

RURAL AFFAIRS COMMITTEE

Tuesday 16 November 1999
(*Afternoon*)

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RURAL AFFAIRS COMMITTEE

9th Meeting

CONVENER :

*Alex Johnstone (North-East Scotland) (Con)

COMMITTEE MEMBERS:

*Alex Fergusson (South of Scotland) (Con)
*Rhoda Grant (Highlands and Islands) (Lab)
*Richard Lochhead (North-East Scotland) (SNP)
*Lewis Macdonald (Aberdeen Central) (Lab)
*Irene McGugan (North-East Scotland) (SNP)
*Alasdair Morgan (Galloway and Upper Nithsdale) (SNP)
*Mr John Munro (Ross, Skye and Inverness West) (LD)
*Dr Elaine Murray (Dumfries) (Lab)
Cathy Peattie (Falkirk East) (Lab)
*Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD)

*attended

THE FOLLOWING MEMBERS ALSO ATTENDED:

Mr Jamie McGrigor (Highlands and Islands) (Con)
Mary Scanlon (Highlands and Islands) (Con)
Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)

WITNESSES:

Mr John Hood (Scottish Executive Rural Affairs Department)
Mr David Henderson-Howatt (Chief Conservator, Forestry Commission)
Simon Wakefield (Scottish Parliament Information Centre)

COMMITTEE CLERK:

Richard Davies

SENIOR ASSISTANT CLERK:

Richard Walsh

ASSISTANT CLERK:

Tracey Hawe

Scottish Parliament

Rural Affairs Committee

Tuesday 16 November 1999

(Afternoon)

[THE CONVENER *opened the meeting at 14:05*]

The Convener (Alex Johnstone): Good afternoon, ladies and gentlemen. I am sorry for the slight delay in starting, but one or two of our members are not yet here. I have ascertained from members who are present that they are slightly delayed and may be here later, with the exception of Cathy Peattie who, unfortunately, is unable to attend.

It has been recommended that we consider at this point whether we should take in private the last item on today's agenda—the Scottish zone of British fishery limits—because the paper that should have been distributed to everyone at the start of the meeting takes the form of a rudimentary draft report and contains views that are not necessarily the views of this committee. We will also receive the advice of a lawyer on certain points in the paper, and it is recommended that that advice be taken in private. Is it agreed that the last item on our agenda be taken in private?

Members indicated agreement.

The Convener: We will now continue with the rest of the agenda. People in the public gallery will not be required to leave until we reach item 9.

Organic Aid (Scotland) Amendment Regulations 1999 (SSI 1999/107)

The Convener: Item 1 is a negative instrument and has been circulated to members with an explanatory note. We have with us today Mr John Hood of the Scottish Executive rural affairs department, who can advise us on the details of the instrument and answer one or two questions, if members think that that is necessary. Would members like to hear from Mr Hood?

Irene McGugan (North-East Scotland) (SNP): Yes.

The Convener: In that case, I will ask Mr Hood to come forward. I should point out to members that this instrument came into effect on 29 October and was laid under the negative procedure. That means that the Parliament has the power to annul the instrument by resolution within 40 days—in this case, by 30 November. Any MSP may lodge a motion to propose to the lead committee that the

instrument be annulled. As we have said before, it is important that we understand statutory instruments before we allow them to stand. Mr Hood, would you like to say a few words on the instrument and the explanatory memorandum that accompanies it.

Mr John Hood (Scottish Executive Rural Affairs Department): It might be useful if I explain the background to these regulations and the purpose of the organic aid scheme over the past two years or so.

The scheme was launched in 1994, but there was very little interest in it for the first few years—after two or three years we had about 40 participants, which was considerably fewer than we had in the other agri-environment schemes that operated at that time.

In 1997, the House of Commons Agriculture Committee recommended that agriculture departments review the operation of their organic aid schemes. Along with the other agriculture departments, we undertook such a review, which ended in September 1997. We consulted on proposals to revise and improve the scheme to increase uptake, and received 23 replies. We also considered ways of improving the uptake of the five other schemes in the agri-environment programme.

In November 1997, ministers agreed that we should consult on proposals to merge the schemes, with the objective of improving uptake by making it easier for farmers to understand what was available. We consulted on that in January 1998. The proposal for merger included a suggestion that the organic aid scheme be incorporated into the mainstream agri-environment schemes. That had been suggested during the previous consultation, in particular by environmental bodies and by Scottish Natural Heritage. Their rationale was that, as organic farming was seen as a fringe activity rather than as mainstream farming, farmers were not paying much heed to the organic aid scheme, although they did recognise the other agri-environment schemes. The proposal was to merge the environmentally sensitive areas scheme, the countryside premium scheme and the organic aid scheme. It was intended that the merged scheme would operate by spring 1999.

The outcome of the consultation exercise was general agreement that we should merge the scheme. However, a number of influential players including conservation and farmer bodies thought that we were proceeding too quickly with merger and that we should give the countryside premium scheme, in particular, more time to operate, as it had been launched only in 1997.

Ministers agreed that we should proceed with

merger but that we should do so over a longer time scale, and that we should work towards introducing a new scheme under the umbrella of the European Commission's Agenda 2000 proposals, which were then being developed although they were far from their final form. We realised that if we had launched a new scheme in the spring of this year, it would probably have had a shelf-life of only one year. We thought that we could produce a more widely acceptable merged scheme if we used the extra time that the ministers' decision gave us to undertake further bilateral dialogue with farming, crofting and conservation organisations. We have done that, and now plan to launch a new scheme under Agenda 2000 sometime next year.

One outcome of that process was that we had to consider the organic aid scheme separately, as it was still a free-standing scheme. Outside factors were conspiring to increase interest in that scheme: there were food scares and farmers were finding it hard to find a market for their produce. Many farmers recognised that agri-environment schemes could provide a guaranteed income stream for five years or longer.

We reconsidered the responses that we had received in the original consultation after the UK Parliament's review, and decided to adopt the recommendation to increase payment rates. The result of that process is what is before you today. We worked out payment rates, changed payment categories to reflect more accurately the types of farming enterprise that we have in Scotland, and put proposals for revised payment rates for the organic aid scheme and ESA schemes to the Commission in April this year.

The Commission approved the organic aid scheme changes in the summer. The regulations were made and passed in October. The purpose of what we have been doing all along has been to try to improve the uptake of this scheme and to maximise opportunities for farmers who want to convert, with the help that this scheme provides.

The Convener: Thank you very much. I will use the prerogative of the convener and ask the first question.

From the explanatory note, it is clear that the rates of payment will be slightly less in Scotland than in England. The explanatory note also suggests that there will be an upper limit in Scotland, which does not exist in England. At the end of paragraph 3, the explanatory note says:

"The differences are marginal and reflect the different conditions which apply north and south of the border."

