TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

Tuesday 25 September 2007

Session 3

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TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE
5th Meeting 2007, Session 3

CONVENER

*Patrick Harvie (Glasgow) (Green)

DEPUTY CONVENER

*Cathy Peattie (Falkirk East) (Lab)

COMMITTEE MEMBERS

*Rob Gibson (Highlands and Islands) (SNP)
*Charlie Gordon (Glasgow Cathcart) (Lab)
*Alex Johnstone (North East Scotland) (Con)
*Alison McInnes (North East Scotland) (LD)
*Shirley-Anne Somerville (Lothians) (SNP)
David Stewart (Highlands and Islands) (Lab)

COMMITTEE SUBSTITUTES

Alasdair Allan (Western Isles) (SNP)
Gavin Brown (Lothians) (Con)
John Park (Mid Scotland and Fife) (Lab)
Tavish Scott (Shetland) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Dr Iain Docherty (University of Glasgow)
Phil Flanders (Road Haulage Association)
Professor David Gray (Robert Gordon University)
Professor Alan McKinnon (Heriot-Watt University)
Marjory Rodger (Confederation of Passenger Transport UK)
Alan Russell (Scottish Chambers of Commerce)
Gavin Scott (Freight Transport Association)

CLERK TO THE COMMITTEE

Steve Farrell

SENIOR ASSISTANT CLERK

Alastair Macfie

ASSISTANT CLERK

Clare O'Neill

LOCATION

Committee Room 6

Scottish Parliament

Transport, Infrastructure and Climate Change Committee

Tuesday 25 September 2007

[THE CONVENER *opened the meeting at 14:45*]

Interests

The Convener (Patrick Harvie): Welcome to the fifth meeting of the Transport, Infrastructure and Climate Change Committee. I remind everybody that mobile phones and pagers should be switched off. We have received apologies from David Stewart.

Agenda item 1 is a declaration of interests. I welcome Charlie Gordon to his first meeting of the committee and ask him to declare any interests that he feels are relevant.

Charlie Gordon (Glasgow Cathcart) (Lab): Thank you, convener. I have no relevant interests to declare.

Decision on Taking Business in Private

14:45

The Convener: Agenda item 2 is consideration of a proposal to take in private agenda item 5 and any future consideration of our stage 1 report on the Abolition of Bridge Tolls (Scotland) Bill. Do members agree to take those items in private?

Members *indicated agreement*.

Abolition of Bridge Tolls (Scotland) Bill: Stage 1

14:46

The Convener: Agenda item 3 is evidence on the Abolition of Bridge Tolls (Scotland) Bill. I point out to members and others that Transport Scotland declined our invitation to appear before the committee today. Members will probably agree that that is an unusual and disappointing development. I suggest that I consult members after the meeting to decide whether to take action as a result and what action would be appropriate. Do members agree to that approach?

Members *indicated agreement*.

The Convener: That leaves us with two panels of witnesses to give evidence today. I am grateful to the first panel for coming—we have Marjory Rodger, from the Confederation of Passenger Transport UK; Gavin Scott, from the Freight Transport Association; Phil Flanders, from the Road Haulage Association; and Alan Russell from Scottish Chambers of Commerce and Fife Chamber of Commerce and Enterprise. I welcome them all and ask them to make any brief introductory remarks.

Marjory Rodger (Confederation of Passenger Transport UK): The CPT has consistently opposed the abolition of the bridge tolls. We did so in our replies to the consultations in 2004, 2005 and 2006. We are disappointed by the bill, because it gives a bad message. How will we be able to introduce any form of road user or congestion charging in future? We have serious congestion problems that must be dealt with and we would like motorists to pay the real cost of motoring.

To us, the bill is negative, but it appears to be going through, so I have another plea: we want bus priority measures to be put in place. At present, Stagecoach buses—megabus and Scottish Citylink—shift 21,000 single-occupancy car journeys off the Forth road bridge every week. With more bus priority measures, we can help relieve the congestion. We understand that priorities are being built into the infrastructure and we are told by the minister that the Scottish Government will fund the measures, but we would like reassurance that that will happen.

Alan Russell (Scottish Chambers of Commerce): I thank members for giving me the opportunity to speak to the committee. Scottish Chambers of Commerce represents about half of the employers in the private sector in Scotland. I also represent the Fife Chamber of Commerce and Enterprise. Our written submission sets out

eight basic reasons why we think the tolls should be abolished.

The tolls on the Forth and Tay bridges were originally temporary and should have been removed many years ago in both cases. The situation is neither equal nor fair. Of the tidal crossings in the United Kingdom, only a limited number—13 in total, with two remaining in Scotland—are currently tolled and there are 243,000 miles of roads that are free to use. People have to pay to get into Fife from the north and the south, which is certainly unfair. The tolls are a restraint on trade. The Fife economy underperforms in relation to the Scottish economy in many ways, yet businesses in Fife are taxed an estimated £3.4 million per annum just to use the national road network to the north and south of Fife.

We argue strongly that, if anything, the tolls cause congestion and that congestion causes pollution. We think that it is a myth that removing the tolls will create congestion, because we are sure that no more people will use the bridges as a result of the lack of tolls. The bridge tolls are used to pay for road improvements, not simply for bridge maintenance—the A8000 improvements, which have recently partially opened, are evidence of that. We also raise the question of the legitimacy of continuing the tolls. The tolls are a barrier to economic growth, particularly in Fife. There is no evidence to support the idea that tolls benefit the economy; if anything, they have the opposite effect. We could produce a range of evidence to prove that the tolls are detrimental to tourism, which is one of the major industries in Scotland and Fife.

Phil Flanders (Road Haulage Association): The Road Haulage Association supports the abolition of the tolls—our members are fairly happy. To be fair, £2 is not an awful lot to pay, but the money is as well in hauliers' pockets as anybody else's. However, hauliers are concerned that they are not given enough importance and that their value to Scotland's economy is not recognised. Our members would like priority vehicle lanes rather than bus lanes. In many instances, delay in the movement of freight affects people's jobs and livelihoods. We urge that hauliers as well as buses be given priority on the crossing.

Gavin Scott (Freight Transport Association): I will pretty much reflect what Phil Flanders said, which is probably unsurprising given that we both represent the logistics industry. Our members were equivocal about the tolls and their abolition, because £2, or a reduced rate, is absolutely nothing compared to the cost of operating a goods vehicle. The feedback from our members was that removing the tolls from the Tay bridge will tackle the particular problem with congestion in Dundee city centre, which will provide an advantage.

Nobody is going to look a gift horse in the mouth and say, "No, we'd like to keep paying tolls, thank you very much, so please let us do that." Some people argue against the bill, but certainly not our members. As Phil Flanders suggested, the mere act of stopping a vehicle to pay a toll—particularly a fully laden heavy goods vehicle—is not a green action, as it must then pull away again. At that stage, there is heavy pulling on the vehicle's engine, resulting in increased emissions.

