

TRANSPORT AND THE ENVIRONMENT COMMITTEE

Wednesday 30 May 2001
(Morning)

Session 1

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TRANSPORT AND THE ENVIRONMENT COMMITTEE

16th Meeting 2001, Session 1

CONVENER

*Mr Andy Kerr (East Kilbride) (Lab)

DEPUTY CONVENER

John Farquhar Munro (Ross, Skye and Inverness West) (LD)

COMMITTEE MEMBERS

Bruce Crawford (Mid Scotland and Fife) (SNP)

*Robin Harper (Lothians) (Green)

*Maureen Macmillan (Highlands and Islands) (Lab)

*Fiona McLeod (West of Scotland) (SNP)

*Des McNulty (Clydebank and Milngavie) (Lab)

*Bristow Muldoon (Livingston) (Lab)

*Mr Murray Tosh (South of Scotland) (Con)

*attended

CLERK TO THE COMMITTEE

Shelagh McKinlay

SENIOR ASSISTANT CLERK

Tracey Hawe

ASSISTANT CLERKS

Alastair Macfie

Neil Stewart

LOCATION

Committee Room 4

Scottish Parliament

Transport and the Environment Committee

Wednesday 30 May 2001

(Morning)

[THE CONVENER *opened the meeting at 10:02*]

The Convener (Mr Andy Kerr): I welcome everyone to this meeting of the Transport and the Environment Committee. I have received apologies from John Farquhar Munro and Bruce Crawford. Fiona McLeod will arrive late and Des McNulty will have to nip in and out of our committee as he must also attend the Enterprise and Lifelong Learning Committee.

Item in Private

The Convener: Are we agreed that, in keeping with our previous practice, we will consider our work programme in private?

Members *indicated agreement.*

Ferry Services (Highlands and Islands)

The Convener: We will consider a paper from the reporters, Maureen Macmillan and Des McNulty, on the Scottish Executive's proposals for the future of the Highlands and Islands ferry network.

Maureen Macmillan (Highlands and Islands) (Lab): As we know, the decision to tender the Caledonian MacBrayne service has tremendous implications for people who live on the islands and people who use the mainland-to-mainland routes from the Clyde up to Lewis. It is extremely important that we get an idea of what is going on.

Des McNulty and I have discussed the issues informally with the Minister for Transport and Planning and have been to Victoria Quay to speak to officials. That has given us an understanding of why it is necessary for the tendering process to take place and the stage that it is at, which is that the European Commission is considering what proposal it will agree with. The Scottish Executive is trying to get the European Commission to agree to the bundling of CalMac as a whole and to the inclusion of some mainland-to-mainland routes, an arrangement that would be unusual in Europe.

Obviously, we want to interview a number of other interested parties. Because of the importance of the issue to communities in the west Highlands, we want to interview representatives of those communities and people from Highland Council, Western Isles Council, Argyll and Bute Council and the Highlands and Islands strategic transport partnership. We want to interview representatives of CalMac to find out how they are preparing for what will inevitably be a tough competition for them. We will meet representatives of the National Union of Marine, Aviation and Shipping Transport Officers and the National Union of Rail, Maritime and Transport Workers, as the proposals will have an effect on their members and on working practices and conditions. We want to go to Brussels to meet officials of the European Commission and find out their thinking, and to give our opinions to them—although perhaps we should not do the latter part. We have had written briefings from Professor Neil Kay, who was concerned about the operator of last resort because the proposal is to create a vessel-owning company that will be distinct from the vessel-operating company. The idea that CalMac might be the operator of last resort requires some explanation and we want to discuss Neil Kay's concerns with him. Obviously, we will meet the minister and officials again prior to reporting back.

If that is acceptable to the committee, that is how we will proceed.

The Convener: We will consider, first, the terms of reference that the reporters have developed, then the proposals for evidence to be taken from interested parties.

The reporters' remit document has three bullet points that outline the suggested terms of reference for issues that the reporters will investigate. Fiona McLeod has contacted Shelagh McKinlay, the clerk, to raise a couple of issues. She suggests inserting the words, "the justification for and" at the beginning of the first bullet point so that it would read that reporters will investigate

"the justification for and the implications of the decision to tender lifeline ferry services in order to comply with EC guidelines on State aid in maritime support".

Fiona McLeod is trying to find out whether derogation and exemption was an available option. She also proposes that the reporters examine whether there is a need for a regulator in relation to the new structure, or whether the existing bodies will suffice. Lastly, she raised an issue about the operator of last resort in relation to service delivery issues.