Would it be possible for you to give us an explanation of that?

14:15

Mr Hood: Certainly. I should point out that not all our payment rates are lower. We are paying £370 for improved grassland, whereas the rate from the Ministry of Agriculture, Fisheries and Food is £350. As the explanatory note acknowledges, the differences are marginal.

The differences to which paragraph 3 refers are alluded to further on in that paper. Both the MAFF scheme and our scheme had a 300 hectare limit when they were launched. Our experience was that the limit bit in every case. The vast majority of land that has been brought into conversion in Scotland is rough grazing, and the average size of farm that is converting is around 600 hectares.

In England, the experience is quite different. Much less upland farmland is being brought into conversion; typically, small lowland units such as dairy farms or intensive cropping farms are being brought in. I do not have to hand a figure for the average area of those units, but somebody in MAFF mentioned to me, at a meeting, that the average size of farms in England that are applying for conversion is about 10 hectares.

In our situation, removing the limit and increasing the payment rate so substantially would have meant making very large payments available to individual farm businesses. The payment to a farm of 1,000 hectares would be £450,000, which is a very large sum.

Irene McGugan: Despite the slow start-up of the aid scheme in 1994, it must be recognised that organic farming is the only sector in agriculture that is thriving, and that it deserves more support than is available to it in this statutory instrument. You have been able to estimate the number of applications that are in the pipeline. Are you able to estimate how much they are likely to cost and what percentage of the agri-environment budget of £18.8 million might be assigned under the new scheme?

Mr Hood: I cannot answer that question precisely, but I will do my best. I think that I understand where you are coming from.

Irene McGugan: I would just like to know how it will sit alongside the other schemes.

Mr Hood: The method of calculating payment rates is set down in EU regulation. We must calculate those payments on the basis of income that is forgone. We do not have any leeway on that score.

I want to put the expenditure into context. Two years ago, the scheme spent £90,000. Last year, the expenditure was £200,000. I guess—and it is only a guess—that this year's expenditure will be in excess of £1 million.

I will explain how we operate the agri-environment budget, which is just below £19 million for this year. All eligible applications that we receive for the organic aid scheme and the environmentally sensitive area scheme, both of which are non-discretionary, must be funded. That continues to be the case.

The third scheme in the agri-environment programme is the countryside premium scheme. It is a discretionary scheme and we fund the number of applications that we can approve, after we have met the demands from the organic aid scheme and the environmentally sensitive areas scheme.

The agri-environment schemes in Scotland were one of the few programme areas where additional money was allocated following the comprehensive spending review. That may allow a further expansion of the programme than would otherwise have been the case.

I will put the expenditure on the programme in context. About four years ago, the expenditure was about £1 million per annum. Last year we spent £13 million and provision is for £19 million this year and £22 million next year, so expenditure is rising sharply.

The motivation behind the demand for entry to agri-environment schemes is something of a mystery to me. In the early days, we probably received applications from farmers who were interested in conservation. The range of motivations that persuade farmers to apply to join is now probably different. Many farmers see it as a guaranteed stream of income as they are looking for an alternative to supplement falling incomes from the commodities that they produce. I suspect that the trend of increased demand for schemes will probably continue.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): If the applications for organic aid exceed your expectations by a considerable amount, as seems to have been the case in some other schemes, the first thing to go would be the countryside premium. Are you saying that if total applications exceed the budget, you will still have to pay farmers and find the money elsewhere? Is there no question of saying that the scheme is oversubscribed?

Mr Hood: I will explain the mechanics of what would have to be considered in that eventuality. We have received legal advice to the effect that we could not refuse an application because of lack of funds. In that circumstance, the options open to the minister would be to find more funds or to close the scheme.

Alasdair Morgan: You would have to fund all applications that you had received up to the date of closing the scheme?

Mr Hood: That is correct.

The Convener: If there are no further questions, we must decide how we wish to proceed on this matter. It has to be said that the scheme that has been put before us is desirable and will benefit farmers in Scotland. If there are any reservations, it may be appropriate to consider those in the longer term in the context of long-term support for organic farming.

Are members content with the proposal?

Members indicated agreement.

The Convener: We conclude that the committee does not want to make any recommendation on its report to Parliament.

That is approved unanimously.

Thank you, Mr Hood.

Plant Health (Scotland) Amendment (No 2) Order 1999 (SSI 1999/129)

The Convener: Agenda item 2 is another instrument that has been raised under the negative procedure. The order refers specifically to the disease of rhizomania. The explanatory note has been circulated to all members. Are we content that we understand the details in the explanatory note, which states that this disease relates particularly to sugar beet, which is not much grown in Scotland? The disease has never been detected in Scotland.

The order is required in order to achieve standardisation across Europe. Do members wish to clarify any issue or receive further information on this statutory instrument? If not, are members content with the proposal?

Members: Yes.

The Convener: If so, can we conclude that the committee does not wish to make any recommendation in its report to the Parliament?

Members: Yes.

The Convener: That is approved unanimously.

Forestry

The Convener: We have received two papers, which have been circulated to members. The first submission deals with the logistics requirements of the Scottish forestry industry. Members should have had an opportunity to look over this paper, which was prepared for the committee in response to a request for further information that we made on 5 October. Do we feel that the paper meets the requirements that we wished to meet when we made our request?

Irene McGugan: The final paragraph of the paper says:

"The SEDD is intending to commission a study".

Has a time scale been set for that study?

The Convener: Mr David Henderson-Howatt, who is the chief conservator in the Forestry Commission, is here today and will be able to answer questions on this paper and on the next paper that we will discuss. Do members think that it would be appropriate to invite him to come forward at this point? Please come forward, David. Irene, please direct your question to him.

Irene McGugan: Mr Henderson-Howatt, can you indicate the time scale that you envisage the report will require, as it will impact on what we decide to do now?

Mr David Henderson-Howatt, (Chief Conservator, Forestry Commission): Yes. As the paper says, the development department has commissioned the study, not the Forestry Commission. However, I am in close touch with officials in the department, who have assured me that it will be available early next year.

Irene McGugan: The outcome of the study?

Mr Henderson-Howatt: No, the study into rail freight. Although it is a strategic review of rail freight generally, our main concern is to ensure that the transport of timber and forest products is properly considered within the wider study.

Alasdair Morgan: Am I right in saying that timber production in Scotland will peak at the beginning of the next century? That is not a surprise to anyone, given that the timber was planted some time ago. Do you not think that the study should have been undertaken some time ago? It strikes me that it will take quite a few years to put in place any recommendations that the study produces and, by that time, timber production will be well down the road.