Phil Flanders and I are not quite joined at the hip, but I back his plea for priority vehicle lanes. I get annoyed when people talk about bus lanes and whether we should allow taxis to use them. I would much rather use the expression "priority vehicle lane". If we decide that a lane is for priority vehicles, we can then decide which priority vehicles will be allowed to use it. That might be buses, or buses and taxis, or it might include high-occupancy cars or goods vehicles. However, if we start by using the expression "bus lane", we have killed the argument. Some 10 per cent of the vehicles that cross the Forth road bridge are goods vehicles, but goods vehicles are a fraction more than 1 per cent of the vehicle population in the country. The number of goods vehicles that cross the bridge is much higher than the number of buses that cross it. That is why, if any sort of priority measures are to be introduced, we will look for goods vehicles to be included.

The Convener: I will kick off with a general question on consultation. You will be aware that the Government has not carried out a formal consultation on the bill. Several previous witnesses have stated that there has been little informal dialogue with their organisations. Are your organisations satisfied with the level of consultation? Has the Government made any informal contact with you since it announced its intention to introduce the bill?

Marjory Rodger: In 2004, we replied to Nicol Stephen, the then Minister for Transport, on the phase 1 consultation on the tolled bridges review. We replied to the tolled bridges review phase 2 consultation in 2005 and, in 2006, to the "Tay and Forth Bridges Review: Factual Evidence". We feel that there has been quite a lot of consultation. We have also had informal meetings.

I will take the opportunity to say that if we want to achieve modal shift, it is a defeatist policy to have buses crawling behind lorries.

The Convener: We will discuss policy aspects, such as modal shift, later. Has there been any contact since the Government announced its intention to introduce the bill?

Marjory Rodger: No. We have had no direct contact since then.

Alan Russell: I am not aware of any formal consultation on the bill.

Phil Flanders: The same goes for us.

Gavin Scott: No.

The Convener: I have a question for the Confederation of Passenger Transport. Various witnesses, including the environmental panel we spoke to last week, talked about the increasing price differential between public and private modes of transport and about the potential for journey times for bus traffic to be disrupted if, for example, congestion increases and the peak period extends. How might those factors affect your members' operations?

Marjory Rodger: I can give you only the passenger levels. If you have specific questions, we will try to collate the statistics, which all our members are prepared to provide.

Ferrytoll park and ride has had a 24 per cent increase year on year. For the service from Fife to Edinburgh airport, there was a 49 per cent increase in passengers last year. Where we provide a good service on quality vehicles, we will get the extra patronage. What will stop that investment is if we cannot keep those vehicles moving freely.

Alison McInnes (North East Scotland) (LD): I want to explore further the idea of vehicles being able to move more freely. Marjory Rodger said earlier that, although she did not want the tolls to be abolished, if they were abolished she would like priority measures to be introduced. I would like more information about those priority measures and where she would like them to be implemented.

Marjory Rodger: We would like the tolls to be retained on the Tay bridge. Either way, however, we would like an effective park and ride at the southern access to the Tay bridge. That could work in the same way as Ferrytoll, by greatly relieving pressure and therefore preventing congestion in Dundee city centre. We think that that would be a big help. On the Forth bridge, the south east of Scotland transport partnership's proposal, northbound at the Echline roundabout, has our full support.

Alex Johnstone (North East Scotland) (Con): I want to check the information we are being given. In recent years, has there been a significant rise in the number of people who use public transport to cross the Forth road bridge?

Marjory Rodger: Yes.

Alex Johnstone: And has that happened at the same time as the total number of vehicles crossing the Forth bridge—and the level of congestion—has also risen dramatically?

Marjory Rodger: Yes.

Alex Johnstone: So there is no evidence in that to suggest that increased congestion has caused any reversal in the number of people using public transport.

Marjory Rodger: The operators have taken the risk of extra investment to try to make a difference. We have increased the frequency and number of vehicles crossing the bridge. Car congestion would have risen further if the operators had not taken such measures. You just have to look at patronage at Ferrytoll for evidence of what I am talking about.

Cathy Peattie (Falkirk East) (Lab): My questions are for the RHA and the FTA. The "Toll Impact Study Final Report" states:

"The freight transport community is not concerned about the financial cost of the toll."

However, it goes on to say that

"congestion is a major concern."

I am interested in your views on the abolition of the tolls and the possible impact on freight transport of a predicted increase in congestion at the two bridges.

15:00

Phil Flanders: Most of the increase in any movements would be cars. I cannot see anybody changing their behaviour to save 80p or £1. In freight movements, time is as important as money. From the figures that I have seen, most hauliers avoid both bridges in peak hours. Figures from the Forth Estuary Transport Authority a couple of years ago showed that freight movements dropped between 7 am and 9 am and then picked up again. The figures for the Tay bridge probably show the same. Apart from those that have to be there because their delivery is at a certain time, hauliers do not want to be sitting about in queues. Long term, it would not be good for the industry if the queues got longer, but we hope that the removal of tolls will relieve some of the pressure, particularly in Dundee.

Gavin Scott: The report from Steer Davies Gleave suggested that about 24 per cent of leisure users would be likely to increase their use of the Forth bridge. If I were a leisure user of the bridge, I would not be using it between half past 7 and half past 9 in the morning, or at peak times at night. While I accept that there might be increased traffic on the bridge, I question whether there will be a massive increase in congestion at peak times. The bridge is pretty well chock-a-block at those times anyway. As Phil Flanders has indicated, goods

vehicle operators do their best to avoid peak times because time is money, and time spent at 2mph or 3mph in a bridge queue is extremely expensive.

I am not denying that there might be an increase in traffic on the bridge. On the question whether congestion would be significantly worse than at present, I think that the bridge would be congested for longer periods, rather than more densely. The congestion peak will show as a great big long hill, rather than a pointy one. Significantly, our suggestion is that there would be no increase in goods vehicle movements on the bridge. The only way that we are going to get an increase in goods vehicle movements on the bridge is if the economy soars, because people will want to move more goods. Operators do not run vehicles just for the fun of seeing vehicles with their names on the side going back and forth across the Forth or Tay bridges.

Cathy Peattie: The idea of a priority vehicle lane that was mentioned earlier seems to be a sensible suggestion. Could you develop that for me, and tell me how it would work? In the event of priority vehicle lanes, would we get more haulage traffic at peak times?

