# **RURAL DEVELOPMENT COMMITTEE**

Tuesday 5 March 2002 (Afternoon)

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## **RURAL DEVELOPMENT COMMITTEE**

7<sup>th</sup> Meeting 2002, Session 1

#### CONVENER

\*Alex Fergusson (South of Scotland) (Con)

## **D**EPUTY CONVENER

\*Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP)

## COMMITTEE MEMBERS

- \*Rhoda Grant (Highlands and Islands) (Lab)
- \*Richard Lochhead (North-East Scotland) (SNP)
- \*Mr Jamie McGrigor (Highlands and Islands) (Con)
- \*Mr Alasdair Morrison (Western Isles) (Lab)
- \*John Farquhar Munro (Ross, Skye and Inverness West) (LD)

Irene Oldfather (Cunninghame South) (Lab)

- \*Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD)
- \*Baine Smith (Coatbridge and Chryston) (Lab)

Stewart Stevenson (Banff and Buchan) (SNP)

\*attended

### WITNESSES

Alison McLure (Scottish Executive Environment and Rural Affairs Department) Allan Wilson (Deputy Minister for Environment and Rural Development)

### **C**LERK TO THE COMMITTEE

Richard Davies

SENIOR ASSISTANT CLERK

Mark Brough

#### ASSISTANT CLERK

Jake Thomas

## LOC ATION

Committee Room 3

## **Scottish Parliament**

# **Rural Development Committee**

Tuesday 5 March 2002

(Afternoon)

[THE CONVENER opened the meeting at 14:01]

The Convener (Alex Fergusson): Welcome to this meeting of the Rural Development Committee. We will make a start in spite of the fact that our numbers are a little low at the moment. All other members are supposed to be coming, but we have received notification that several have been held up in traffic.

I am keen to make a punctual start. The minister, who is coming to discuss the revised agenda item 2, is in a great hurry this afternoon and I want to ensure that we do not hold him up when he gets here.

Members will have been advised that we have a revised agenda. The reason for the revision is that one of the statutory instruments that we were to deal with has turned out to be an affirmative instrument.

## **Item in Private**

**The Convener:** Item 1 on the agenda is to ask that item 6 be discussed in private because we will be discussing names and CVs of advisers. We have traditionally had such discussions in private. Do we agree to do so today?

Members indicated agreement.

# **Subordinate Legislation**

# Pig Industry Restructuring (Capital Grant) (Scotland) Scheme 2002 (SSI 2002/43)

The Convener: I give a particularly warm welcome to Allan Wilson, the Deputy Minister for Environment and Rural Development. My welcome is particularly warm because I appreciate very much the fact that the minister agreed to come to the committee at such short notice. I also welcome Alison McLure, whom the minister has brought with him.

I remind members that the minister must be away by twenty past two, if at all possible. The instrument that the minister is here to address—the Pig Industry Restructuring (Capital Grant) (Scotland) Scheme 2002 (SSI 2002/43)—is subject to the affirmative procedure. As such, it has been commented on by the Subordinate Legislation Committee. Members have that report in front of them. That committee raised a question regarding state aid, which was answered to its satisfaction.

I invite the minister to make any remarks he would like to make.

The Deputy Minister for Environment and Rural Development (Allan Wilson): It is important to put the application in its historical perspective so that the committee understands what it is being asked to agree to.

As the convener will be particularly aware, the pig industry was in the depths of despair two or three years ago. Then, the price that was paid to farmers for pigmeat was well below the cost of production. In March 2000, the Prime Minister and UK agriculture ministers met farm leaders at 10 Downing Street. The outcome of that meeting was an action plan for farming. The pig industry restructuring scheme was one component of that plan, which recognised that the pig sector had faced considerable difficulties in the previous two years and that those difficulties needed to be addressed.

The restructuring scheme was devised to help the industry through its difficulties, in close consultation with the National Pig Association, the Meat and Livestock Commission, the British Bankers Association and the Central Association of Agricultural Valuers.

Like a number of other components of the action plan, the pig industry restructuring scheme is a state aid. Formal clearance by the European Commission was therefore required before it could be introduced. After lengthy negotiations, clearance was secured from the Commission in December 2000.

The pig industry restructuring scheme consists of two main elements. Before restructuring aid could be made available to producers who wished to stay in production, the Commission required the United Kingdom to cut its pig breeding capacity by 16 per cent, which represented about 124,000 sow places. That led to the introduction of the outgoers element of the restructuring scheme, which was aimed at those pig producers who wished to end their involvement with pig production.

The second phase of the restructuring scheme, the ongoers element, was opened for application on 22 January last year. The payment of aid under the ongoers scheme is the reason why I am here today. The ongoers scheme is aimed at helping pig producers who are committed to remaining in the industry to restructure their businesses in order to secure a viable long-term future. Market conditions improved for a time, but prices have subsequently decreased again. It is clear that the high level of debt that has been incurred by producers over the past few years will prove to be a major obstacle to the industry. The ongoers scheme is designed specifically to offer aid to producers who wish to restructure their business to make them more viable in the longer term.

The aid will take the form of an interest rate rebate on term loans, which are linked to an agreed business plan. Payment of aid to successful applicants will be made in annual instalments this year and next, following confirmation of interest paid by the producers during the previous 12 months. There are 134 successful applicants in Scotland under the (a) ongoers scheme, with a total aid payment of just £4.2 million over the next two years. That aid will help to make the businesses more efficient and better placed to meet the challenge of sustaining the recent upturn in the pig industry.