Mr Henderson-Howatt: It is important to realise that, for timber transport, rail freight is only one part of the story. Even with the best will in the world, the timber must be transported from the forest to the railhead, so an element of road transport will always be involved. The development department's study will examine rail freight generally and, in a sense, it is fortuitous for us that it has come at this time.

Timber transport is not a new problem—case law on the problems of timber transport dates back to the early part of this century. My predecessors were actively engaged on the problems. For example, as Alasdair Morgan will know, there was a forest roads accord 10 years ago in Dumfries and Galloway. The problems are not new, but they need to be reviewed continually as more forests

come on line. I am hopeful of the current way of working with local roads groups and local transport groups, such as those in Dumfries and Galloway and in Argyll. We are having good discussions and getting good co-operation between the industry, local authorities and the Forestry Commission so that we can ensure that the limited money available is spent in the right places and on specific problems.

Alasdair Morgan: Would it be fair to say that there is increasing concern among local authorities that their budgets are not sufficient to strengthen bridges, for example, to cope with forestry traffic?

14:30

Mr Henderson-Howatt: That is absolutely right. There is a financial problem. That is why, although the amount of money that is available is out of our hands, we are trying to ensure that what money there is is spent sensibly, on the proper priorities and in the right places.

Lewis Macdonald (Aberdeen Central) (Lab): Are you concerned about the proportion of timber that completes its journey by road? Ninety-five per cent is a very high proportion. Is that a consequence of the location of sawmills, of communication links or because other methods of transport have not been developed as much as you would like?

Mr Henderson-Howatt: The past 20 years, during which I have worked at the Forestry Commission, have been very stop-start in terms of getting timber on the rail network. Apart from the problem I mentioned earlier, there are other serious problems that must be faced. An example is the sawmill at Aboyne, which might deliver to customers in the midlands of England. If that sawmill uses roads, it is relatively easy to schedule lorries so that they can deliver to customers in two or three places in the midlands and the south of England. If rail is used, they must get an entire rail shipment together, which will have to go to a depot in the midlands and then be redistributed to customers. That is another problem that must be addressed in these days of just-in-time distribution.

Alex Fergusson (South of Scotland) (Con): You touched on my principal concern when you said that all timber must at some stage be transported by road. The roads are inevitably small and unsuitable because they come through forests to railheads and so on. It strikes me that there is a freight facilities grant that could enable transport of timber by water and that there is a track access grant that assists in the transport of timber by rail. Either way, the timber will need to be transported by road at some stage. Is not the

buck being passed when it comes to the roads question? Is there a reluctance to address what is becoming a serious problem in forestry transport—the ownership and unsuitability of small rural roads?

Mr Henderson-Howatt: There is a long and complicated story about that, but I will give a brief version. Until a few years ago, money to deal with forest roads issues was ring-fenced in local authority budgets. When local government finance was reformed, more decision-making power in relation to how local government money was spent was delegated to local authorities. The principle is that it is for local authorities to determine their priorities for capital spending. I know that that does not answer your question fully, but that is the background to the position we are in today.

Mr John Munro (Ross, Skye and Inverness West) (LD): Some years ago, there was a fund for forest access grants. That helped local authorities maintain the roads structure in rural Scotland. That fund has disappeared all of a sudden. I understand that Forest Enterprise seriously intends to assist local authorities where there is an obvious problem with the recovery of mature timber. Do you have a view on that? The northern conservatory is looking at that more seriously than ever and it is more willing to continue dialogue with the local authorities to achieve the result.

Mr Henderson-Howatt: That is right. That is in the context of joint working between the commission, the industry and local authorities. Everyone is trying to find pragmatic solutions and the sort of initiative in the north of Scotland to which you refer is an example of an attempt to identify the problems and to work together to find a sensible way forward.

Rhoda Grant (Highlands and Islands) (Lab): I know that in certain areas—specifically Argyll—forest roads that belong to different groups have been used to transport wood through different forestry areas. There has been a coming together of the people involved. Has there been a strategic decision that forest roads should be shared?

Mr Henderson-Howatt: That option obviously depends on the willingness of the owners along the route. It is another example of something that it is better to consider locally, rather than nationally. For example, the Argyll timber transport group now has a project officer in place. One of her tasks is to look specifically at places where such a scheme could be established, where the networks make sense and the owners along the way are prepared to allow it.

The Convener: Are there any other questions about the transport paper? Please indulge us for a moment, Mr Henderson-Howatt, while we complete that part of our discussion.

It appears that the Transport and the Environment Committee has the lead responsibility for much of what we are discussing, but that committee does not currently have this issue on its agenda. However, it is becoming obvious that it is a priority for this committee. It has therefore been suggested that I should meet the convener of the Transport and the Environment Committee to express the views that have been voiced at this and previous meetings and to discuss how to demarcate the responsibility of the two committees in future. Do members agree that that would be appropriate?

Members indicated agreement.

The Convener: I shall therefore take that opportunity and report back to you at our next meeting.

Alex Fergusson: Will you stress the fact that we consider the matter to be a high priority?

The Convener: Yes. I will make it clear to the convener of the Transport and the Environment Committee that we have identified forestry as an area of priority.

Let us now move to the second paper—a brief summary of responses to the consultation paper, “Forests for Scotland: Consultation towards a Scottish Forestry Strategy”. I shall ask Mr Henderson-Howatt to say a few words about the consultation exercise before answering any questions.

Mr Henderson-Howatt: Earlier in the year, we launched a consultation exercise on the Scottish forestry strategy and produced 5,000 copies of the consultation document. Copies were sent to all the community councils in Scotland, to local authorities and to industry organisations. Members of the public could pick up copies at the Highland show and at other agricultural shows.

We had about 250 responses, forming a stack of paper about 2 ft high. We prepared a longer summary of those responses than the brief summary that has been provided to the committee. In addition, we invited everyone who responded to the consultation exercise to come to a seminar in Dunkeld last Wednesday. About 150 people attended and we spent an extremely useful day teasing out some of the areas of difference and trying to build a consensus on where people want Scottish forestry to go in the next century. As a result of that, we are now working on a draft strategy, which should be available in January and will be presented to this committee.

The Convener: Does anyone have any questions on the summary of responses?

Irene McGugan: Five thousand copies went out, but only 250 responses were received. Were you disappointed by that, David? The stack may

be 2 ft high, but 250 is a relatively small number of responses to a consultation on a national issue such as forestry.

Mr Henderson-Howatt: I was also involved in the work of the land reform policy group, which was in many ways much more politically controversial. Although there were more responses to the land reform consultation exercise, that response was not of significantly greater magnitude. It is in the nature of such things that many people who have an interest will not necessarily put pen to paper and write in about it. For example, many people know that their views have been represented through the organisations that they belong to, such as the Royal Society for the Protection of Birds, the Timber Growers Association, a community council or some other body. The fact that we have had only 250 responses belies the fact that many people have had their views put forward by organisations.