Gavin Scott: I doubt very much that there would be an increase in haulage traffic at peak times because we have settled into a pattern now. I am not suggesting that things might not change slightly over time but, having established patterns, people get into that routine. Customers expect their deliveries at a negotiated time. I have no real problem with the concept of giving priority to bus passengers, but I get a wee bit miffed when we stop at that point without giving any priority to the other sufferers of congestion, the logistics industry. The problem is caused by private cars, particularly private cars with single occupants. I get as frustrated as anybody else when I see that sort of thing. I do my best to double or triple up, although occasionally I cannot. It would not be beyond the wit of humanity to find some system whereby what is being punished is the private car with a single occupant who could easily have transferred to public transport. We have to remember that we cannot send goods by bus; nice as it would be, there ain't no alternative. Marjory Rodger's operators and members would not be impressed if I stood at the bus stop with a pallet and said, "Could you take this across to Kirkcaldy for me please?"

Phil Flanders: I agree with Gavin Scott. Back in the days of the original north-east of Scotland freight quality partnership, Aberdeen Council developed a computer model that allowed freight to use the bus lanes, which showed that there was no serious disruption to the flow. Buses still made the times that they were making, but it eased the traffic in the other lane. We are led to believe that such a scheme has been quite successful in Newcastle, as well. There are examples of how that could work. As Gavin Scott said, at certain times of the day, freight will not want to be there and a 24-hour bus lane that nobody else can use seems to be a waste of road space when people are desperate for the goods.

Alison McInnes: This question is for the Scottish Chambers of Commerce. In evidence, and in your written submission, you have said that the tolls should be abolished for reasons of equity. The committee heard evidence last week, from WWF Scotland, that it would be inequitable to abolish the tolls because that would pass the cost of maintaining the bridge from users to the general taxpayers, many of whom do not use the bridge or do not have access to a car. How would you respond to that claim?

Alan Russell: As I said earlier, businesses pay around £3.4 million directly in the additional taxation. That was shown by a survey that we carried out among our members in Fife. The performance of the Fife economy falls below the Scottish average on many counts, yet the tolls are an additional tax on businesses in Fife. They are also an additional tax on individuals in Fife who commute regularly to their places of employment: Dundee, Edinburgh and the surrounding areas. Why should businesses in Fife and the people of Fife have to pay extra? Maintaining the tolls encourages businesses to be elsewhere than Fife. That is a strong argument that I would like the committee to consider.

The Convener: On the issue of equity and fairness, your written submission makes comparisons between the two bridges that we are talking about and other road bridges and stretches of road. Why have you not made a similar comparison between road users and public transport users to highlight the inequity in the prices that they pay?

Alan Russell: We have not looked into that in depth. If you analyse the total road use in the United Kingdom and in Scotland, you will see that Fife is being penalised in the Scottish context. The basic question is why those road users should have to pay extra to get to where they live or work.

The Convener: I recognise the argument that you are making in relation to road users in one part of the country and road users in another part of the country. However, you are saying that you have not made a similar comparison between road users and users of public transport.

Alan Russell: The users of public transport—for example, buses that cross the bridges—do not have to pay the tolls.

Marjory Rodger: Yes, they do.

Alan Russell: Well, they do in the longer term, yes. However, the vast majority of the road network throughout the UK is free.

The Convener: In your written submission, you say that

"243,000 miles of other roads are free."

Do you accept that those miles of road are not free but are paid for by the taxpayer? Do you accept that they cost the same amount of money to maintain and operate but that they are paid for through general taxation rather than by the people who use them?

Alan Russell: Yes, I do not disagree with that.

The Convener: Mr Scott has accepted that, although we are not looking at major additional density of congestion, the peak congestion time on the bridge may be extended. That would affect both the road haulage industry and public transport, as well as private car users. What are the implications of an extended peak time for road haulage and public transport? Would road haulage operators avoid the bridge for longer and what impact would that have on them? Would there be a knock-on impact on public transport patronage at those hours of the day?

Gavin Scott: If we are to keep the economy moving, the goods will have to cross the bridge at some point. It would be naive to think that we could start squeezing away from an extended peak period; the traffic will still have to go back and forth over the bridge. If there were a broadening out of the peak period, there would be a limit to how much people would try to avoid it. There is no doubt that there would be an increase in congestion at that shoulder period, and operators would eventually recognise that they had no choice, as the traffic would have to cross the bridge at some time. They could not keep avoiding, avoiding, avoiding.

At the moment, operators try to avoid the bridge at peak times because of the delay in shifting traffic over it. If we built the peak out and made the congested period longer, the industry would have to build in more time to allow for that. A problem that the industry has is journey time reliability. It is no good saying that the journey will take half an hour one day and only 10 minutes the next day; we must build in half an hour for the journey every day to be sure of getting the goods to the shops when they are supposed to be there. We would have to build in an awful lot more expected congestion time into vehicle routines, which would impact on the drivers' hours situation—the working time directives—and so on.

The Convener: The cost implication would be significantly higher than a pound.

Gavin Scott: Obviously, yes.

Marjory Rodger: I agree with the freight industry on this issue. Passengers want consistently reliable services. If we are to persuade single-occupancy car users to get off the road and try public transport, they must see consistently reliable services. There is a real risk that we will not be able to increase patronage if there is extra congestion. Stagecoach has committed £4 million for 25 new vehicles for the Forth bridge. The company has to get a return on that investment, and it is trying to make buses an attractive, viable option.

What Gavin Scott says applies also to buses. If we have to build in extra time for congestion, extra buses and drivers will be needed to provide the same level of service. If we can keep the buses moving, that might free up, say, four buses to provide other services that people consider socially necessary and criticise us for not providing. We can increase routes and provide a more comprehensive network if we can keep our buses moving freely. However, if there is heavy congestion, we will need more buses just to maintain the current timetables. We are heavily penalised if we do not run to timetable, and congestion is not an acceptable excuse. We are supposed to build time for congestion into our timetables.

Rob Gibson (Highlands and Islands) (SNP): This question is for Alan Russell. You say that the tolls represent a restraint on trade, in the form of direct payments that people have to make to get to and from Fife. Is there any other evidence of how trade is restrained?

Alan Russell: It is probably restrained in other ways that relate to bridges and congestion and what the future holds for the Forth road bridge and its possible replacement. The cost of moving vehicles over the Forth and of getting to a new place of work are affecting inward investment in Fife. We do not have statistics on that, as we have not looked into it in depth, but in recent years there has been a downturn in the number of projects that have come to Fife. I read a report on that yesterday. The burden of tolls on businesses in Fife, in particular, is documented in the survey that we carried out. The tolls affect the performance of Fife compared with the rest of Scotland.

Rob Gibson: I am interested in the survey that you mentioned, which you received yesterday. Can you share any more information from it?

Alan Russell: I was referring to a report on the performance of the invest in Fife partnership, which I do not have with me.