The order that is before the committee will allow for that aid to be paid to any eligible person, towards expenditure incurred for capital projects. A second order is passing through Parliament under the negative procedure. That order will allow for the payment of aid in relation to loans to be used for non-capital expenditure.

**The Convener:** Thank you. You mentioned the number of successful applicants under the ongoers scheme. How many unsuccessful applicants were there?

Allan Wilson: None.

The Convener: So the amount of money made available will cover the entire needs of the applicants.

Allan Wilson: Yes.

John Farquhar Munro (Ross, Skye and Inverness West) (LD): As I understand it, in the

past there has been no subsidy or support for pig producers. My understanding of the aid that is now proposed is that it is simply to meet the interest on loans that pig producers negotiated with banks or other lending institutions. There is no support for the production units.

Allan Wilson: The aid is in the form of a reduction of 5 per cent in the interest charged over two years on an existing—or perhaps a reworked or new—fixed loan. That is related to pig production and the agreed business plan to which I referred. There were 170 successful applicants under the restructuring scheme, of which 134 were successful under the ongoers scheme.

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Of the £4,206,000 over a 24-month period that is being allocated to Scotland, how much will be used? Will it all be used?

Allan Wilson: The intention is to use it all in order to maximise the benefit of availability of additional facilities for pig producers who wish to stay in pig production and who wish to have the competitive advantage that those facilities might give them.

**Mr Rumbles:** I have a question on the technicalities of the wording of the order, rather than its substance. I am curious about the structure of the language in article 4, which I do not quite understand. It says:

"The following persons shall be eligible for a grant under this Scheme:-

a natural person  $\dots$  and

(b) a person (other than a natural person)".

When I read that, I thought, "What does that mean?" Could you enlighten me?

Alison McLure (Scottish Executive Environment and Rural Affairs Department): We had various discussions with the lawyers about that. The idea behind it was that a body, in normal parlance, could own a business. That would not be a natural person. The normal method of pig production would involve a farmer who owns the business, but a body, such as Scottish Natural Heritage, might own the business. The phrase

"a person (other than a natural person)"

is legal parlance to cover that option.

**Mr Rumbles:** I thank you for that. I just note that I think it strange to say

"a person (other than a natural person)".

**Alison McLure:** In legal terms, a person can be a body or a person, so I am told.

**The Convener:** We have now noted how carefully Mr Rumbles reads his papers.

In the early days of the committee, there was

considerable trouble in the pig industry. Those of us who were on the committee at that point were moved by the state of many pig producers and would want to encourage any scheme that helps them to play a continuing part in the industry. I am sure that the committee does not want to hold up the scheme.

Does the minister wish to add anything?

**Allan Wilson:** Our intention was to have lodged the instrument earlier, but the foot-and-mouth outbreak diverted staff resources elsewhere. We are catching up.

I move,

That the Rural Development Committee recommends that the Pig Industry Restructuring (Capital Grant) (Scotland) Scheme 2002 (SSI 2002/43) be approved.

Motion agreed to.

**The Convener:** I thank the deputy minister for attending at such short notice. I hope that he manages to make it to his next appointment on time.

Import and Export Restrictions (Foot-and-Mouth Disease) (Scotland) (No 3) Amendment (No 2) Regulations 2002 (SSI 2002/35)

Sheep and Goats Identification (Scotland)
Amendment Regulations (SSI 2002/39)

Pig Industry Restructuring (Non-Capital Grant) (Scotland) Scheme 2002 (SSI 2002/44)

Sea Fishing (Enforcement of Community Quota and Third Country Fishing Measures) (Scotland) Order 2002 (SSI 2002/51)

Sea Fish (Prohibited Methods of Fishing) (Firth of Clyde) Order 2002 (SSI 2002/58)

**The Convener:** Item 3 is consideration of five further statutory instruments. Does the committee agree to deal with the instruments en bloc?

Members indicated agreement.

**The Convener:** No member has indicated to me that he or she wishes to comment on the instruments. Are members content with the instruments?

Members indicated agreement.

## **Integrated Rural Development**

The Convener: Item 4 concerns integrated rural development. Members have had from the clerk a paper that outlines possibilities for two fact-finding visits for the inquiry into integrated rural development. The first is the proposed visit to Colonsay. I was slightly perturbed to find that visit plastered all over the BBC website this morning under the headline

"MSPs' island trip on hold".

I was not approached about that and I do not think that the clerks were approached. It is rather unfortunate that press comments are made before we have even discussed the visit at this meeting. I presume that the coverage is due to the fact that the committee papers are public. It is right that those papers are public—the Parliament is open and allows public access, despite what the article says. We have yet to come to a decision about the visit. There are severe problems with the committee's going to Colonsay for an official meeting. That is one of the matters that we must discuss today.

It would be extremely difficult to hold a meeting on Colonsay because of the ferry timetable and the lack of time for the Parliament's broadcasting unit to set up and pack away. It is suggested in the clerk's paper that we have three options that would best take into account the concerns of the people of Colonsay. The first option is to send only reporters. The second is to have a meeting in Kintyre, possibly in Campbeltown, and for reporters to go on to Colonsay the following day. Option three is to hold an official committee meeting on another island on which it would be logistically easier to do so and have reporters go on to Colonsay.

A fourth option has just been put to me: that we stay for two nights on Colonsay, which is the only way that we can get there and back with sufficient time for the necessary officials to do their jobs properly.