Mr Murray Tosh (South of Scotland) (Con): Maureen Macmillan's suggestions sounded fine. What she said sounded broader and more developed than the three bullet points. She mentioned the employment implications, for example. That aspect might be implicit in the bullet point that deals with service delivery implications, but I would like it to be dealt with explicitly, as I assume that there will be issues relating to the Transfer of Undertakings (Protection of Employment) Regulations similar to those that arose with the trunk roads employees who were not employees of the Scottish Executive and the continuity of whose jobs could not be guaranteed when their contracts were transferred. I am thinking, in particular, of pension rights. We should find out whether the Executive has the ability to require the continuity of the CalMac employees' pension rights in the contract, although that is not required under the relevant European directives. There are probably related issues that are important to the communities that are affected by the matter.

The Convener: I would be happy for that to be included in the terms of reference.

Something should also be included about the development of service specifications. The service specifications in relation to the trunk roads were developed in isolation, without much consultation with the interested parties, including this committee. Within the requirements of commercial confidentiality, there is a need to ensure that we conduct that process of specification as openly as possible to ensure that we protect the interests of all parties that are involved in the process. I would like to see an emphasis on transparency as a

result of the development of service specifications.

Robin Harper (Lothians) (Green): I presume that the third bullet point, on structural organisation and service delivery implications, would include integration with other modes of transport, such as rail and bus services.

Maureen Macmillan: Yes.

Bristow Muldoon (Livingston) (Lab): I do not want to add to the terms of reference, but perhaps we could bring in another group of witnesses. Another area that is worthy of consideration is whether there are alternative models in other European Union countries that have similar ferry services. I am thinking of the Scandinavian countries. Perhaps there are other models.

The Convener: That is useful.

Maureen Macmillan: That is fine. The inclusion of justification in the first bullet point is fair enough. We have spoken to the officials and the minister about alternative models and that can be included in the report. The need for a regulator comes under the structural and organisational element. That is one of the things that Professor Kay wants to speak to us about. We will be looking into the need for a regulator, given that CalMac is the provider of last resort.

The Convener: Murray Tosh mentioned the TUPE implications. Can that be included in the terms of reference?

Maureen Macmillan: NUMAST and RMT would want to speak to us about that.

The Convener: We will reword the remit, taking account of members' comments, and reconsider it at our next meeting. The format will be similar, but we will take on board the points that members have made.

Can we consider the list of potential witnesses that has been suggested by Des McNulty and Maureen Macmillan? The list appears fairly exhaustive. We will discuss our forward work programme under agenda item 4, so we might consider oral evidence sessions then.

Mr Tosh: If we agree to that list and then other people with an interest come forward, presumably they would not be excluded from giving evidence.

The Convener: No, they would not be excluded.

Maureen Macmillan: Professor Kay has emailed me to suggest that we might take evidence from someone—

The Convener: Whose name escapes you at this moment.

Maureen Macmillan: It might have been someone from the Maritime and Coastguard Agency.

The Convener: That is fine. We will reconsider the matter next week and can add the name then. We will have some time available because of the progress of our work on trunk roads—that will be discussed under agenda item 4.

Do members agree to discuss the paper at our next meeting?

Members indicated agreement.

The Convener: Bearing in mind that we may change our work programme following our discussion under agenda item 4, can I have formal agreement that we are content that the reporters are authorised to meet as necessary the groups that are outlined in the paper? Are members content to authorise the reporters to meet Commission officials in Brussels to pursue the issues further?

Members indicated agreement.

Equal Opportunities

The Convener: Agenda item 3 concerns mainstreaming equal opportunities in committees. We have been asked to support research that is being done on behalf of the Equal Opportunities Committee and to nominate at least one member to attend a workshop on mainstreaming equal opportunities in parliamentary committees.

Are there any comments on the research proposal? Are members happy with the approach that is being adopted?

Members indicated agreement.

10:15

The Convener: In that case, I am looking for a willing volunteer to be our representative on the sounding board.

Mr Tosh: It has become traditional for you to volunteer, convener.

The Convener: It is a tradition that I do not wish to continue.

Robin Harper: I am not sure whether I have a space in my diary, but I have been in constant contact with the forum over the past two years and it is something that I would be interested in doing. I am not pushing myself ahead of anyone else who might want to do it.

The Convener: Thank you, Robin. We shall take up that offer. If there is a problem with the date, perhaps you can get back to Shelagh McKinlay and we can seek an alternative.

Mr Tosh: As the request is to nominate at least one member, could we agree to permit any other member of the committee who subsequently expresses an interest to attend?

The Convener: Yes. That makes good sense. Do we agree to proceed on that basis?

Members indicated agreement.

10:16

Meeting continued in private until 12:48.

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