, we hope that we will be able to undertake that work within the current session, securing the parliamentary time to deliver a veterinary service that works and delivers for Scotland.

**Ariane Burgess (Highlands and Islands) (Green):** Thank you for joining us this morning, cabinet secretary. It is good to hear you laying out the diverse challenges that you are facing and the work to transition our rural areas in response to the climate emergency and biodiversity loss. You talked about this a little in response to Jim Fairlie's questions, but I am curious to hear some more detail on how that will show up in new agriculture and land use policies.

11:00

**Mairi Gougeon:** We have done work through the farmer-led groups, which have provided a suite of recommendations, and we made a manifesto commitment that we would deliver on those. Earlier in the summer—not long after I was

appointed to my role—I met the chairs of the farmer-led groups, who were all enthusiastic about getting to work and were keen for the recommendations to be delivered and to play their part in reducing emissions in Scotland.

There will be huge challenges—there is no getting around that—and I do not think that anybody would underplay them. However, we can be world leaders in Scotland when it comes to sustainable agriculture. We want to work alongside industry, farmers and land managers to deliver that. It will, of course, be for the board to test and develop detailed proposals to see what will work most effectively.

As I said in a previous answer, we committed in our manifesto to shifting half of our current funding for farming and crofting to conditional support by 2025. Although I cannot say what the specific measures will look like, because they are still to be co-developed, a key part of that will be ensuring that every farm business reduces its emissions to the lowest possible level and does what it can to restore and protect biodiversity across its business. Supporting biodiversity and reducing emissions will be key components of that.

**Ariane Burgess:** The programme for government talks about doubling the amount of land that is used for organics. Currently, I think, 1.9 per cent of land is used for organics in Scotland. The European Union is calling for organics to account for 25 per cent. Obviously, we cannot suddenly make that leap. Do you see the doubling of the amount of land that is used for organics, which would still be a small amount, as a step in the direction of larger increases in the future? We have five years in which to do that doubling, and it takes time for land to transition to organic production. Underneath all of that, we are really talking about improving soil fertility and soil health if we want to provide something for future generations. I would love to hear the cabinet secretary's thoughts about organic farming in the long term.

**Mairi Gougeon:** As you say, the EU's target of 25 per cent is very ambitious. About 1.7 per cent of our land is currently being farmed organically. Our target is achievable—there is no point in setting targets that are so far out of reach that we do not have a chance of meeting them. We must be pragmatic, but we must also be ambitious about what we can do.

It is concerning that, over recent times, the amount of land that has been farmed organically has reduced when we want it to increase. In the co-operation agreement, we say that we want the amount of land that is farmed organically to at least double by the end of this parliamentary session. If we are able to increase the amount further, I hope that we will do that.

We will also deliver on an action plan for organic farming. We will build on the work that was done through the previous plan, which was in place until 2020. We will also work together with the organic sector on the different actions that we can take to increase the amount of land that is being farmed organically and on what we can do with regard to organic produce.

Critical to that is the food for life scheme, which is about getting more organic produce to local authorities and served in our schools. We very much support that initiative and are keen for it to continue. Just over half of local authorities in Scotland are now signed up to the scheme. As we set out in our manifesto, it is critical that we harness our wider public procurement and spending powers and that we embed the food for life scheme and expand it across the wider public sector. That will all help to develop our work on organics.

**The Convener:** Just before we move away from that topic, I want to bring in Jim Fairlie with a question on organic farming.

**Jim Fairlie:** I am sorry to Ariane Burgess for interrupting her questioning, but I am keen to bore down into this matter a wee bit. Having been a hard-nosed farmer, I know that finances are usually the driver for making anyone do anything as far as having a sustainable business is concerned. Have you allocated an amount of money to persuade people to go organic, and have you done a cost benefit analysis of how much you are going to have to put in to do that?

Moreover, have you looked at the issue of organic farming versus regenerative agriculture? I do not want to set one against the other, but I have to tell Ariane that they are definitely not the same thing. Has the Government looked at regenerative as opposed to organic farming, or does it, like Ariane, consider them to be the same? How serious are you about pushing that area of farming in Scotland?

**Mairi Gougeon:** There is space for all these things, and we certainly do not intend to pit one sector against another.