I would like to open up the matter to discussion. It was the wish of the committee to have a full committee meeting on Colonsay, but we agreed not to incur enormous expense by chartering a boat to do so, or by embarking on a similar sort of enterprise.

14:15

I must also point out that the only day on which one can go to Colonsay for a six-hour trip is a Wednesday. I need not remind members that that is a day on which the Parliament meets. However, we could go on a Wednesday during recess, if members wish to do so.

Mr Rumbles: Correct me if I am wrong, but in the three years of the operation of the Rural Development Committee, we have had only two committee meetings outside Edinburgh—one in the Borders and one near Loch Lomond.

I was pleased that we decided to have a series of four committee meetings up and down the country. We firmed up the first two and we should now firm up the second two. I am surprised that the recommendation appears to be that the second two should not be full committee meetings. To accept that recommendation would be a mistake. Our purpose is to investigate integrated rural development and the barriers to it. I understand that it is difficult to conduct a full meeting in the two areas that we have decided to visit, but dealing with that difficulty will give us experience that will inform our deliberations and our report. It is essential that we do not send one or two people off to report back to the committee or that we simply undertake informal visits. We should have proper committee visits. Backtracking on that commitment would send entirely the wrong message.

Rhoda Grant (Highlands and Islands) (Lab): The convener mentioned that a fourth option was to stay for two days.

**The Convener:** It might be useful if I asked one of the clerks to outline the public transport options for getting to and from Colonsay.

Mark Brough (Clerk): We understand that, during the summer months only, a ferry goes to Colonsay from Kennacraig in Kintyre, stays for six hours and returns that evening, getting back to Kennacraig at quarter to 10. That option would not require the committee to stay overnight on Colonsay but would allow time for fact-finding visits or a meeting. However, as the committee has heard, it is not feasible to hold a meeting of the committee when the Parliament is meeting. It might be possible to identify a week when there was no meeting on Wednesday.

The alternative is to go from either Kintyre or Oban. However, as those ferries do not wait in Colonsay, we would have to go on a Monday, for example, and wait until the next ferry back, which would be a Wednesday. That would involve two nights' stay.

Mr Jamie McGrigor (Highlands and Islands) (Con): What time would we get there on the Monday?

**Mark Brough:** I do not know. I could confirm that for you.

**Mr McGrigor:** It might well be that, if we arrived late, we would have only one full day—Tuesday—on the island.

**The Convener:** That would almost certainly be the case, given that the ferry back is on Wednesday. However, that would still involve three days of members' time.

**Mr McGrigor:** Mike Rumbles's point was a good one: the fact that one full day on the island would take up three days of our time is indicative of the sort of thing that people who live on the island have to put up with all the time.

Richard Lochhead (North-East Scotland) (SNP): I remember making the same points as Mike Rumbles when we first discussed holding the meetings. It is important that the Rural Development Committee does not send out a message that it is unwilling to overcome obstacles in order to conduct an inquiry into obstacles to rural development.

I wonder whether option 3 is a goer. We could hold a meeting on another island and the committee could still visit Colonsay for a six-hour trip rather than send reporters. We would not have the official reporters with us, but the committee would visit Colonsay even if only for six hours.

As Mike Rumbles says, we have met outside Edinburgh only twice, which is pretty ridiculous. We should take the opportunity to expose ourselves to as many people as possible in rural areas. The committee has not even been to Inverness. We could perhaps kill two birds with one stone by visiting two islands. We could undertake one visit with the official reporters and one without them.

The Convener: Okay. However, I take issue with what you say. We have held only two official meetings outside Edinburgh, but we have held quite a few public meetings outside Edinburgh, especially when we were researching the report on the impact of changing employment patterns in rural Scotland.

**Mr Rumbles:** There is no doubt that we have met outside Edinburgh only twice.

**The Convener:** That is true for official committee meetings. However, we have held other meetings outside Edinburgh.

Elaine Smith (Coatbridge and Chryston) (Lab): How many other committees have met officially outside Edinburgh, and how many times have they done so?

**The Convener:** We do not know. However, as the Rural Development Committee, we have always felt that we should meet outside Edinburgh.

Elaine Smith: I do not dispute that, but two formal committee meetings outside Edinburgh might not be a bad track record compared with other committees—although I am not saying that

that is the level that we want to achieve. It has always been acknowledged that it is difficult and costly for committees to meet outside Edinburgh. If the information that I asked for is not available, my question cannot be answered, but it might be useful for us to know the answer.

**The Convener:** The information is not immediately available, but we could get it.

Mr Rumbles: Convener, I have—as have you—attended many meetings of the conveners liaison group, at which applications by committees to meet outside Edinburgh have been discussed. I have been surprised that there has never been a financial barrier to that. I am not aware that any committee has been refused permission to meet outside Edinburgh. We seem to be stuck in a sort of self-fulfilling prophecy of finding barriers where they do not exist. This is a bizarre situation, because our inquiry is about barriers to integrated rural development. It seems that we are putting our own barriers in place right at the beginning of our inquiry. We should remove those barriers.

We have met informally a number of times outside Edinburgh. We have sent committee reporters out and that has been useful. However, it is an important part of the parliamentary process that the committee meet formally in various parts of Scotland. Rhoda Grant suggested that we meet on Colonsay. It would be ironic and bizarre if we pulled out of the visit at the first hurdle. That would send the wrong message. We should not only have a full committee meeting on Colonsay; we should have one in the north-east of Scotland. That is what we agreed to.