15:15

Rob Gibson: Can you provide any examples of restraints on trade?

Alan Russell: At one point, newspapers reported that a huge project involving Amazon and 1,000 jobs was destined for Dunfermline. Dunfermline was in direct competition with a Welsh location, which was eventually successful. Many factors were involved in that decision. I do not doubt for a minute that the Forth crossing was a major factor. I am not saying that tolls were necessarily the main factor, but they are one component of the question that any firm that is thinking of locating in Fife must ask before coming to a decision. I am not saying that tolls were responsible for Amazon deciding to locate in Wales, but they were a contributory factor.

Rob Gibson: I have a supplementary question about how your members work. Is the movement of freight more important than the movement of people in determining whether your businesses thrive? That question is germane to the arguments about how the bridge is used and who uses it.

Alan Russell: Our members are affected by the movement of both freight and people. Many are freight companies and many are service companies that require their employees to travel to Edinburgh, Dundee and other places where their customers are. As someone who enjoyed the experience of commuting to Edinburgh for a number of years before taking up my current job, I know that white van man travels frequently from north of the river to the city centre, West Lothian and other areas. At peak times, almost one vehicle in two seems to be a white van that is going south of the river to service customers there. Those vehicles may be carrying electricians, plumbers or practitioners of other trades. However, anyone who commutes over the Forth road bridge knows that many service providers cross it on a regular basis.

Rob Gibson: My next question relates to the white vans and other vehicles that create congestion at peak travel times. Do you dispute the evidence of the Forth bridgemaster, who advised the committee that

"we actually process the vehicles at a higher rate than the bridge can accommodate"?—[*Official Report*, *Transport, Infrastructure and Climate Change Committee*, 11 September 2007; c 58.]

Your written evidence suggests that collecting the tolls is responsible for the congestion.

Alan Russell: Collecting the tolls creates congestion, especially on the Tay road bridge. On the only day in the past 18 months when no one was collecting tolls, I left a meeting in Dundee city centre at 4.30 and drove over the bridge. It was the one occasion, Monday to Friday, when there were no queues at that time on the bridge or behind the toll booths. That says it all.

At the Forth road bridge the equation is different, as a number of lanes converge on the seven toll booths there. At peak times in the evening, congestion builds up back to the toll booths, because seven lanes have to merge into two. If we take away the tolls, congestion will back up from the bridge. A traffic management plan is needed to merge vehicles from the current main three lanes into the two on the bridge.

The Convener: It has been suggested that any alternative traffic management system that was put in place at peak hours to merge safely different lanes of traffic leading to a bridge that is carrying its full capacity would inevitably produce the same delays. Is that not the reality?

Alan Russell: The experts could probably answer that question better than I can.

The Convener: Their answer was yes, more or less.

Alan Russell: I do not agree with that answer. The traffic management system should be able to filter the traffic from the main three lanes—now that the new A8000/M9 spur is in place—and from an additional lane coming from the direction of Bo'ness into two lanes before the bridge is reached. There would be congestion at peak times, but not to the same extent as at present.

The Convener: However, you would not suggest that more traffic could be got across the bridges than their total capacity allows for. When the bridges are full, traffic cannot be got across them any faster.

Alan Russell: No, it cannot.

Shirley-Anne Somerville (Lothians) (SNP): My first question is directed at the Confederation of Passenger Transport UK. What practical or policy measures would you like to be implemented to minimise the impact of increased congestion, caused by the abolition of tolls, on bus services?

Marjory Rodger: I have made clear that we are looking for bus priority. With the services that are running now, we can take 21,000 single-occupancy cars off the road. If we could run services consistently and freely, we would have much greater incentive to run more of them. If we can make bus services attractive, we can supply a lot of what is needed to relieve congestion. The only way of doing that is for buses to keep moving, as they do on greenways in Edinburgh, while the queue of cars remains stationary. That will lead people to think that they can save time and avoid the frustration of sitting in a queue if they make their journey by bus. I do not know how some commuters manage to sit in queues for two hours, morning and night: it must be one of the most frustrating experiences ever. If we provide attractive public transport, we have an opportunity to make people consider switching.

Shirley-Anne Somerville: In an earlier answer you mentioned a plan for northbound traffic that has already been discussed. Can you provide us with more details of that plan?

Marjory Rodger: I have it here.

Shirley-Anne Somerville: We have also discussed the improvements to the A8000. I have not travelled on the road, as I am a good committee member and take the train. Were the A8000 improvements a wasted opportunity? As far as I am aware, no bus priority was built into the scheme. Could that have been done? Could such provision still be made?

Marjory Rodger: I am not an expert, so I cannot tell you whether bus priority could have been built into the scheme to date, but I can obtain information on that. However, the proposals that the south east of Scotland transport partnership has made and those that are outlined in the plan for northbound traffic would alleviate greatly problems on the northbound approach to the Forth road bridge and would keep buses moving to a far greater extent. They would also allow buses to pick up passengers at the bridge, so that the people of South Queensferry were not left without bus services. Buses need to be able to move to the left-hand side, so that they can access the bus stop. The proposals are well thought out and have our backing. They are good proposals and have been worked out between operators, local government and SEStran.

Shirley-Anne Somerville: I am slightly confused. If so much money has just been invested in changes to this part of the road network, why was bus priority not a key element?

Marjory Rodger: In addition, at the moment, heavy goods vehicles and cars get a discounted rate on the Forth road bridge if they buy vouchers, whereas buses are penalised. There is not always logic in proposed solutions.

Shirley-Anne Somerville: Gavin, what practical or policy measures would you like to be implemented to minimise the impact of increased congestion on goods vehicles?

Gavin Scott: I have no wish to contradict our friend from the CPT, but the number of buses on the A8000 spur, which is being upgraded, is fairly small. I am still agin bus lanes. I have nothing against buses; I am happy to use them—I came here from the park and ride at Ingliston. It is unfortunate that goods do not have a vote, because if they did people might pay more attention to their movement around the country. Goods vehicles suffer from congestion more than buses do, because there are more of them. We all know that the culprit is the private car, especially the single-occupancy private car. That is the problem that we must address. I am not suggesting that there should be no priority for buses, but we should consider giving priority to vehicles that need it, including goods vehicles.

Alison McInnes: I would like to follow that up. I am concerned about the direction in which the debate is going. The issue is not really bus priority, but passenger priority. A successful public transport system eases congestion, which eases the journey of freight on the road. Really, we should do all that we can to ensure that those who use public transport can move more quickly. That would deal with the congestion that the freight industry faces.