Irene McGugan: On a related point, 400 people came to your seminars during the consultation period. Were their views incorporated into the summary? There is always something limiting about asking set questions in a consultation paper. I know that there is nothing to prevent people from debating the issues more widely, but they tend to focus on the questions that have been put before them. Seminars would have given more opportunity for wide-ranging discussion. Were the views fed into the consultation?

Mr Henderson-Howatt: Yes. All the regional seminars were noted and their reports were fed into the analysis of responses. We seconded a lady who works in our research agency to go through all the responses and reports of the seminars and to prepare this summary.

Irene McGugan: The draft document will be issued to those who responded in the first place before it comes before the Parliament. Was no thought given to involving this committee at an earlier stage—perhaps in drawing up the consultation paper or devising the questions—rather than at the end of the process?

Mr Henderson-Howatt: It was certainly not our intention that the draft strategy should be issued to those people who responded to the consultation exercise before it came before the committee. What I had in mind—subject to the committee's wishes—was that those things should happen at more or less the same time. This consultation paper was prepared earlier this year—it was published at the end of March, before devolution. We are available to engage with the committee in whatever way it wishes to take the process forward.

Lewis Macdonald: You observed that this consultation did not lead to the same political

contention as the land reform consultation did; we would not find that surprising. From the seminars and responses, what issue gave rise to the greatest divergence of views? Everyone accepts the principles—at issue is what comes first. What was at the root of the differences between the interested bodies?

Mr Henderson-Howatt: To put it crudely, one sensed a divergence between those who envisaged a green future for forestry, and those who were more concerned with its industrial and employment-creation aspects. However, I would not want to present those concerns as mutually exclusive. An important part of the strategy will be mutual reinforcement, so that, as far as possible, we can have the best of both worlds.

Lewis Macdonald: So the differences have their origins in where people are coming from, rather than in where they want this strategy to take us.

The Convener: Are there any further questions?

Dr Elaine Murray (Dumfries) (Lab): I have more of an observation than a question. You said that indicative forestry strategies have been generally welcomed, and I am sure that that is true. However, I want to stress the need for those strategies to work in tandem with agri-environmental schemes. One problem that I have encountered when dealing with hill farmers in the Eskdalemuir area is that people find that the value of their land falls by around half when it is zoned outside a forestry area, because they are not able to sell it on to forestry developers. There is obviously a need for schemes to reward farmers for keeping land in agricultural use rather than transferring it to forestry use.

Mr Henderson-Howatt: The issue that Dr Murray has raised relates particularly to what we call local forestry frameworks, which we are piloting in two areas in Dumfries and Galloway and which operate at a more detailed level than the indicative forestry strategy. They were introduced following a case in which someone applied for woodland grants scheme money to plant a farm. No one denied that it was a good application, but there was a strong feeling locally that there was enough forestry in the area—70 per cent of it was already afforested—and that people did not want any more. To prevent that from happening in the future and to give people clearer guidance on whether it is worth developing applications, we decided to prepare the local forestry frameworks that are now being piloted. Dr Murray is right to point out the problems that arise when we are dealing with that detail and people see lines being drawn on the map around their own property.

14:45

Mr Jamie McGrigor (Highlands and Islands) (Con): Until 1994, an enormous amount of timber was carried from the west coast by coastal shipping, under the tariff rebate scheme. That seemed a good idea, as it kept an enormous number of heavy lorries off the roads. If the tariff rebate scheme was reintroduced, I believe that the same thing would happen again. Would you be keen on that?

Mr Henderson-Howatt: The tariff rebate scheme has a long history. I think that those who were involved in moving timber under it would be the first to say that its operation was not ideal. As you said, when it was withdrawn in 1994, there was a reduction in the amount of timber that was moved by sea. Since then, the amount has crept up. I am not sure whether the tariff rebate subsidy is the right way to go; what we want—particularly with the Argyll timber transport group—is to look for opportunities for promoting more sea transport.

The Convener: I thank Mr Henderson-Howatt for his contribution to the meeting. As for the consultation exercise, it may now be appropriate for us to await the strategy report that he mentioned and consider it when it becomes available. Do members agree?

Members indicated agreement.

Agricultural Business Improvement Scheme

The Convener: Those of us who attend the committee regularly will know that this rate of progress is quite dizzy, given that we usually allow one and a half hours for the first item alone.

The subject of item 4—the agricultural business improvement scheme that runs in the Highlands and Islands—has arisen largely since our previous meeting. I welcome Jamie Stone and Jamie McGrigor, who are both Highland members of the Parliament; they have come to the meeting today specifically for the discussion on this item.

The issue has been raised with the committee by Mr Hamish McBean, who wrote to me to explain the problems that surrounded the agricultural business improvement scheme. We have also received submissions on the matter from the National Farmers Union and the Scottish Landowners Federation. I am sure that those of us with an interest in the matter will have had a huge postbag from individuals who have been affected by the scheme and felt it necessary to write to MSPs on the subject.

I propose not to go over the submissions that we have received in detail, given that we have read most of them. I invite members who have opinions

on the matter to express them at this point.

Alex Fergusson: I am happy to start the debate, if I may. Those of us who were present at the briefing at 1 o'clock could not fail to come to the conclusion, if we had not done so already, that the scheme had got into a mess, to put it mildly. However, there is more to it than that. Livelihoods have been affected and the trust of applicants to the scheme has been shaken, not least their trust in Lord Sewel's statements, made in February and March this year, that adequate funding would be available to meet any costs incurred under the ABIS scheme. That has patently not been the case.

We cannot simply let the matter go at that. We have all been given to understand that considerable expense had been incurred by many farmers, who are ill-equipped to meet that expense—never mind be encouraged to do so by the Scottish Office agriculture, environment and fisheries department and then the Scottish Office rural affairs department. Those farmers have been told that the expense was completely needless, as there is nothing left in the pot and their applications will almost certainly be refused. In fact, we were told that there had been no communication between SERAD and the applicant. That is an unsatisfactory state of affairs, and we must consider it more deeply.

Alasdair Morgan: I agree with Alex Fergusson. This has been a shambles. The Government said earlier this year, in effect, that anyone who submitted a valid application would receive assistance—the more, the merrier. Given the current farming crisis, the scheme is an excellent idea and would make a great difference to the Highlands and Islands. Now that people's expectations have been built up and, in many cases, their bank accounts have been emptied as they have spent money on getting planning permission and hiring consultants and so on, they are left in the lurch—or, worse, they do not know where they stand.

There are a lot of questions to be answered. The Government's precise exposure to claims is not clear—there is certainly disagreement about the upper limit. I know that we do not want to be continually diverted by whatever is this week's crisis, but it seems that this matter is significant enough to a large enough number of people for us to consider it in more depth—I suspect at our next meeting.