The Convener: We will come to that.

**John Farquhar Munro:** How many people would be in the group?

**The Convener:** I shall ask the clerk. How many people must travel to a full committee meeting, apart from the members?

**Mark Brough:** I cannot give an exact number. There would be representatives from security, public information, the official report and broadcasting, as well as the committee's clerks.

**John Farquhar Munro:** Would there be about 20 people in total

Mark Brough: Yes.

John Farquhar Munro: In that case, it might be more economical to hire a charter vessel from Tobermory or Kennacraig to take the team to Colonsay instead of going on the Caledonian MacBrayne ferry. Has that been investigated as a possibility?

**Richard Lochhead:** That would be a sensible option.

**Mr McGrigor:** It is possible to get a passenger charter from Crinan.

**John Farquhar Munro:** I am sure that it could go round the back of Jura to Colonsay.

Mr McGrigor: It is not far from Jura to Colonsay.

The Convener: I must point out that members rejected that option when it was put to them previously. We received a quote for chartering a vessel to take us there. Perhaps there are other vessels that we could charter—I do not know—but it is fair to say that there would be procurement delays.

If members feel that we should go down that route, that is fine. The problem, however, is getting members to attend such meetings. Only seven members are going to Dalry and it is not hard to get there.

Rhoda Grant: We are in the difficult position of being damned if we go and damned if we do not. If we do not go, we will have press coverage similar to that which we have had. If we charter a boat for a huge financial outlay, we will be hammered again. We should not just rush on to Colonsay, hold an official committee meeting, then leave. It would be better to stay on the island so that we can speak informally to people.

The Convener: I could not agree more.

Rhoda Grant: I think that we will get more information by doing that. People might not speak openly at the meeting because their comments will be recorded in the *Official Report*. I would be happy for the whole committee to go to the island for an informal meeting to hear people's concerns. I do not back the proposal to charter a boat for a day, which would allow us to have a committee meeting on the island but do nothing more. I am keener on an informal visit.

The Convener: I have much sympathy with that suggestion, but a possible problem is that the conveners liaison group will not be keen on funding an unofficial trip for the entire committee. However, I believe that we could argue successfully for Rhoda Grant's suggestion.

Mr Rumble s: I would oppose such a suggestion at a CLG meeting, because if the whole committee is going on a fact-finding visit, we should have a proper committee meeting. It is only fair that I tell committee members that I will—because I feel strongly about the matter—say that at the CLG meeting. It would be ridiculous to pull out of an agreed committee meeting because of such impediments as the possibility of having to stay on the island for two nights.

**Richard Lochhead:** We should not make a mountain out of a molehill. First, I do not think that there would be a media backlash if we chartered a

vessel. Secondly, the media should not dictate our agenda. I sympathise with Rhoda Grant, but we should not be hung up about having the official report with us. I reiterate that if it proves to be impractical to charter a vessel—I would prefer to examine that option—we still have a duty to use our time sensibly. We should not go down the road of spending two or three days on Colonsay because we must have the official report with us. We should visit the island for only six hours. We have a duty to expose the committee to as much of rural Scotland as possible, which means using our time sensibly.

We should return to option 3, if chartering the vessel is not practical, which would mean visiting an island with the official report, then informally visiting the neighbouring island of Colonsay while we are in the area. We should not get hung up about where we go with the official report.

Mr Rumbles: If we stayed for two nights in Colonsay, our time could be used profitably. We have said often that we would like to have an away day that would involve an overnight stay, so that the committee could discuss integrated rural development issues informally. We have a marvellous opportunity to have an official committee meeting on Colonsay and to combine that—if we are forced to stay there for two nights because of the public transport problems—with an informal meeting. It would be wrong not to use our agreed agenda for such an opportunity.

Elaine Smith: I sympathise with members' points. However, I want to respond particularly to Mike Rumble's comments. I am the constituency member for Coatbridge and Chryston. I am also a member of two parliamentary committees, which I am sure is the case for other members. I would find it difficult to devote three days to a committee fact-finding visit, particularly during the working week. The visit could take place during recess. Could the committee go to Colonsay on Tuesday during the first week of Easter recess, spend one night there and return on the Wednesday?

**The Convener:** The committee could do that, but we would have to charter a boat to go there on the Tuesday.

**Elaine Smith:** Could we get a ferry on the Tuesday?

**The Convener:** No, but expenses would be cut by using public transport on the Wednesday.

I shall make a suggestion, or we will be going around in circles. We should defer the matter until 26 March, and ask the clerks to return with the information that has been requested today. We will be able to make a definitive decision after another round of comparative costs.

Rhoda Grant: We need to ask the clerks to

examine the logistics of chartering a boat that could take official report staff, sound equipment and everything else that we need. Accommodation on the island for the number of people who will be working there is another logistical element that must be considered.

14:30

**Mr McGrigor:** Many private charter boats will not take more than 12 passengers.

**The Convener:** We would need two charter boats, but that is okay. I hope that members are content with that for now.

I find it unfortunate that our decision making has been altered by unconfirmed reports in the press. However, that is the joy of an open Parliament.

The other meeting, which was proposed by Richard Lochhead and Mike Rumbles, was to take place in Aberdeenshire. We had planned a series of visits during the week commencing 27 May, when the Parliament is in Aberdeen. The paper suggests that Monday is the only viable day on which to carry out such visits, but it would not be possible to hold a formal committee meeting then because all officials, and others, would be tied up in organising the meetings of the Parliament. Nothing would prevent us from holding a meeting. but some people would not be available; it is a simple question of logistics. If the committee wants to have a full committee meeting rather than a fact-finding visit—it appears that that is the case we must consider another date.