Gavin Scott: Let us take a hypothetical case. If one lane in each direction on the Forth road bridge—or, indeed, the Tay road bridge—was to be for buses only, what would happen to the rest of the traffic, including our members' vehicles? It would be stuck with the single-occupancy cars. We would have a lane on the bridge that would be so lightly used that people would get extremely annoyed with it and would end up abusing it. There are not enough buses crossing either bridge to fill a lane.

Alison McInnes: I am not sure that bus priority necessarily means a whole lane; it means access at the congested points. I would like to hear from the CPT on that.

Gavin Scott: Oh, I think that Marjory Rodger would like to have a lane to herself across the bridge.

Marjory Rodger: I would love that, but that is unrealistic. Of course we would love to see a public transport lane on the replacement crossing, as opposed to the extra crossing or whatever is coming, but, realistically, we are talking about priority such as Alison McInnes described. It has been shown that the bus priority scheme in the southbound direction works well and helps the buses to run reliably. We are looking for the same measures in the northbound direction. We are asking for bus priority on the approach to the bridge, as opposed to a whole lane on the bridge—although we would love that.

Alex Johnstone: The toll impact study predicts that the abolition of tolls would have a negative economic effect, yet we have heard varying opinions from you on the extent of that economic effect and on whether it would exist at all. Can you address the claims that are made in the toll impact study and tell us how relevant the opinions that are expressed in it are to that argument?

The Convener: No one is volunteering to answer that.

Alan Russell: Can you be more specific about the claims to which you refer?

Alex Johnstone: It is claimed that the removal of the tolls would result in negative economic effects. Do you think that that is accurate, and can you tell us why you have come to that conclusion?

Alan Russell: There would be a positive economic effect on Fife businesses. The negative economic effect would be on the moneys that currently are raised to pay for road improvements around the bridges. Those moneys would, instead, need to be raised from normal taxation. That is the only argument that I can see for a negative economic impact.

Alex Johnstone: Let us recap. The toll impact study suggests that there would be a broader negative economic effect on the economies that the bridge serves. I would like your view on the effect on Fife and I would like the views of others, perhaps, on the effects on Dundee and Edinburgh. Would the negative economic effect apply equally to the economies that are involved, or would only certain economies be disadvantaged?

Alan Russell: My strongly held view, which I expressed earlier, is that the removal of the tolls will have a positive economic impact on Fife. I do not foresee it having a negative impact on either a regional economy or the national economy. The one exception to that is the tax-raising element.

Alex Johnstone: Does anybody else want to comment on that?

15:30

Gavin Scott: I am just reading the toll impact study. The findings on the Tay bridge suggest that there will be little difference in movements across the bridge. The study states that the toll on the Tay bridge

"makes very little difference to the extent to which people will travel to work or make business trips across the bridge".

That suggests that, in the case of the Tay bridge, the removal of the tolls will make "very little difference". However, if the tolls are removed from the Tay bridge, the congestion that currently occurs in the centre of Dundee, especially during the evening peak time, will be reduced. That is my reading of the study, although somebody else might read it another way.

Regarding the Forth bridge, I am confused by the figures that are bandied about. The study states that 25 per cent of the current leisure users, who make up 15 per cent of the current bridge users—that is, 25 per cent of 15 per cent of the bridge users—would use the bridge more often for leisure purposes if the tolls were removed. That does not seem an awful lot of people and, as I said earlier, I do not think that those people would choose to make their leisure trips between half past 7 and half past 9 in the morning or between half past 4 and 6 o'clock at night.

I therefore find it difficult to square the figures that have been produced by Steer Davies Gleave with the assertion that the removal of the tolls would adversely affect the economies of Fife, Edinburgh and Dundee.

Alex Johnstone: It is interesting that you touch on that. If there were economic disadvantages from the removal of tolls on the Forth and Tay bridges, would different areas be affected differently? Might any broader economic disadvantage be concentrated on the south side of the Forth?

Gavin Scott: You are probably right about that. If there was going to be an economic disadvantage, that might well be the case. I do not accept that there is likely to be an economic disadvantage from removing the tolls on the Tay road bridge. That is backed up strongly by my members, some of whom are based in Fife, who use the Tay bridge a lot more than they use the Forth bridge. They see a great advantage in removing the tolls from the Tay bridge, because of the reduced congestion. It has already been said that when the bridge staff went on strike, congestion was reduced.

The Forth road bridge is a more complex issue, especially given that it is currently used to capacity a lot of the time. We currently cannot move any more vehicles across the bridge. I agree with Marjory Rodger that the only way in which we will achieve anything on the existing structure is through finding some way to manage demand that discourages single-occupancy cars and enables the more important traffic—if I can use that expression—to cross the bridge more freely.

Alex Johnstone: Could someone such as I be justified in suggesting that the conclusions of the toll impact study betray an Edinburgh-centric point of view on the subject?

Gavin Scott: Oh, I could not possibly comment.

Marjory Rodger: I think that it is a sound and well-thought-out report. It is pretty strong.

Rob Gibson: I have a brief supplementary question for Marjory Rodger. We are focusing on a bill that relates to only a small amount of traffic in the context of the overall traffic flows in Scotland, and you are talking about ensuring that certain people pay for a certain stretch of road by keeping the tolls. Are you suggesting that that is fair, given the situation in the rest of the country, where people do not pay to use bridges and still get in the way of your buses and all the rest of it? You are discriminating against people who cross the bridge out of necessity. It proves the inequity of the arguments for keeping the tolls that the Forth

bridge has been singled out for all this range of argument. The same range of argument could be applied to any other part of Scotland, yet there is no effort on your part to suggest how the situation elsewhere might be remedied.

Marjory Rodger: As I have said, my concern is that we make public transport attractive and provide consistently reliable services. We oppose congestion, and we do not like the idea that a measure that is currently in place and is probably helping to control congestion is going to be abolished. The City of Edinburgh Council tried to introduce congestion charging but failed. We think that it will be harder to introduce any measure of road user charging, congestion charging or workplace charging if we send out negative messages. That issue must be addressed.

Rob Gibson: So, it is all right to discriminate against the people who have to cross the bridge. You are saying that we should make an example of them.

Marjory Rodger: I am talking about effective road management.

The Convener: I think that we have had an answer to Rob Gibson's question.

Charlie Gordon: What effect would the retention of tolls on the two bridges have on bus and goods vehicle operators and on business more generally?

Gavin Scott: I do not think that retention of the tolls would make any difference to the number of goods vehicles crossing either bridge. Goods vehicles are on the road because people ask them to be on the road, because they want to buy things in the shop or in the supermarket or from the seat that they are sitting on. As I have said, goods vehicles are expensive to run. Even Eddie Stobart does not run them back and forth across the Forth bridge for only two quid each for the fun of seeing his name on the side of them. Goods vehicles are on the road because they are satisfying the demand to which all of us, as members of the general public, subject them. As we saw a few years ago, there is a simple way to reduce the number of goods vehicles on the road—have a damn good recession. Do we want that?