On support for organics, conversion and certification costs are met through our agri-environment scheme. Indeed, since 2015, we have spent between £19 million and £20 million, I think, on organic conversion. I know that there are specific costs related to that, and we need to do what we can to support those who are thinking of converting to organics. If we are looking to expand the amount of land that we farm organically, support will be critical. That said, all agricultural support will be considered by the implementation oversight board that we have established, and I

am sure that there will be discussions about this and further proposals developed.

**Jim Fairlie:** Again, I apologise to Ariane Burgess—I do not want to steal her position here—but I visited a regenerative farm that is working very closely with Soil Association Scotland, which appreciates that there are slight differences in this matter. I encourage the cabinet secretary to have a word with Soil Association Scotland on what it is doing on the regenerative side of things.

**Mairi Gougeon:** Absolutely. Soil Association Scotland is one of our key stakeholders, too. Indeed, I met that organisation over the summer and will continue to engage with it. An important part of my role is getting out and about and meeting different farmers across Scotland, and I fully intend to keep doing that.

**Ariane Burgess:** I thank Jim Fairlie for deepening the conversation and the cabinet secretary for her answers. Jim and I will be having a chat over tea about regenerative and organic farming and how they work together. Perhaps they are a bit like Russian dolls.

Moving on to the product from organic soil—food and drink—I know that we have been talking about long-term plans and the future, but the committee is also keen to hear about the implications of EU exit on the food and drink sector, the functioning of imports and exports nine months on from the end of the transition period and whether there are any on-going issues in any particular sectors.

**Mairi Gougeon:** There is quite a lot to unpack in that question, and I will try to answer it as best I can.

I know that the committee took evidence on this issue last week, so it will be aware of some of the impacts. Indeed, some impacts have been well publicised. In an article last week, Andrew Faichney of East of Scotland Growers Ltd highlighted the critical shortages that it is facing, with the issue of labour, which we have already touched on today, a critical element in that respect. So much food is going to waste. Andrew Faichney says that about 2.5 million heads of broccoli and 1.5 million heads of cauliflower have been lost, simply because there is no labour to deal with them.

Labour is a critical issue across the piece, and that is down to our no longer having freedom of movement. I have also talked about the importance of labour in the processing sector and some of the percentages that we have seen there with regard to recruitment, but the fact is that putting a stop to the free movement of people was always going to have a huge impact.

There has also been a huge impact in relation to trade. I mentioned in last week's food and drink debate that EU exit and the barriers to trade that now exist cost the food and drink industry about £700 million in January alone. Those barriers are not going to go away. On seafood, the task force that was set up with the UK Government to work through the issues and barriers as best we could has morphed into an action group. However, more barriers are due to come in over the coming months. There is no way of avoiding that. New requirements on export health certificates, which had been due to come into force by the end of this month, are now due to be introduced in January. Those requirements will affect aquaculture, in particular.

We continue to face such issues. As I said, the situation is not going to get better. If anything, the longer we go on, the more checks there will be and the more issues there will be, all of which simply serves to hamper the food and drink industry, from primary producer to manufacturer to the other end of the spectrum. We are seeing the impacts right across the board.

**Ariane Burgess:** I have one more question, which combines your islands remit and the issues of housing and land. Over the recess, I visited Orkney, Shetland and the Western Isles. I am a Highlands and Islands MSP, and the big issue for me is re-peopling and keeping in place people who want to stay in their villages. Housing is a big part of that. The other part of the equation is jobs, but the issue of housing seemed to come up everywhere I went. A lack of land on which to build houses is also an issue. For example, on Barra, the land is all under crofting tenure and there is not much space to build housing. In other places—for example, on Harris—although the land is owned by a community trust, it is in places that are extremely difficult to get to, so house builders do not want to take on the job even though the funding to do it is in place. Where does your role as the cabinet secretary with responsibility for islands fit with supporting the building of housing for island communities?

**Mairi Gougeon:** Ariane Burgess and the committee will be aware of the fact that, even though I have responsibility for islands, there are many issues that impact on our island communities that do not fall directly within my remit. The issue of housing in our rural areas and island communities falls within the remit of the Cabinet Secretary for Social Justice, Housing and Local Government, Shona Robison. However, there are obviously strong crossovers between her responsibilities and mine in that respect.