Richard Lochhead: I suggest that we press ahead for a full committee meeting in the northeast, and that we avoid the week of the Parliament's visit. It would make sense for us to visit the north-east at a different time because we want to ensure that people know that the Rural Development Committee is in the area. Confusion may arise in public perception if Parliament and the committee are there at the same time. For those reasons, I shall go for option 2, which is to find an alternative date and hold a formal committee meeting.

**Mr Rumbles:** I whole-heartedly support what Richard Lochhead says. He is absolutely right. The clerks suggest Friday 7 June, which is a more suitable date.

The Convener: Friday 7 June?

Mr Rumbles: Yes.

**The Convener:** Are you suggesting fact-finding visits, or simply a meeting of the committee?

**Mr Rumbles:** I am suggesting a meeting of the committee on 7 June.

The Convener: You see no need for fact-finding visits in the north-east?

Mr Rumbles: Fact-finding visits will always be useful, but I make it clear, as Richard Lochhead has done, that it is important to have a full committee meeting. We will have full committee meetings in the south, in Loch Lomond, in Fort William and in Colonsay. I should also like to have a full committee meeting in the north-east.

Elaine Smith: Could I make a suggestion? If we are to have a full committee meeting on 7 June in Aberdeen, can we have, as Rhoda Grant suggested with reference to the Colonsay discussion, an hour at the beginning or end of that meeting to meet people informally? It may not be a fact-finding visit, but it would be something similar.

**The Convener:** We will come to the format of the meetings later, but that is the sort of format that I hope to promote.

Richard Lochhead: I understood that we would visit three locations in the north-east, so I presume that we would have the formal meeting in one of those locations and fact-finding visits in the other two. Aboyne, Huntly and Buckie were the three locations that were mentioned, and we could visit them in the same day.

**The Convener:** I am happy with that suggestion. How do other members feel?

Mr Rumbles: Can I make a plea? I know that Mid Deeside Ltd is having particular problems on integrated rural development.

The Convener: Can we come to the details of the visits later? We should establish the dates and locations first.

Mr Rumbles: That is what I am talking about. I would like the committee to come to Aboyne, which is what I proposed originally, for serious reasons. There are difficulties in Aboyne and up the valley of Deeside with integrated rural development, so I would like the committee to consider going to Aboyne.

Richard Lochhead: I reiterate my preferences, which were mentioned at the beginning. Both locations are in my constituency, so I have no preference, although Huntly would be more appropriate. It has a higher unemployment rate than Aboyne, and we have not been there in any shape or form. We have visited mid-Deeside before.

**Mr Rumbles:** We have not visited mid-Deeside.

**Richard Lochhead:** We did, for fact finding on land reform.

The Convener: If members are happy with Friday 7 June, we can ask the clerks to look at the locations and find suitable premises for holding the meetings. Once we have found out what is available and where, the committee can decide where to go. There will always be individual

preferences, but we might as well find out whether places are available. I am sure that the clerks will be in touch with those in the north-east who have an interest to hear their suggestions. We will consider Friday 7 June, which might mean two nights away for members who are coming a long way, but we will cross that bridge when we come to it

**Elaine Smith:** Are we in Parliament on Thurs day 6 June?

The Convener: I imagine so.

**Elaine Smith:** Are you suggesting that we would have to travel to Aberdeen on the Thursday straight after the plenary session in Edinburgh?

The Convener: We would not have to do so, but it would probably make sense. We will have to wait until we know where we are going and what the logistics are.

**Richard Lochhead:** Some of us do that journey twice a week.

The Convener: That is a good point. That is the week after we are in Aberdeen, and we are unsure about the plenary situation for the week. I do not know whether the debating chamber will be restored after the General Assembly; we will have to find out. The details will be available for our meeting on 26 March, and we will firm things up then.

We will move on to agenda item 5, for which members have had another substantive paper from the clerks outlining the possible structure for the inquiry evidence programme. The paper outlines a framework, but asks us to consider delegating the detail to the work programme reporters and local members. That comes back to the point that Elaine Smith mentioned. It was always the firm proposal of the work reporters, agreed by the committee, that during the meetings we should get in touch with not only the usual suspects, but real people, individuals and small businesses who feel that they have something to say. That means that we must be slightly flexible and rely on input by local members, both in and outside the committee, to recommend the most suitable witnesses and examples of useful factfinding visits. We are asking the committee to allow a bit of flexibility rather than putting down on paper today who we should see in, for example, Aboyne. Does anyone want to comment?

Mr McGrigor: That is a good approach.

**The Convener:** The clerks and local members could determine who should come, with the committee having to agree to their choices before the final decision.

Elaine Smith: I will make a general point, but before I do so, I state that I am a member of the

Transport and General Workers Union and that I have declared an interest.

I feel strongly when I read the paper, and because of discussions that the committee has had, that the trade unions—particularly the T&G, which is heavily involved in agriculture and rural industries—have been ignored. The committee has not ignored the trade unions in the past: we asked for written evidence from them at one point after I raised the issue. When we think about witnesses, it is very important to contemplate involving the trade unions—particularly the T&G—perhaps for the final, more formal meetings in Edinburgh.