Phil Flanders: I agree with Gavin Scott. Freight movements are made because there is no real alternative at the moment. We have encouraged people to consider rail freight, which can help a bit, but it will never cope with demand. Most of the journeys that are made across the Forth bridge are fairly short, and quite a lot of them relate to construction use—they are made by the tippers that carry the sand, gravel, bricks and other materials that are needed to build the economy, in more ways than one. Such goods will never be carried by rail, because the journeys are too short. Most of the journeys that are made in Scotland stay within Scotland.

Alan Russell: As far as the Tay bridge is concerned, no one can counter the argument that removing the tolls will have a positive impact, because it will reduce congestion. I agree that that will not be the case with the removal of tolls on the Forth bridge. Generally speaking, if the alternative for businesses was for their drivers—whose pay costs them a great deal more than the tolls do—to sit in congested traffic, they would prefer to pay the tolls. That said, it is still extremely unfair to have tolls north and south of Fife so that commuters and businesses that are based in Fife must shoulder an additional tax burden. The retention of the tolls would send out a strong message that businesses in Fife were to continue to be worse off than those in the rest of the country, which must be unfair.

Marjory Rodger: We feel that abolition of the tolls will create additional congestion as a result of greater usage and that the peak will extend—in other words, the problems will get worse. That is why we want the tolls to be retained.

Charlie Gordon: May I ask a supplementary, convener?

The Convener: Briefly.

Charlie Gordon: Mr Russell, you have highlighted what you see as the unfairness of the present situation for Fife. As I understand it, the tolls on both bridges are payable as one enters Fife. What would your reaction be to the imposition of a different type of toll on the bridges as an urban congestion management tool for people commuting into Dundee and Edinburgh?

Alan Russell: One could see the argument for applying such charges to exit Fife as long as they were applied on an equal basis to Glasgow, Perth, Aberdeen and Inverness, but singling out Fife for such charges would not be acceptable.

Charlie Gordon: The scenario that I have put to you would not single out Fife. I am trying to address the point that you have made, whereby, at present, two tolls are charged for entering Fife. Is that correct?

Alan Russell: Yes.

Charlie Gordon: Would it not address some of your concern about the unfair treatment of Fife if the tolls on the bridges applied only to vehicles travelling in the direction of the cities of Dundee and Edinburgh?

Alan Russell: That would have the same basic effect, because people from Fife would have to pay the tolls when they commuted to their jobs.

Charlie Gordon: But presumably you would like more jobs to be located in Fife, where Fifers live.

Alan Russell: No, because the tolls would still be a barrier to Fife. It does not matter whether they apply on exit from or entry to Fife.

The Convener: Thank you very much. We have overrun slightly. I thank all the witnesses for staying with us to give evidence. In particular, I thank Gavin Scott for being the latest witness to tell the committee how he arrived at the Parliament today, which seems to be a habit of our witnesses.

I suspend the meeting briefly while we change over to the next panel of witnesses.

15:39

Meeting suspended.

15:42

On resuming—

The Convener: I welcome our second, and final, panel. Professor Alan McKinnon is from Heriot-Watt University, Dr Iain Docherty is from the University of Glasgow and Professor David Gray is from the Robert Gordon University.

I will kick off with a general question. I am sure that you will be aware of the conclusions of the toll impact study on the environment, congestion levels and value for money. In general, do you agree with the study's findings? Do you have anything to add at this stage?

Professor Alan McKinnon (Heriot-Watt University): I oppose the abolition of the tolls. I should explain that I am a professor of logistics whose research is on the freight side, so I bring a freight perspective to the discussion. It seems to me that, on the benefit side, freight operators would make a very small financial saving but, on the disbenefit side, they could be adversely affected by the traffic congestion that would be caused. I take a less sanguine view of the effects of the abolition of the tolls on the freight industry than that taken by the representative of the haulage industry on the previous panel. Many freight operators these days want flexibility in their logistics—they want to be able to operate their trucks at any given time. Increasingly, they must make on-time deliveries at factories, warehouses and shops, so it is a bit complacent to say that most freight vehicles will travel in the inter-peak periods and therefore will not be adversely affected by the congestion.

The Forth bridge, in particular, is working at close to full capacity. Even only a marginal increase in traffic on that link could have severe effects on the reliability of companies' delivery operations. A concept that I do not think has been raised in the committee's discussions so far—I have read the *Official Reports* of previous evidence sessions—is that of generalised cost, which is much discussed by transport economists, whereby one does not simply look at the financial costs of operating a vehicle, but one attaches monetary values to travel time, reliability and accident involvement. It seems to me that if one were to calculate the generalised cost to the haulage industry in Scotland of removing the tolls, it would almost certainly produce a negative result. The loss of reliability and the extra travel time that would be caused would more than offset the benefits of removing a £2 toll from the bridges.

15:45

Professor David Gray (Robert Gordon University): I had a quick read of the Steer Davies Gleave report, and I looked at the summary in some detail on the train down, before I walked here. It seemed to be a fairly solid report, and I had no major disagreements with it. The point was made earlier that the report suggests that there would be economic disbenefit in abolishing the tolls. My understanding is that there would be economic benefits, but that those would be outweighed by the loss of revenue from abolishing tolls. Otherwise, the report was a fairly solid piece of work.

The Convener: Do you want to add anything further regarding your position on the bill?

Professor Gray: My position is slightly unique: I should declare an interest, as I was subsidised by the Scottish Executive for 18 months to work on the national transport strategy.

The Convener: I will let you leave it there if you want.

Dr Iain Docherty (University of Glasgow): I also declare an interest, as a non-executive director of Transport Scotland. Bearing in mind earlier comments, what I say this afternoon should not be taken to be anything other than my own views.

I am probably the least carbon-neutral witness on the panel, having just arrived from Toronto a few hours ago. It was not an entirely frivolous use of carbon—I was representing the University of Glasgow at some official events. I will try my best to get in the right time zone.

I am generally agnostic about the removal of tolls on the two bridges. The toll levels are quite low, and they do not have a huge overall impact on the level of traffic. I do not know the numbers off the top of my head, but I estimate that the amount of extra traffic generated by the removal of the tolls on the Forth bridge is probably only a few months' worth—at most a couple of years' worth—of background growth, which we would expect to

see anyway. Removing tolls will not make a huge impact on the overall level of congestion or on carbon emissions over the medium term.

I have worked with some of the people who wrote the Steer Davies Gleave report. It is a solid piece of work—it uses standard transport economic appraisal methodologies to come up with an answer that we all find to be fairly secure: that the overall economic impacts are relatively marginal but can be identified and are different on each bridge for local reasons.