Rhoda Grant: At the meeting just before this one, I learned that there was some argument about the amount of money to which people could be eligible under the scheme. We are told that there are applications for funds of more than £22 million, but that that figure might be a lot less once all the applications have been processed. Should

we ask for a quick audit of applications so that we know the magnitude of the problem? We could invite the minister to our next meeting to answer questions on this.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): This is a bad business. It is of paramount importance to the northern Highlands. Rhoda Grant's suggestion is sensible but, as became apparent from our discussions with the NFU, we are somewhat boxed in by past, present and future European funding. The way forward may be to make a plea for some form of financial lifeline from—let us face it—a surplus-rich Treasury. Perhaps we could push this case with our Westminster colleagues. Such a plea would have cross-party support. Rhoda Grant and others will agree that in the Highlands there is cross-party recognition of the severity of the problem.

The old saying was that the Highlands were on Scotland's conscience. Given the gravity of this problem, we can say that the Highlands are on the UK's conscience. Members heard the letters on this that I read out in Parliament the week before last, and late last night I got a call from a farmer in John O'Groats who had put up money but did not know when he would get it back.

Mr McGrigor: We should remember that this was a relaunch of ABIS. The ABIS scheme had been operating perfectly well for some time, and had met all applications. As the take-up was not sufficiently large, the scheme was made much more attractive, which is why many people went into it. One cannot offer carrots and then plunge people into despair by not producing them. What has happened to the money that must have existed to pay for the scheme?

I am also alarmed by the countryside premium scheme. I am led to believe that the same thing is happening with that scheme—money has been transferred from it to the organic aid scheme. I would like to know whether that is the case. If these schemes are going to be made available, but the funds are suddenly going to be withdrawn, the hill-farming industry—which is in a desperate state—will be left in even greater financial difficulties. It is not good enough to let people spend money on planning only to take away the funds. That is a bad state of affairs, which demands serious explanation.

Mary Scanlon (Highlands and Islands) (Con): I am sorry for being late. I was at the Health and Community Care Committee.

The Convener: That is okay. You are forgiven.

Mary Scanlon: I apologise if I say something that has already been said.

Many farmers in the Highlands did not quite meet the deadlines. I met two on Friday, whose

building warrants were processed late. There are more applications than the total that we have now. Many farmers have spent money on architects' fees and planning, for example, but because they have had to wait for council building warrants, they are still waiting to submit applications.

I support what Jamie McGrigor said. The Scottish National Farmers Union has told me that £6 million of the full £23 million of funding has been spent on farmers. In the Parliament last week, Ross Finnie said that £17 million of the full £23 million budget had been spent. I would like to know why we started with £23 million but have ended up with £1.2 million.

Richard Lochhead (North-East Scotland) (SNP): Most important issues have been raised. There is a sense of betrayal in the agricultural sector. If the Government is to be trusted by farmers, it should fulfil its pledges. This is a serious issue that this committee should examine, perhaps by inviting the minister to discuss the matter.

Lewis Macdonald: It concerns me to hear the word betrayal used in this context. I understand the concerns, but if we want to have a constructive and effective relationship with the ministry, the last thing that we should do is use language of that kind. There is clearly a problem, and Rhoda's suggestion that we seek an explanation for what has gone on is a good one. I think that that would command general support.

According to the Scottish National Farmers Union, the Executive has held meetings with applicants and potential applicants in the Highlands over the past few weeks, and members of this committee will be aware of the announcement that was made today. Although the urgency and importance of this issue are not to be underestimated, a sense of proportion would well become us as a committee.

I echo Alasdair Morgan's point that, although we must identify and deal with these problems as they arise, we must not, as the Rural Affairs Committee, become a committee for discussing the latest agricultural crisis. We understand the difficulties that the agricultural industry faces and we should deal with those, but if we become too inclined to adopt a fire-fighting role, the longer-term constructive plans that we agreed at the outset will be more difficult to fulfil.

Alasdair Morgan: We are perhaps reaching a consensus. However, we should ask the minister or his representative to attend the next meeting. In advance of that, we should get an audit of the figures, as was suggested. A lot of figures have been bandied about, and there seems to be some scepticism over the likely commitment of the Government. If we had some of those figures in

advance, our meeting with the minister would be better informed.

Mr Munro: I have listened to other members' comments. I am surprised that Mr Macdonald is suggesting that the language that we are using is rather aggressive. I do not think that the word betrayal is aggressive at all. Many of the farmers and the people who are on the list, when speaking to their bankers and accountants weekly, use far stronger language than we have heard here. We were speaking to some of them earlier, and this debate is on-going between many of us who represent rural constituencies and the farming community. We realise and accept the difficulties that those people are encountering.

This is nothing new; it has gone on for several years. If this were the only difficulty that the farming community was suffering, I would use less aggressive language. However, I am not prepared to do that when I see what is happening in the farming communities. The Rural Affairs Committee has a duty to make the strongest possible case to the Scottish Parliament and to remind the Executive of Lord Sewel's commitment that

"sufficient resources will remain applied to the ABIS to ensure that all outstanding commitments can be met, as well as accommodating any up-surge in applications which may emerge as a consequence of the improvements to the scheme".

We should remind our Scottish Parliament colleagues of that clear and unambiguous statement so that we can address the situation and give some comfort to the people in rural Scotland who are trying to exist in very difficult circumstances.

15:00

Dr Murray: It is important to avail ourselves of the facts before we make recommendations. The notes for news editors that came out with the press release indicate that, although currency fluctuation and the weakness of the euro formed part of the problem, another part was the transfer of £2.7 million to other agriculture and fisheries measures in the Highlands and Islands programme. We need to know what has happened. I am sure that Lord Sewel did not make that statement without any consideration. We need to know why money was transferred to other measures and what those measures were.

Mary Scanlon: I want to return to Lewis's point. We cannot underestimate the importance of the ABIS to many farmers. Farmers have faced various problems over the past few years and people should not think that there is a new problem every week. No one wants to run the Scottish Parliament by crisis management.

I have to tell Lewis that there are men whose

families have been in farming for 200 years who are about to walk away from their farms. The whole structure of farming is in serious crisis and farmers are at their lowest ebb. Generations of farming depend on this scheme. I am sorry if I am being dramatic, but I am passionate about this issue. People have told me what they told John Farquhar Munro: they are facing a desperate state of affairs.

Dr Murray: The problems in farming that Mary indicated are being faced by farmers throughout Scotland, not just by those who are eligible for the ABIS. The committee has agreed to investigate the problems of the agriculture industry in general in Scotland.

Mr Stone: I thank Dr Murray for that statement. However, I represent the very north of the country, from Cape Wrath to John o' Groats. The farmers have had so many difficulties recently that those communities will start to go under if we do not give them something. It is as bad as that.