Like Ariane Burgess, I travelled round our islands in the summer. I visited Islay and Colonsay with Jenny Minto, and I went to Orkney and

Shetland, too. On Colonsay, lack of affordable housing is a huge issue. We heard from someone whose family had been on the island for generations but they were living in a caravan because there was no housing there for them. There were job opportunities in the area, but there was no housing available to enable people to live on the island. More than 40 per cent of the homes on Colonsay are second homes or holiday homes. There are undoubtedly issues there.

A positive aspect of that visit was the fact that I was there to launch the rural and islands housing funds. By investing in those funds, together with Mowi, we are helping to deliver new housing for the community, which will have a hugely positive impact. On top of that, in the co-operation agreement, we talk about developing an action plan for rural and island housing, as well as committing £45 million for rural and island communities.

As I mentioned, the islands bond will not resolve many of the issues on its own, because there are a lot of issues that can affect people's ability to live on islands and that might cause them to leave. Ariane Burgess is right to say that housing is a critical element. I hope that, through the funding that we are providing and by engaging with communities on the action plan, we can identify where the critical problems are and try to address those as best we can. I hope that that, alongside some of the other measures that I have outlined, will help.

**Ariane Burgess:** Thank you.

11:15

**Jenni Minto:** It was an interesting couple of days on Islay and Colonsay, and I know that you visited Shetland after the Argyll and Bute islands. I think that you will have picked up that each island is different, as I have certainly done from visiting a wide array of islands in my constituency. I was pleased to hear you talk about a tailored approach to agriculture and fisheries, and I hope that the same tailored approach will be taken with regard to islands, too, because, as you have highlighted, different islands have different needs. For example, Jura has benefited hugely in the past 10 years from having a clear community action plan, but it has now reached the point at which there is nobody with free volunteer time to continue the development of the island. Comparing that situation with the situation on other islands such as Colonsay, which you mentioned, demonstrates the need for different approaches.

I would like to understand a bit more about the infrastructure spend that was highlighted yesterday, and I would like to know more about carbon neutral islands, which is an important issue

across Argyll and Bute and other island communities. For example, Tiree has a community wind turbine that has given the island a strong funding base that allows people there to do more in their communities. I am interested to know more about the different stages that various islands are at in that regard and about how the piloting will work.

**Mairi Gougeon:** I heard your speech yesterday, in the debate on the programme for government, in which you discussed the renewable energy potential in your constituency and mentioned some of the developments and opportunities there.

It was interesting to go around the islands, because you are absolutely right that no island is the same as another; each has different challenges and opportunities. We are still at the early stages of our carbon neutral islands proposal, so we will of course be engaging with island communities and local authorities to see how we can take that forward. It is interesting to hear what you say about the different developments, such as the one on Tiree. In that regard, I would mention the tidal developments in Orkney. A lot is going on, and there is an opportunity for our islands to lead the way on tackling our carbon emissions and harnessing our ability to reach our net zero target. Again, we are in the initial stages of that work and I will keep the committee up to date on it as it progresses.

On the infrastructure fund, the islands programme has set out £30 million of funding over the course of the next five years. That work is split into three separate programmes for this coming year, on which £9.5 million is being spent. The islands infrastructure fund has £6.2 million to spend this year. Two projects have been allocated funding from that so far, and the rest of that will be distributed across the islands authorities. The islands communities fund, which is a £2 million fund, opened earlier, and we will announce the projects that have made successful applications to that soon. Further, over the course of the summer, I launched the healthy islands fund, which is a fund of £1.3 million.

Those funds recognise that island communities have had specific challenges throughout the course of the pandemic. The healthy islands fund will address an outcome in the national islands plan about improving the health and mental wellbeing of people on our islands. Through the communities fund and the infrastructure fund, we are looking for projects that will hopefully have an impact as we look to make the transition to becoming a green economy and that will create and help to retain jobs in island communities.

A lot of work is currently under way. Again, that will be a five-year programme of spend. Those are

the allocations that have been made this year, but more will be coming down the line. We will, I hope, start to see those funds and those projects making positive impacts soon.