It has also been brought to my attention that, although I made certain points to the minister and the Executive, the unions have still not been included in the advisory forums that have been set up. I feel strongly that the committee should take evidence from the T&G in particular.

The Convener: I do not argue with that at all. You are right that the place for that would be in the final evidence-taking meetings that will be held in Edinburgh. By that time, I hope, we will have identified any gaps in the evidence and will be able to address those gaps specifically. There is no reason why the unions should not be part of that.

**Elaine Smith:** Local trades councils from specific communities might also want to give evidence. I throw that suggestion to the clerks, because we have left them to decide who the most appropriate witnesses might be.

**Richard Lochhead:** A fortnight ago, Angus Council set up a full-day briefing for me on rural issues. A range of external organisations from Angus attended. I urge the clerks to contact the economic development officials in the local authorities to get the names of such organisations. That would be useful.

The Convener: I am sure that the clerks will take that on board. It would be almost discourteous not to ask the local authorities wherever we meet at least to send a representative to the meeting. Perhaps such representatives could also appear as witnesses. Most local authorities have a rural development branch of some sort. I would be surprised if they were not on the list of witnesses.

Rhoda Grant: I am getting a little concerned. We seem to intend to speak to agencies and organisations. How will we tackle our objective of getting out and speaking to the people on the ground who have faced the problems and issues? Another problem with having formal committee meetings is that we almost have to have a body that we can ask to send a representative. It is difficult to get Joe Bloggs along to a formal

committee meeting to describe the problems that are involved in, for example, setting up or changing a business. That is the kind of evidence that we want.

The Convener: I return to the subject of how we will structure the meetings, which Elaine Smith first broached. I will run over what I think will happen in our visits to Dalry and the south of Scotland. We will do three fact-finding visits on the Monday afternoon. We hope to have an informal meeting with a list of invited people on the Monday evening before we all have something to eat. That is where the local members and their nominations come into play.

The first session of the meeting the next day would probably be with a body such as the local authority, local development agency or local enterprise company. The second session would be with specific individuals, businesses, companies or bodies that had been identified by local members or members with a local interest. We would finish up with an informal meeting between those members who are present and any members of the public who are sitting in the hall.

The fact that we cannot allow somebody from the general body in the hall to give evidence to the committee at a formal session is a difficulty and a pity. It would be nice to find a way round that eventually. We might end up writing to the Procedures Committee on that point. We can bridge the gap by simply stopping the meeting and talking to people in the hall.

### 14:45

Rhoda Grant: The paper suggests that we could have a 30-minute break in the middle of the meeting, which would allow members of the public to comment on the evidence and ask questions or air differing opinions. That would be a better approach, because their comments and the issues that they raise could be dealt with and recorded in the Official Report afterwards.

The Convener: I am more than happy to try that approach at the meeting in the South of Scotland and, if it is successful, we could continue to use the model elsewhere. I am in absolute agreement with Rhoda Grant that we should try to find a format that allows us to meet the real people—as we have always called them—who are involved in this exercise. Otherwise, we will not do any good at all.

Mr Rumbles: On the point about meeting real people, we could follow a model that involves doing some spadework in advance. We could contact agencies such as the local development company, Scottish Enterprise Grampian or any of the other organisations or trusts—such as the Royal Deeside Trust—and ask them to forward to

the committee details of companies or individuals who would be willing and able to give evidence to a formal committee meeting. That would mean that we would not have the usual suspects turning up at the table to give us formal evidence. We would be able to choose in advance which people we would like to hear evidence from.

The Convener: If we were to ask the local development company for a list of nominated witnesses, would we not get the usual suspects? I would like to hear from people who have not managed to get an enterprise company grant or to get the enterprise company involved and why.

Mr Rumbles: That is exactly my point. I was only using Scottish Enterprise Grampian as an example. Let us forget about the enterprise companies-I am talking about the local community development trusts and companies, which are grass-roots development organisations. Unlike the enterprise companies, they are not toporganisations—they are bottom-up organisations that are organised by and for local people. They would be able to give us lists of people and a range of options to choose from. They would not pre-select people for us or tell us, "This is the only person you can see". I am only making a suggestion.

The Convener: Fair enough—your suggestion will be included in the Official Report of today's meeting. I would be happy if that approach could be used successfully, but I have the feeling that we would still end up with the usual suspects. I was hoping that local and constituency members would be able to feed into the process, so that we would have a proper cross-section of exactly the type of person I was talking about.

**Richard Lochhead:** It is difficult for the committee to avoid hearing from the usual suspects, who often have an axe to grind. We want to hear from people who can give us genuine case studies.

Would it be possible for us to advertise widely, so that people who want to appear before the committee could get in touch with us? Our advertisement could say that the committee is coming to the community in question on a certain date and that we are looking for witnesses with case studies. If we were to be proactive, I have no doubt that sensible people would submit their experiences. We would be able to sift through the responses, but at some point, someone would have to make a judgment about them. Perhaps a cross-party delegation from the committee could sift through the responses, identify interesting cases and invite people to give evidence.

**The Convener:** That is a splendid idea, although I am not sure whether the advertising budget would extend to such an approach.

**Rhoda Grant:** As an add-on to Richard Lochhead's idea, we could advertise through a press release that says, "We are coming and this is what we want." Most local papers would run that as a story—it would be a good story for them.

**The Convener:** Are you proposing to put out the information through a press release, rather than through an advertisement?

Rhoda Grant: Yes.