Alex Fergusson: I am not sure that this is just an agricultural problem. This scheme has run into enormous administrative difficulties. Although the effect has been felt on agriculture, some of my questions centre on why the scheme has got into this extremely difficult state. Perhaps we should enter into the debate with a view to helping the Scottish Executive not to get into this state, if that helps Mr Macdonald. The situation is absolutely hopeless.

The Convener: If there are no further comments, we need to decide how we are going to proceed on the matter. Some members have suggested that it would be appropriate to ask the Minister for Rural Affairs to come to the next committee meeting to answer questions and to provide detailed information on the ABIS and the problems that face us. Do members think that that would be an appropriate course of action?

Members indicated agreement.

Lewis Macdonald: Yes, it would. I also think that it would be worth including in the invitation some points about the administration of the scheme as well as the point about the consequences for farming.

The Convener: Given the wide range of problems that face the scheme, would it be appropriate for us to ask other officials to come to the committee to give evidence?

Lewis Macdonald: That would be up to the minister and whether he felt that he needed anyone to advise him.

Alasdair Morgan: It would be helpful if we could get some financial information in advance, such as the breakdown of the fund, the value in euros, how it has been disbursed so far and how the

Executive has arrived at some of the projections for future disbursements. As you know, convener, some people have questioned the alleged commitment on the part of the Scottish Executive, whereas others are saying that it is not as bad as all that. We need some explanation of the figures that have been put out.

Alex Fergusson: The real commitment was made before the Scottish Executive came into being. Lord Sewel and the Scottish Office made it. It may be very hard to delve further into that commitment by questioning the current minister. Perhaps we should be asking someone from the previous administration to come as well.

The Convener: That is an issue that I would like the committee to clarify.

Lewis Macdonald: I do not think that that is an appropriate approach.

Alex Fergusson: I did not think that you would.

Lewis Macdonald: That is a red herring. We are talking about the department that preceded the current department, which is headed by Ross Finnie. Ross Finnie receives the same advice from the same officials as Lord Sewel did. Ross Finnie is the minister who is accountable to us for the conduct of that department.

Richard Lochhead: Lord Sewel is safe in retirement.

Alasdair Morgan: I do not think that there is a bring back Lord Sewel campaign.

The Convener: Given those remarks, is the position regarding the administration that predates the Scottish Executive fully understood?

Mr Munro: I think that the situation merits a more accelerated programme. We should not wait for our next meeting, which is two weeks away. The situation is serious enough to call an emergency debate. There are many people involved in agriculture who are waiting to hear what we are going to do. They have stock out on the hills or in the fields and they do not know what is going to happen next. We must accelerate the debate.

As Lewis Macdonald said, Lord Sewel made his statement before the Scottish Executive came into being. We should ask the Scottish Executive to speak with colleagues at Westminster to encourage funding and support from that source. I hear that there is a flush of money down there and they do not know what to do with it. Let us have some of it up here.

Rhoda Grant: It is important that we have information when we question the minister. Perhaps we should have a meeting next week. If we are going to ask them to do an audit on the applications so that we are properly informed, we

cannot demand it in such a short time scale. We want to sort out the problem and to help people. We do not just want to make political comments.

We should ask for an audit and ask the minister to come and see us in a fortnight. A fortnight would give them adequate time to prepare an audit of the applications. In the meantime, the minister could examine other avenues of funding and perhaps—I understand that there is European funding—contact the Government to find out whether it can put in more money. That is an issue that we are uncertain about and we must sort it out. We need to do the groundwork between this meeting and the next.

The Convener: I have reservations about asking the minister and senior civil servants to cut into their diaries at a week's notice. There could be a problem.

Mr McGrigor: As I mentioned earlier, if the minister could be persuaded to answer questions about the ABIS, he might dispel the worries that people have about the countryside premium scheme. I gather that there are priorities for the scheme. Two people rang me last night to tell me that there are now extra priorities for the scheme. A lot of people are waiting to get on to that scheme. If we tackle the problem now, it may not arise again.

Lewis Macdonald: I am concerned that we will fail to deal urgently with an urgent issue if we slip into discussing the wider issue of agricultural schemes. The committee's view is clear. We should agree and press on.

Irene McGugan: What is the date of the next meeting?

The Convener: The next meeting falls on 30 November, which is a holiday. There was a provisional decision, made some months ago, to conduct that meeting on 3 December.

Irene McGugan: That is what I understood.

The Convener: Should we aim for an earlier date or meet on the scheduled date? Certain difficulties would arise in trying to arrange a meeting at shorter notice. I have grave reservations about trying to do so. Would it be appropriate to schedule the investigation for 3 December?

Members indicated agreement.

The Convener: Would it be appropriate, in advance of that meeting, to ask that a full audit of the ABIS figures be made available, ideally for distribution with the papers for that meeting?

Members indicated agreement.

The Convener: Would it be appropriate for us to invite the minister and such senior civil servants as

he feels necessary to come on that day to address the issues raised?

Members indicated agreement.

The Convener: Would anyone like to add anything about the ABIS?

Mr Munro: I go along with the suggestion that we should get the best financial and other information that we can. We will discuss it at the meeting on 3 December. My fear is that by the time our discussions are dealt with by the Scottish Executive and the Scottish Parliament, we will be into the middle of December. Parliament will close and will not open again until early January. Nothing will happen in all that time.

The Convener: I understand the priority that you attach to this issue, John. I am very sympathetic to your view. However, I am concerned about being able to set up an appropriate and adequate investigation within the time scale, before the next meeting. We should note John Munro's position and the fact that we take his concerns very seriously.

Richard Lochhead: It might be useful to invite the industry to put forward a couple of case studies. Reading about the direct experiences of a few farmers who have encountered difficulties with the scheme would help the committee.

15:15

The Convener: Would it be appropriate for us to approach the NFU and the SLF for such information?

Mary Scanlon: Highland MSPs have got lots of case studies. I would be happy to give mine to the committee if it would be helpful.

The Convener: We have contacted the Scottish Crofters Union in such circumstances in the past. Would it be appropriate to do so this time?

Members indicated agreement.

The Convener: I hope that we will include two case studies from each organisation with the papers distributed in advance of the meeting.

Mr Munro: Do we have any information on the deadlines applied to this fund, given that it is from Europe? I understand that the deadline is 31 December 1999.

The Convener: That is the date that I got from the previous meeting.

Mr Munro: That being the case, do we have time for all these deliberations and responses?

The Convener: The powers of the committee are such that we cannot force a decision before a specific date. However, I hope that the conduct of this investigation will have a serious effect on

concentrating the minds of those who have that power so that action may be taken in a timely manner.