**The Convener:** Jim Fairlie has a question on food and drink.

**Jim Fairlie:** I am sorry to keep coming back to you, cabinet secretary, but, given the size of Scotland's food and drink industry, it is vital that we look at that area in detail. This might not be the right meeting in which to do that, but there are a couple of issues that I want to raise.

Where is the food and drink recovery plan going? What will have to be done in that respect? I know that 60 food and drink businesses have signed up to the business development academy and that every major industry body has signed up to delivering it, but I want to ask about the proposed sustainably Scottish brand. What does it mean? What will it deliver? Where does it fit in? How will our current brands fit in with it? How will we define "sustainably Scottish"?

I know that that is a packed question, but it would be helpful if you could give us a broad overview of your thinking on some of those issues.

**Mairi Gougeon:** The food and drink recovery plan has been funded with £5 million in 2020-21 and another £5 million in 2021-22. There are 50 actions in the plan. I would be happy to write to the committee to provide more information about those actions and some of the work that has been done.

The regional food fund, which I launched in Shetland in the summer, is one project that has been delivered through the plan. The fund, which seeks to showcase and develop new markets for our food and drink, received a positive welcome. We have the best produce anywhere in the world, and it is important to highlight and showcase that and to do what we can to develop markets, especially in the light of some of the challenges that we have faced recently. We have also provided £1.8 million to Seafood Scotland and, last month, we announced a food processing, marketing and co-operation grant of £7.3 million. All of that is intended to keep our food and drink businesses resilient and to help them with some of the issues that they face.

You asked about sustainably Scottish. We produce sustainably. Scotland has a lot to show off about when it comes to our food and drink, and a sustainably Scottish brand would capitalise on that. We are in the early stages of that work. We will be working closely with Scotland Food & Drink to help to develop proposals for that and to see how we can drive it forward. It is important that we highlight Scottish produce and capitalise on the fact that it is sustainably produced.

**Jim Fairlie:** I would like us to come back to the sustainably Scottish brand at some point, because we have brands that sit within the Scotch brand. Where will they fit in? Are we going to absorb them into the sustainably Scottish brand? We need to drill into that, and I would appreciate our being able to come back to that in the future.

**Mairi Gougeon:** We will be working with Scotland Food & Drink and other organisations to capture all of that and tie everything together.

**The Convener:** You touched on current issues in the food and drink supply chain. It is somewhat disappointing, but not surprising, that you focused on Brexit. Can you assure us that, when you look at the issues that face sectors such as food growing, you are taking the time to look at all the issues that they face and that you are not focusing on Brexit? We heard last week that there is a perfect storm. Covid is playing a huge part. The lack of labour that you mention is not solely down to Brexit; there is a lack of labour in Germany, Poland and other European countries. Are you looking fully at other issues?

One of those issues is the Scottish inability—at the moment—to grow our own rural workforce. There are issues in land-based training that we need to address fairly rapidly, to ensure that we have the workforce for the future, such as professional dairymen and land managers. How will you bring forward policies to improve our land-based training to ensure that we have a home-grown workforce, in order to address some of the issues that not only Brexit but the impact of Covid will bring?

**Mairi Gougeon:** In relation to your first point, there is no getting away from the fact that Brexit is the single biggest factor that is having an impact across the food and drink industry—it is having a huge impact. I am not focusing on Brexit in order to be political or difficult; we need only look at the industry letters that were sent to the UK Government. We cannot just gloss over and completely forget about the issue for the sake of some people's political convenience.

You said that there are shortages elsewhere, but I do not think that other countries in Europe are seeing the visible shortages on supermarket shelves that we are starting to see here or experiencing the critical level of labour shortages that we have in Scotland. In the letter that was sent by industry to the UK Government, there were also asks of the Scottish Government, to which I responded last week. I have already outlined what we are doing in Scotland, but we do not have in our power all the levers to fix or control the impacts, so although it is my job to make sure that we work with industry here and mitigate the impacts as best we can, when we do not have all the levers of power or control over the situation,

there is only so much that we can do. Unfortunately, a lot of those powers rest with the UK Government, which is not doing anything about it at the moment.

**The Convener:** That is the negative side, but will you seize the opportunities in the forthcoming trade deals for the Scottish whisky and salmon industries—which are world leaders and our biggest exporters—in order to ensure that those fantastic success stories continue?