The Convener: You mentioned the low level of the toll. What is your view on the suggestion made to us earlier that the toll has a symbolic value and, although it is at a low level, the removal or retention of it would have an impact that is higher than might be calculated simply by deciding whether people can afford to pay 80p or a pound?

Dr Docherty: That is often said about tolls. I remember a debate a few years ago about the Mersey tunnels, in which the competing local authority jurisdictions on either side of the river gave the same arguments as we heard from the earlier panel about disincentives to people locating and doing business on one side of the river as opposed to the other. There may be a symbolic effect, but I have never seen any research that quantifies it accurately and robustly, so it must be taken with a pinch of salt.

The equity argument that we have heard so much about is, in large part, a red herring. The transport system does not give equal access to all parts of the country—by definition, it cannot do that. Some parts are better served than others. It is more expensive to use the infrastructure to get to certain parts of the country than to others. Fife, because its land prices are relatively cheap for the south-east of Scotland, is well served by expensive infrastructure that is relatively cheap at the point of use. A pound is not exactly a large toll, so the equity arguments that we have heard are really overplayed. For an equity consideration, you should look at how much an Edinburgh to Glasgow rail ticket costs and how much of the rest of Scotland's rail network that line subsidises, and ask questions on the link between the actual location of economic activity and where people pay fares on the public transport network. That would be a more interesting issue to consider than a relatively small bridge toll.

The Convener: Thank you. We will move on to the equity argument in further questions.

Cathy Peattie: Do the witnesses think that it is likely that the abolition of tolls on the Forth and Tay road bridges would lead to a modal shift by commuters from bus and train to private car?

Professor Gray: The shift would be marginal on the Forth road bridge, because it is almost at capacity at peak time. People who shifted mode would need to have fairly flexible working hours and not to be bothered about any continuing congestion in Edinburgh.

I am not so sure about the Tay road bridge, where some modal shift might take place. As Iain Docherty said, how much extra shift would take place above and beyond the background traffic increase is open to question. Significant traffic increases are occurring across the network anyway, so the extent to which there would be significantly more modal shift after the abolition of tolls is open to question.

Dr Docherty: I agree. Any effects would be likely to be relatively small in the context of the overall picture of traffic growth and modal split, particularly at the regional level of the SEStran area.

Professor McKinnon: I am a freight specialist, so I will not hazard an answer to a question on passenger transport.

The Convener: The toll impact study suggested that, instead of many public transport users shifting to using the private car, people such as existing private car users who work at home one day a week would be more likely to travel every day or to make more journeys. Do you agree?

Professor Gray: An extra pound a week is fairly minimal against the overall cost of owning and running a vehicle. Bridge use may increase at the margins, but I would be surprised if travel behaviour changed significantly as a result of abolishing the tolls.

Rob Gibson: The City of Edinburgh Council has suggested that cross-Forth rail fares should be reduced if tolls are abolished and that policy and practical measures would need to be taken to reduce congestion, should that be greater than at present. Should rail fares be reduced as a consequence of the bill? What other methods might be used to reduce congestion?

Dr Docherty: Reducing rail fares would change the modal split—more people would use the train in comparison with other modes, particularly the private car. If that is a policy objective, reducing rail fares is a good thing to do.

However, I sound the note of caution that we should not become too obsessed with modal split. We need to keep sight of the other policy objective of reducing the need to travel. The debate about the future of tolls, particularly on the Forth road bridge, where the congestion and pressures are greatest, seems to lose sight of that. The debate is not just about facilitating the movement of more and more people across the river but in a slightly more sustainable or less damaging way. We must think carefully about why we have created the

economic structure and why we have the land uses that require many people—and an increasing number of them—to make that journey.

Professor Gray: I tend to agree with Iain Docherty. We have a national transport strategy, one of whose first objectives is to foster economic growth by increasing the reliability of journey times and reducing their length, and improving access and connectivity. I imagine that removing bridge tolls would improve connectivity by making access to Dundee and Edinburgh marginally easier, but I doubt whether it would improve journey times, because of the resulting congestion.

I would love to cut rail fares across the whole network, given how much coming down from Aberdeen today cost me. Cutting fares would be good, but it would cost money. It would be up to the Government to decide how much revenue was required to do that. I am for the measure, but it is subject to capacity constraints.

Professor McKinnon: I will give a freight perspective. I do not think that removing the tolls would cause a modal shift of freight to rail. As speakers on the previous panel said, tolls represent a very small percentage of the total cost of operating a truck. The average freight journey by road in Scotland is of about 80km. I reckon that a bridge toll is only about 2 or 3 per cent of the cost of operating a vehicle. As a result, removing the toll will not cause much of a shift to other transport modes, particularly given that, as I said in my introduction, any such move will have to be counterbalanced by the cost of operating vehicles, because congestion will increase, transit times will lengthen, operators' journeys will be less reliable and so on. The generalised cost of road freight will probably rise, but not to such an extent that there will be a shift to alternative modes. That is a non-issue.

Rob Gibson: So do you think that, instead of being mostly long-distance traffic, much of the traffic that uses the bridge travels within the 80km range that you mentioned?

Professor McKinnon: I do not have that information. The figure that I quoted was for the whole Scottish road network. Most freight movements by road are of relatively short distances and fall within 80km.

Rob Gibson: It would be interesting to find out whether the situation on the bridge was any different from that in the rest of the network and whether, in fact, long-distance traffic was being snarled up.

Professor McKinnon: Indeed. I will see whether we can extract the relevant figures from our database.

Rob Gibson: That would be helpful.

It is clear from the arguments that have already been made that abolishing the tolls will not necessarily help to achieve the national transport strategy's three key outcomes. Surely the strategy is itself constrained by the fact that we do not yet know whether any new—or replacement—crossing will reduce congestion. Surely the strategy has to take into account the fact that, for a while, there will be a second crossing that might, in due course, become the sole crossing.

Professor Gray: You might need to qualify your statement that the national transport strategy has been constrained. It might well have been, but it very much sets the tone for follow-up strategies such as the strategic projects review through which, I guess, the new Forth crossing will be fast-tracked. The strategy's three high-level objectives are to improve connectivity and reduce and provide more reliability to journey times; to reduce transport emissions; and to improve passengers' experience of journeys.

There is no reason why a new crossing, no matter whether it has multiple occupancy vehicle lanes, cannot meet those objectives. Building a new bridge is not necessarily at odds with the national transport strategy, as long as it forms part of a range of policies that aim in the same direction.

Rob Gibson: So the range of policies—not just any one policy—will make the difference. However, as you will have heard from our previous witnesses, people have placed a high symbolic value on retaining tolls as a means of sending a message. Surely the national transport strategy is not about symbols, but about trying to find a way of integrating the system.