Mr Munro: As long as the Executive realises the seriousness of the situation.

The Convener: Would it be appropriate for us to get the papers that we have discussed circulated as early as possible, in advance of the normal date?

Rhoda Grant: Can I suggest that, in your letter to the minister, you emphasise the urgency of the matter? Would it help, John Farquhar, if we underline the fact that we see this matter as very urgent? We are allowing for time to carry out an audit, because that will inform our questioning, but a paragraph about the urgency would be appropriate.

Mr Munro: Yes: emphasising the seriousness of the situation. I am sure that the committee would agree with that sentiment.

Members indicated agreement.

The Convener: I think that that is unanimous, John.

Dr Murray: Rhoda has already made this point, but I will make it again: it is important to check what action can be taken by the Scottish or UK Government, and what would be prevented by Europe. We have already covered this to an extent when we were addressing the lamb crisis, only to rebuffed at the final hurdle by Brussels. We could obtain advice on what would be allowed by the European Union in terms of compensation or top-up money.

The Convener: Who do we approach for definitive advice on that?

Are there any more comments on this matter? If that is all we have to say at this stage, I will move on to the next item, but I hope that everyone is confident that we wish to proceed with a sense of urgency. I thank everyone who came along for this part of the meeting.

European Document

The Convener: Item 5 is an EU communication on management and nature conservation in the marine environment. The clerks and I have had a discussion about it. Given that the document is before us, would anyone like to comment on it?

Richard Lochhead: Given that there are no firm proposals, we cannot do anything other than note the document. The only thing I would mention is that point 2 of the Scottish Executive's covering note on the document says that the Commission feels that more work can be done on further controls on fishing effort. I hope that the emphasis

would be on co-operation among environmental interests, the fishing industry and scientists, as opposed to constant reference to further controls.

The Convener: Is there any scope for inviting representatives of the fishing industry to send us their views?

Richard Lochhead: That would be useful.

The Convener: Are there any comments on any other part of the document? We will ask the fishermen to copy us in on any comments that they wish to make on the matter. If that is approved, we will take that opportunity.

Dr Murray: The only problem with getting the views of the fishing industry is that the committee has to submit its views by 18 November.

The Convener: It seems unlikely that we will have any comments that we wish to be noted. The document merely raises issues that I suspect might be raised in future and ones about which we should keep ourselves informed. Would it therefore be appropriate to note the document and pass on?

If there are no further comments, that is what we will do.

Employment Patterns

The Convener: The next item relates to the inquiry into the impact of changing employment patterns on rural areas.

We have the scoping report, for which we have been waiting for some time. We also have Simon Wakefield—who was responsible for preparing it—here today. I invite him to go over the report with us.

I also have a letter from Simon, covering one or two issues that are additional to the report. I have to say to him that I am very sympathetic to the points that he made in the letter. After he goes over the report, I would be most grateful if he went into those details, for the benefit of the committee. I hope that we are able to have a discussion based on what we have heard.

Simon Wakefield (Scottish Parliament Information Centre): Thank you.

I will go through the scoping report briefly. We looked at the response that the Executive sent to the committee and other evidence that was available from elsewhere, under the key objectives that the committee had set for the inquiry. They covered identifying the key drivers of change in employment patterns; identifying who gains and who loses as a result of changing employment patterns; assessing the impact of the changes on rural communities, especially on income and housing; reviewing current policy to support

employment in Scotland; and identifying best practice and areas for improvement in the policy.

I do not want to go through that in great detail, but we have identified a couple of opportunities for additional research and investigation by the committee. They would come under two of the key objectives that were set by the committee: reviewing current policy to support employment, and identifying best practice. Our scoping paper indicates that, although the Executive has identified a wide range of policies and initiatives to support employment in rural Scotland, there is no evidence from the Executive, or from any other research that has been done, of an overarching, comparative analysis of support offered to the different sectors and groups in the rural economy. That was therefore one area that we felt it might be helpful for the committee to consider in more detail, with some external research.

The information centre is working for the Enterprise and Lifelong Learning Committee on an audit of economic development services in Scotland as part of its inquiry. There is a good opportunity for the committee to make use of that research, and perhaps add a bit of value to it from a rural perspective, providing additional comparative detail on support for the sectors that are especially important for the rural economy—sea fisheries, agriculture, forestry, tourism and so forth. It would be most effective if the committee brought in some expertise in rural development to do that work.

The committee previously agreed that an external adviser should be brought in to advise the committee, assist with the consultation exercise, and analyse and draw out the key themes. In the management of the research, it might make sense to link that consultation and analysis to the comparative analysis of support for employment, to get a single external research contract. From our experience of managing such things, it would be possible to do that, and doing so would be more likely to deliver results to the committee in the required time scale.

I hope that that is a reasonably helpful suggestion, which would dovetail the research resources of the two committees and produce deliverable results to help the inquiry.

The Convener: Are there any questions for Simon on the scoping report, or on his suggestions of how we should proceed? This area is our No 1 priority, and we need to proceed fairly quickly. I understand that we had a hold-up because Simon was ill for a while, but he is back on course now. Do members think that his proposals on how we should proceed are appropriate? Given that we are at the first critical point in the investigation, is there anything else that anyone would like to comment on?

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): I do not wish to be critical, but tourism is such an important industry throughout rural Scotland—almost everywhere, local industries are largely based on tourism initiatives—yet only two short paragraphs are devoted to it in the report. I feel that the committee should flag up the importance of tourism throughout rural Scotland as a major employer.

The Convener: We have come up against that problem before: we are all well aware of the importance of tourism in rural areas, but in the structure of the Parliament, it falls within the remit of a different committee. Perhaps we will need to have a chat with the relevant convener.

15:30

Mr Rumbles: I am a little concerned that the Rural Affairs Committee's remit seems to be the consideration of only agriculture, farming and fishing. I do not want to lower their priority. Tourism may be in the remit of another committee, but it is also in this committee's remit, as it is the Rural Affairs Committee. We must ensure that that message gets across and that we are not compartmentalised into considering only farming, fishing and forestry.

Alasdair Morgan: I agree. From this committee's point of view, I am not concerned that there are only two paragraphs about tourism in the paper, because it is not our paper—it is the Scottish Executive's paper. Perhaps we might wish to comment on the fact that it has only two paragraphs about tourism. That does not restrict our discussions or conclusions.

Mr Rumbles: I was reacting to the convener's comments. I did not want to let that ride.

The Convener: It must be said that we are discussing the information centre's paper. It is there to target the way in which the inquiry will go, and I am open to suggestions.

Lewis Macdonald: I understand that Simon Wakefield's recommendations are not included in the paper. Is that right?

The Convener: The recommendations were issued separately in a letter, which I will be delighted to let members see.

Lewis Macdonald: That will be helpful.