**Mairi Gougeon:** I will cover a few points and come back to the wider piece that you talked about in relation to getting people into the food and drink workforce. Trade deals might be good for the whisky industry, and we are not against them, but the whole point is that we should not support trade deals that come at the expense of one of our most critical sectors, which is agriculture. The Australian trade deal is expected to benefit our gross domestic product by only 0.02 per cent, and who will be the hardest hit in that situation? It will be Scottish agriculture and red meat producers. Again, we are not against trade deals, but we are not willing to sacrifice our most critical and important sectors in order to achieve them. We would really welcome it if the UK Government would take on board some of our concerns about that.

The precedent has already been set with the Australian trade deal, and we have similar concerns over proposals for the New Zealand trade deal, which is not set to increase our GDP at all; the last time I saw it, the figure was about 0 per cent. No impact assessments have been done, and the Trade and Agriculture Commission, which was meant to be set up to scrutinise and look at the impact of such deals, has not even been fully established to do that yet. Therefore, I do not think that it is fair to cherry pick the very few potentially positive examples from the trade deals and to ignore the massive negatives and the huge impact that Brexit will have on critical sectors of the Scottish economy, which will disproportionately affect us in comparison with other parts of the UK.

To come back to the work that the Scottish Government is undertaking to get people into the food and drink industry across the supply chain, we set up a commission to do a root-and-branch review of land-based learning, which goes from the early years right through. The commission has members from the education sector and industry, and it is looking at the skills that we need and what we can do to promote the food and drink industry as the destination of choice.

The commission is considering whether the industry is as open and accessible as it can be and whether we are training people in the right way. There is a great project in my constituency involving machinery rings. Ringlink Scotland has a

pre-apprenticeship programme with local schools, through which it has been giving young people real-world experience of working on a farm. That has helped people to end up in positive destinations. We are taking a longer-term approach and seeing what we can do to improve the skills pipeline for our young people.

11:30

**Dr Allan:** I appreciate your point that Brexit is not the only factor in all the issues, but I have had businesses phoning up to tell me that Brexit is a very big factor—one did so just yesterday—and I am sure that other members have had the same experience.

You make a good point about training. You will appreciate that, in some parts of the country, we are getting to the point at which there is no workforce to train because there is nowhere for a workforce to live. What can you do in your role as islands minister to bring together different parts of Government to ensure that we address that question, particularly in parts of the country where the second-home and holiday-let market is having a huge impact on the availability of places to live for anyone?

**Mairi Gougeon:** You are absolutely right about that. The experience on Colonsay is that there are job opportunities but there is a lack of adequate housing, including affordable housing. That is a critical point. Although I am not directly responsible for housing policy, just last week I met the Cabinet Secretary for Social Justice, Housing and Local Government to discuss some of those issues and to ensure that we work together across Government to address some of the critical challenges that impact on people on our islands. We have the islands bond and various other bits of funding, and we need to try to address those issues. However, although it is all very well trying to encourage people to move to islands or to create jobs there, it is critical that we ensure that there is affordable housing to enable people to live and stay there and become part of the community.

I am cognisant of that issue and, as I said, we are taking forward work on it across Government and making sure that our officials work together as we look to develop policies on that.

**Karen Adam:** How do the cabinet secretaries and ministers work together on food and drink, and possibly have a helicopter oversight approach to it, from production to plate? At the moment, people are struggling and there is food poverty. How do the portfolios interlink with one another, especially in relation to food waste?

**Mairi Gougeon:** You are absolutely right. Food is an integral part of our lives that affects many different elements. There was previously a

ministerial working group on food, and the co-operation agreement sets out that we want to re-establish that. That would bring together colleagues from across Government to ensure that we address the issues as best we can. I was Minister for Public Health, Sport and Wellbeing at the start of the year, and obviously the issue has huge impact in that area because of dietary-related disease. The issue also impacts on poverty and many other areas.

It is therefore critical that we work across Government to address some of the issues. That will be key when we look to develop and introduce the good food nation bill. We will work across Government and right across wider society in Scotland to ensure that everybody has access to good food.