**Richard Lochhead:** In the case of Huntly and Aboyne, the local papers would simply run a piece—it would not cost us any money.

**The Convener:** The story ran locally in the Dalry area.

**Richard Lochhead:** Even the BBC's website covers our business.

**Rhoda Grant:** I was going to suggest what Richard Lochhead just suggested—I think that that is a good idea.

The Convener: It is a sound idea.

I welcome Fergus Ewing to the meeting.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I am sorry that I am a wee bit late—I was rather busy this morning.

I thought that the approach described by Richard Lochhead and Rhoda Grant was the approach that we were going to take to promulgate to the public the fact that we are holding the inquiry. In my view, issuing a press release to the local papers would be a sound way of doing that and would not involve advertising costs or other expenditure. I am sure that the Parliament's visit to an area is newsworthy. I endorse the points that were made by Richard Lochhead and Rhoda Grant.

**Mr Rumbles:** I can see the journalist from *The Press and Journal* nodding.

**Richard Lochhead:** The journalist from *The Press and Journal* is nodding vigorously behind us.

**The Convener:** The journalist from *The Press* and *Journal* always nods vigorously. That is terrific

We are happily agreed on that.

We must return to the programme of evidence paper, for those who have arrived slightly late. We must move on to some of the more specific points in the paper and, if possible, agree the rationale for the evidence programme, which is described in paragraph 4(a). I am happy to give members a minute to refresh their memories.

The paper outlines more or less what we have always understood. A series of meetings will be

held outwith Edinburgh, then we will tie things up with two or, if necessary, three meetings back at headquarters, so to speak. Are members content with that?

**Mr McGrigor:** It is odd that paragraph 4(a) mentions sea fishing and then aquaculture, but it does not mention freshwater fishing. That may seem a small point, but it is not a very sensible way of putting it. Aquaculture means fish farming and it also mentions sea fishing. I presume that all types of fishing will be included.

The Convener: I am sure that that is the intention.

Mr McGrigor: It is not well put.

**The Convener:** Given that it is just an outline paper, I hope that you will forgive that oversight.

Mr McGrigor: Just.

**The Convener:** I am glad that you are in a generous mood today, Mr McGrigor.

If members are content with paragraph 4(a), we will move on to paragraph 4(b), which we have discussed considerably already. This is about agreeing in principle to hold informal networking events prior to the away meetings and, if possible, as part of other visits and to explore opportunities for participation by members of the public who attend the committee meetings. That is the important point. If we can get it right, we will get some very useful evidence, but if we get it wrong we will not get such useful evidence. We have a great opportunity to alter slightly the way that public meetings are organised. I will go through this reasonably slowly; if members want to comment, I ask them to do so.

**John Farquhar Munro:** The concerns that Mr McGrigor expressed are covered by the second bullet point in paragraph 4(b)(i), which states:

"key local individuals could be invited to an informal discussion with Committee members".

**The Convener:** Yes. That is part of the suggestion for the informal networking event. Thank you for that point.

The bullet points in paragraph 4(b)(iii) are worth considering. They list broad themes that we will probably consider, having held the local meetings, when we come back to Edinburgh. The list is not definitive. It can be added to or subtracted from if members feel that we have covered the themes adequately in the pubic meetings.

**Elaine Smith:** Health and safety is a big issue. Although it is, in a way, a reserved matter it still has an impact on agriculture in rural communities, so we might want to discuss it.

The Convener: We can add that theme to the bullet points when we discuss whom we want to

give evidence in Edinburgh.

Fergus Ewing: We are considering rural development and possible barriers to rural development. At a meeting that I had with Highlands and Islands Enterprise this morning, it was stated that one of the perceived barriers—certainly in Lochaber—is the lack of housing in an area where unemployment is quite low. There are skills shortages, so available housing is needed to attract the people that are needed to fill the skill shortages. Could we add housing and transport? Transport links are seen by many as impacting directly and indirectly on what is good and what is problematic about development.

**The Convener:** I have no difficulty with that, but I would have thought that those two subjects are likely to come up on our rounds.

**Fergus Ewing:** I wonder whether we should signal those subjects in the paper.

The Convener: There is no reason not to.

**Fergus Ewing:** We should spell out for the public the fact that those subjects are included in our agenda.

**Elaine Smith:** I have no problem with that. However, I presume that the committees that deal with housing and transport also take an interest in the issues of rural housing and rural transport.

**The Convener:** That is called cross-cutting, is it not? Much cross-cutting could be going on, because every issue has a rural aspect.

Richard Lochhead: My point is related to Fergus Ewing's. Many issues will crop up, so perhaps we should not be too prescriptive. I thought that the inquiry's purpose was to allow themes to emerge from taking evidence, as opposed to putting themes into boxes before the inquiry starts.

**The Convener:** We do not need to be too definitive yet.

**Richard Lochhead:** The committee tends occasionally to go down too many routes, which means that we get what we want to hear as opposed to seeing what emerges.

**The Convener:** I take your point. We can leave those subjects until we assess whether we have missed something out.

Paragraph 4(c) is almost redundant, because we have got a bit further forward in organising the Dalry meeting. To clarify for members who arrived a little bit late: those members who can attend the Dalry meeting will make three visits on the Monday afternoon. Alasdair Morgan and—I think—David Mundell will join us. On the Monday evening, before we dine, we hope to have an informal meeting with invited people.