Rhoda Grant: I have received neither the report nor the letter. That might be due to my mail being forwarded, but it makes it difficult to comment.

The Convener: I have a spare copy, which I will give you.

Rhoda Grant: This is just the report; I understand that you have a letter.

The Convener: The letter is a separate item, which has not been circulated. Is it okay if I circulate the letter at this point, Simon?

Simon Wakefield: Yes.

The Convener: We will wait a moment, so that the clerk can photocopy the letter. Are there any other questions about the report at this stage?

Members: No.

The Convener: Simon, do you have any views on the priorities that ought to be attached to tourism and whether it was adequately covered?

Simon Wakefield: What I suggested is that, although there is much evidence specifically about tourism, there has not necessarily been an analysis of how the different sectors of the economy, such as agriculture and fisheries, are supported. It might be useful to consider where the employment growth sectors in the economy appear to be and where there are opportunities to make a difference through the support that is provided. Tourism is one of the areas that is identified as important in the letter to the convener.

The Convener: Are separate figures available for tourism in the rural environment and tourism in the city environment? Perhaps we should examine tourism as a rural industry.

Mr Rumbles: Paragraph 2 of the briefing paper from the Scottish Executive contains a table showing rural Scotland's employment statistics from 1991 to 1997. The table shows agriculture, forestry and fishing, mining, manufacturing, electricity, gas supply and construction—but where is tourism?

The Convener: Are not separate figures for tourism as a rural industry available?

Simon Wakefield: Figures will certainly be produced for each tourist board area—the rural tourist board areas could be separated out from those for urban areas. There are some figures on expenditure and visitors from which I could produce information for the committee.

Lewis Macdonald: The point about the table on page 1 of the Executive's report is that it shows standard census categories for employment areas. Most tourism-related jobs would appear under the headings "Hotels and Restaurants" or "Other Services".

Mr Rumbles: Under "Distribution, Hotels and Restaurants"?

Lewis Macdonald: Yes.

Mr Rumbles: If, as I believe, tourism is such an important industry for Scotland, we, as a committee, should highlight that. It might reflect on the Scottish Executive that it has produced the

figures in the way shown in the table. Far be it from me to criticise the Scottish Executive.

Alasdair Morgan: The table highlights the difficulty of quantifying the precise extent of tourism. If a tourist travels on a train, that is just another train ticket that has been bought, yet it is clearly a product of tourism. That makes objective analysis difficult.

Lewis Macdonald: However, the figures for 1997 indicate the importance of tourism, as they show that twice as many people in rural Scotland are employed in distribution, hotels and restaurants as are employed in agriculture.

Mr Rumbles: I was just trying to flag up the issue.

The Convener: It would be difficult to obtain figures for tourism, but I take the point that we should pursue the issue.

Do members have other comments on the paper?

I want to keep members up to date on other parts of the procedure. Members might remember that we agreed on 5 October that Cathy Peattie, Irene McGugan and I would be responsible for considering expert advisers who would deal with rural employment patterns. The Parliamentary Bureau has approved the appointment of an adviser to assist the committee with the inquiry, and we will be able to proceed with that when we agree the terms of the inquiry.

The photocopier must be further away than we thought. I could have gone over the recommendations, but the clerk has taken the original copy away. We will move on to other items and come back to the issue later. It would be fair to allow Simon to return to his seat. We will circulate the letter and take a moment to discuss it at the end of the meeting.

Fisheries

The Convener: Members will remember that we had a briefing organised for the day on which the Scottish National party motion on rural affairs was debated, which caused us to reconsider our plans. The Sea Fish Industry Authority has indicated a desire to provide a briefing to members on current fisheries issues leading up to the Fisheries Council meeting in December. Do members think that such a briefing would be useful?

Members indicated agreement.

The Convener: We come to the difficult part—we have to agree a date. It has been suggested that it would be better for us to go to Pentland House for the briefing, rather than for the Sea Fish Industry Authority to come here, as facilities there are better for the presentation that the authority

wishes to make. The morning of Wednesday 8 December has been suggested. Does that suit everyone?

Members indicated agreement.

The Convener: We will go ahead on the basis of holding the briefing on the morning of Wednesday 8 December. [*Interruption.*]

Does everyone have a copy of the letter now?

Members indicated agreement.

The Convener: Simon, do you want to say anything else about the letter?

Simon Wakefield: No. I covered the points that are in the letter.

The Convener: The letter sets out the points that Simon mentioned when he spoke to us a few moments ago and includes his suggestions on how to proceed.

Mr Rumbles: I am happy with the approach that is outlined in the letter, as long as we flag up the point that I made earlier. Tourism is so important to rural Scotland that we should not simply consider figures in the way that we always have.

The Convener: We all accept the point that Mike raised. Would it be appropriate for us to proceed on the basis that is set out in the letter?

Members indicated agreement.

Infectious Salmon Anaemia

The Convener: Richard Lochhead requested at the last minute that this item be added to the agenda. I ask him to outline his reasons for doing so.

Richard Lochhead: I asked for the item to be included because the infectious salmon anaemia virus has been found in wild fish in Scotland. That will change many people's perception of the crisis. I am not sure of the way forward, but I wonder whether the committee thinks that it would be appropriate for us to initiate an investigation into the infectious salmon anaemia virus in Scotland, given that it is a big issue for many rural communities.

Given the other things to which we have committed ourselves, I am not suggesting that we carry out an in-depth investigation, but some sort of action would be useful. We could request a report from the Executive on the implications of the recent developments.

Mr Rumbles: I agree entirely. The issue is important and I am glad that it is on the agenda today—I raised it with the minister myself.

Richard's suggestion that we ask the minister to present a report to us is good. My rural

constituency of West Aberdeenshire and Kincardine has three salmon rivers, and people have contacted me to express their concern. We need to have the latest information from the Executive. The Executive must focus its resources on research. I would like the committee to send that message.

Mr McGrigor: If the virus is found in wild stocks, the classification of the disease changes. It is no longer classed as exotic but is classed as endemic, which means that it is handled differently. The fish farmers will not have to slaughter their stock. It would be useful to have that clarified as soon as possible.

Lewis Macdonald: We do not want to end up with an endless list of crises. If the wrong signals are sent from the committee, the public perception might be that the virus poses a direct threat to public health. We have seen something similar happening with the supermarkets' treatment of Scottish salmon. On that basis, I am inclined to ask the Executive for further information. We risk sending the wrong signals if we throw up our hands in horror and talk about another crisis hitting the rural community.

The Convener: Is it the view of the committee that we should ask the Executive to supply us with a detailed written submission on the latest evidence on infectious salmon anaemia and that, once we have seen that document, the matter can be discussed further?

Members *indicated agreement.*

15:46

Meeting continued in private until 17:42.

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