**Beatrice Wishart:** I have a quick question that follows on from the points that Alasdair Allan and Karen Adam made about training and about encouraging people to come into the food and drink workforce. When it comes to college education, there is a lack of student accommodation as well as a lack of housing. If we are to encourage people to come to the islands to learn and to make use of the excellent educational facilities, we need to do something about student accommodation.

**Mairi Gougeon:** I talked about the rural housing action plan that we will bring forward, but I am happy to consider that issue and look into it further.

**The Convener:** You touched on some policies on emissions reduction that you were going to bring forward for COP26. Given that that is only a few weeks away, it is natural to suggest that you will have some fairly well-informed ideas on how you will achieve those emissions reductions in agriculture. Will you lay out what those policies might be, and will you rule out the inclusion of a reduction in the production of red meat?

**Mairi Gougeon:** I am happy to address those points, as I have done a couple of times during portfolio question time and during debate last week. That notion of culling livestock was nonsense last week, so it is nonsense this week. It is not being considered.

On the policies that are being developed, I do not think that it is fair for me to prejudge the work of the implementation oversight board. As I said at the start of my evidence, its first meeting will be on Monday, and that will be for the board to discuss and decide on.

You are right to say that COP26 is not far away. We want the group to be ambitious and, as I said, to get to work and start delivering on emissions reductions. I know that everybody on the board is keen to progress that work. That is why the board

is meeting fortnightly. It will keep the impetus and drive going so that we can develop a package of funded measures in time for COP26.

**The Convener:** I certainly do not expect you to pre-empt the decisions or recommendations of the board. However, as the cabinet secretary, do you personally have any suggestions about what those policies might be?

**Mairi Gougeon:** The board was set up to drive forward the recommendations of the farmer-led groups. However, alongside that we have had various reports in the interim, such as the report by Farming for 1.5°. We have to consider the climate change plan update as well as various other reports that have been produced. Again, I cannot just cherry pick off the top of my head and without discussing with the board the things that we can implement straight away. It will be for the board to discuss and consider wider recommendations, and to see what work can be progressed—and progressed quickly.

**Rachael Hamilton:** Today was about this committee trying to take forward a work plan agenda. You mentioned that the Parliamentary Bureau would be responsible for designating which cabinet secretary and which civil service team would be taking bills forward. The programme for government has already delayed things by a week. Do you know when the bureau might be looking at this? Surely it is something that you would like to know as well.

**Mairi Gougeon:** The question of which committee will consider a bill is a matter for the Parliamentary Bureau, not for me.

**Rachael Hamilton:** Have you any indication as to when you will know what you are responsible for?

**Mairi Gougeon:** We already know. As I have said, the bureau decides which committee will consider the various pieces of legislation.

**Rachael Hamilton:** Will you give us a list of which bills you will be taking forward?

**Mairi Gougeon:** I will be happy to get back to the committee with more information on who will be the lead on the various bits of legislation that are in the PFG.

**Rachael Hamilton:** Thank you.

**The Convener:** I very much appreciate the time that has been taken today. I just want to confirm something. My understanding is that the Deputy First Minister has confirmed the Scottish Government policy for home working and that it is for members and officials to decide on a case-by-case basis whether they should attend committees and, in the case of members, the chamber. Given your desire to work with the committee, why did

you not think that it was important to appear in front of it today?

**Mairi Gougeon:** I was simply asked whether I would be appearing virtually. It is not at all that I do not think it important. This is the first meeting and the first engagement of many that I will have with the committee. I look forward to working with committee members and will, no doubt, meet you in person.

**The Convener:** Okay. So that is a commitment to meet us in person in the future.

**Mairi Gougeon:** Yes, of course.

**The Convener:** Thank you very much. I appreciate that.

I thank you and your officials for answering our questions, which we really appreciate, as we have run over a bit. We look forward to a constructive and robust relationship over the next few years.

11:40

*Meeting continued in private until 12:10.*



This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

---

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

---

All documents are available on  
the Scottish Parliament website at:

[www.parliament.scot](http://www.parliament.scot)

Information on non-endorsed print suppliers  
is available here:

[www.parliament.scot/documents](http://www.parliament.scot/documents)

For information on the Scottish Parliament contact  
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: [sp.info@parliament.scot](mailto:sp.info@parliament.scot)

---



The Scottish Parliament  
Pàrlamaid na h-Alba