We will have our first session with people from the bodies at the top of the list in paragraph 4(c) at the formal meeting in Dalry on the Tuesday morning. We will have our second session with a panel of people who have been identified as having particular problems in the field of rural development, or people who have a particular issue to raise or a specific interest in rural development. We will also have an informal meeting with members of the audience for 20 minutes or half an hour. We will then resume the formal meeting and discuss the points that have been raised. That is the proposed format for the meeting in Dalry. Do members have comments?

**Mr McGrigor:** About the Dalry meeting or the Lochaber meeting?

**The Convener:** About either. The proposed format that I described, however, was specifically for the Dalry meeting. I trust that everybody is happy about that format, which we have almost finalised.

Mr Rumbles: On the Lochaber meeting, we talked earlier about the usual suspects. Seven organisations are listed in paragraph 4(c) as suggested witnesses for the Lochaber meeting. I would label five of those organisations as the usual suspects. I have heard of the Knoydart Foundation, but I know about it only from what I read in the newspaper. I do not know the Lochaber LEADER group. Could we not also include as witnesses community development companies or community trusts? Lochaber is in Fergus Ewing's constituency, so perhaps he could suggest witnesses. Could we have more local, grass-roots organisations in addition to the usual suspects?

**The Convener:** Three committee members have fed in many suggestions of organisations that are not the usual suspects, which could give evidence or that we could visit.

Fergus Ewing: This morning I met HIE. That organisation will make a written submission by 14 March. If all the usual suspects make written submissions, that will allow us to devote what time we have to taking oral evidence from those who are not the usual suspects, such as members of the public, particularly if they respond to the pleas from the excellent *The Press and Journal* and other press avenues.

I support Mike Rumbles's suggestion that we should not decide at this point to have the usual suspects as witnesses. Incidentally, I would have thought that we should have had Lochaber Enterprise, which is the local enterprise company, rather than HIE. If we are going to take local evidence, it might be more appropriate to take it from Jackie Wright, who is the chief executive of Lochaber Enterprise. I have other points to make

about the Lochaber visit. However, we should not decide on witnesses until we see what written responses we get. We do not need to decide on witnesses just now, because the visit is not until 22 April or 23 April.

I think that Jamie McGrigor and Rhoda Grant have submitted written suggestions. I do not know whether they would agree with that particular aspect.

**Mr McGrigor:** I would agree with that. We have all sent in suggestions, but they are not reflected in the paper. The Lochaber Fishery Board is the only one of its type that has gone ahead and accepted the recommendations—it has amalgamated with several other fishery boards. It is an interesting example of a modern fishery board.

15:00

Rhoda Grant: If many of the people who respond to our press release want to give us evidence, there would be nothing wrong with our taking up in writing the points that they raise with the usual suspects after the meeting. That would leave as much of the meeting as possible for hearing what people say. We could get responses in writing to the evidence that we receive. That would make more room for ordinary people. Do you know what I mean?

**The Convener:** I do indeed. There would be no difficulty with that.

Richard Lochhead: My point follows on from Jamie McGrigor's suggestion on the Lochaber Fishery Board. It is important that we keep in mind what we are trying to achieve with our inquiry. I presume that our aim is to identify obstacles to rural development and, at the same time, to find successes. Anyone from whom we hear should be able to say to us that X jobs have been created during the past 12 months as a result of a project. We must use some sort of criteria. Someone might say that they are unable to create jobs because of X, Y or Z. That is one side. Success is the other side. We should hear from people who can tell us that 12 jobs, say, have been created, rather than from people who just have a good story to tell. We need evidence that certain people will be worthwhile listening to as part of our investigation.

The Convener: We are almost there with the Dalry visit. On the Lochaber visit, I suggest that the clerks should liaise with Fergus Ewing, Rhoda Grant, Jamie McGrigor and Alasdair Morrison to identify the appropriate candidates to give evidence—formally and informally. That goes back to the flexibility that we talked about. Unless there is a violent objection, we would go along with their suggestions.

John Farquhar Munro: An issue that has affected Lochaber over the years is the demise of the pulp mill and of aluminium smelting in the area. There have been significant job losses. British Waterways, which operates the canal system from Banavie through to Inverness, is an active job generator. We should not overlook the importance of its activities in that area. Perhaps we could involve that organisation in some way.

The Convener: It appears that British Waterways has already been noted, but thank you nonetheless. We must realise that we cannot meet everybody on the visits. It is sad that we must prioritise. I am happy to leave it to the four members who have been suggested to finalise the choice.

Are we happy to leave the detailed arrangements for each evidence session to local members and members who have particular relevance to the areas concerned? It is difficult to be precise; I am sure that our approach will change in the light of each meeting that we hold. I also ask that we agree that the work programme reporters will consult constituency members and other local members when we go on our visits. Do members agree to those proposals?

Members indicated agreement.

**The Convener:** Does anyone have further comments to make on the paper?

Fergus Ewing: I presume that in the evening of Monday 22 April we will have the chance to meet a variety of local people in an informal setting, as is being planned for Dalry. If that is the case, perhaps arrangements could be explored with John Hutchison, who is the Highland Council area officer for Lochaber. He might be able to assist us in going about that.

**The Convener:** Good idea. I believe that you had already suggested that possibility to Highland Council. I am happy for the council to consider that. Arrangements would be similar to Dalry, with a public session in the evening.

Six points are made in the summary of the paper. Is it agreed that we proceed on that basis?

Members indicated agreement.

15:05

Meeting continued in private until 15:17.

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ISBN 0 338 000003 ISSN 1467-0178