Professor Gray: I realise that Dr Docherty is fairly agnostic about the matter, but I tend to agree that our ability to deliver the national transport strategy is not dependent on the practical—or even symbolic—significance of retaining tolls. The main point is the package of policies that we put in place to attain our strategic objectives. Abolishing tolls has its benefits and disbenefits. It might well benefit those who cross the bridges every day, but the people of Dundee and Edinburgh might have to put up with the marginal social cost of more congestion and more emissions.

Professor McKinnon: I helped to develop the freight elements of the strategy and I can honestly say that tolls did not feature prominently in people's thinking in the scoping study that we carried out last year for the Scottish Executive, which included a fairly extensive consultation exercise involving focus groups, postal questionnaires and interviews to find out the key issues of interest to freight users and providers in Scotland. The Forth bridge was mentioned

because of the fear that HGVs might be banned from using it from 2013.

Professor Gray: The issue of tolls did not feature prominently in the national transport strategy itself.

16:00

Professor McKinnon: Road user charging will have to play an important part in the longer-term development of transport policy. We should condition road users—private car owners as well as business users—to understand that they will be required to pay for transport infrastructure. The removal of the tolls is taking us in the wrong direction: it is a retrograde step. We should find more sophisticated ways to toll. There was a lot of discussion with the previous panel about prioritising essential traffic by putting in extra lanes. One way to prioritise is by using the price mechanism—that is how we should be thinking, rather than trying to scrap the tolls at this stage.

Rob Gibson: I will not get into the arguments about equity that have been made because we are choosing one particular part of the country—but please go on, convener.

The Convener: I will bring Alex Johnstone in, and then I might have a go at the equity arguments.

Alex Johnstone: Rob Gibson used the word "symbolic" to describe the nature of tolling and its removal. I will be more practical—I will talk about the straightforward political element rather than the symbolic element. Given that you appear to believe that the most significant economic issue is that the revenue from the tolls will be lost, do you agree that replacing the toll money with taxpayers' money is an appropriate political decision for any Government to make, and that therefore a legitimate political decision has been made?

Professor Gray: It is a political decision—the Government can do that if it wishes to. As the economic effects of either abolishing the tolls or retaining them are reasonably marginal, the decision will not lead to the downfall of Scotland's climate change programme or cause unsustainable congestion—which exists anyway—in Edinburgh and Glasgow. It might add to or detract from those things at the margins, but if that is the wish of the Scottish Government—and at least two of us are fairly agnostic about it—that is what it can do.

Alex Johnstone: So you take the view that the economic impacts are fairly marginal to the argument?

Professor Gray: That was the conclusion of the toll impact study, which said that there were some fairly marginal positive impacts from abolishing tolls, but that those would be outweighed by the loss of revenue. The net loss of revenue will have to be paid for from somewhere else, and that is ultimately a political decision for the Scottish Government.

Alex Johnstone: I will wade in on the same point that I have made during the previous two meetings: the political impact of the decisions that have been taken in the past. The usual answer that I get is, "That is a question for a politician," but I will try it again to see where we get.

Many of those who have given evidence to us would like to take us back into all the arguments that we had over road pricing and congestion charging in relation to the Transport (Scotland) Act 2001. They would like to rehearse many of the arguments that took place both during the referendum that was held in Edinburgh about city entrance charges and as part of the political campaign that arose during the Dunfermline East by-election. Do you think that politicians should take heed of the way in which the public reacted to those arguments when they were presented in those contexts? Do you believe that it is important that we take into consideration the fact that people appear to have rejected those arguments in a political context?

Professor Gray: That is a poisoned chalice.

Dr Docherty: All transport infrastructure and transport services are partly paid for by the users and partly by general taxation. The positioning of the dividing line between the shares from those two sources of revenue is a political or governmental decision, which is made differently at different times for different routes and different services all over the country. Equity is a myth, because different modes—the railways, the buses and the private car—are all paid for slightly differently from a different mix of revenue funding and sources.

I was struck by what Ken Livingstone said, when he came to Edinburgh shortly before the referendum, about the politics of trying to introduce wider congestion charging or road pricing: he said that it is a real test of leadership. Many road users feel intuitively that it is a very unpopular idea, largely because the benefits are difficult to discern or almost invisible.

We can go back further than the referendum and the Dunfermline East by-election and look at what happened during the fuel tax protests in 2000. People behaved in a remarkably un-British way; it was probably the biggest transport story of the decade simply because of the strength of feeling among ordinary people. People do not like to be asked to pay more money for something that they already do; that is an axiomatic fact of life.

Conditions change and people now pay more in real terms for their fuel than they did in 2000; the

change was slow and people did not really notice. Today, we do not have the same kind of political balance as we had then. However, although fuel prices are no longer as painful a political issue, road pricing probably still is, and any Government has to balance that.

I am also quite agnostic about the concept of national road pricing because a lot of the academic research on it suggests that it is potentially damaging to the environment, in that it makes people divert or travel at different times to avoid congestion, which increases the overall amount of car traffic on the roads. A national road pricing scheme might therefore turn out to be counterproductive in terms of carbon emissions.

Our urban economies are not strong enough—they are not as strong as London's economy—to support an urban congestion charging scheme that would deliver the economic benefits that we have seen in London, which is a fantastically high value economic location. However, we might well get there very soon.

Professor Gray: May I follow up on that?

The Convener: A lot of what has been said is about slightly longer-term issues, which is very interesting, but I ask everyone to try to link any other comments back to the proposals that are in front of us.

Professor Gray: Okay. I was going to say something about local road user charging in Scotland. Whether there is enough congestion to justify it here, in comparison with the south-east of England, is questionable.

On national road charging, it depends what you want to do with it. If you want to move traffic around the network more efficiently by using revenue-neutral charging, that is politically easier to deliver than full social cost charging, in which drivers pay the costs imposed on society of congestion and emissions and which is less politically possible to deliver. Delivering on climate change objectives means that motorists will have to be charged more for using the network than they are charged at present, and that is very difficult to deliver politically.

As Iain Docherty said, the national road user charging that is under consideration and which could be delivered is probably not a great thing for the environment because all it does is make traffic flow more efficiently, so there might be a net increase in emissions.

Alison McInnes: I want to go back over some of what has been said, if that is appropriate. Steer Davies Gleave gave evidence on the impact of road tolls, and the witnesses today have all acknowledged that the toll impact study was robust. However, the rest of your evidence today has used words such as "marginal" and "at the edges" as if the impact of removing the tolls would not be significant. Steer Davies Gleave talked about the overall negative impact being quite clear and definite. Will the witnesses explore that a bit further and clarify what they have been saying today?

Professor Gray: The negative impacts might be clear and definite, but that does not mean that they will be hugely substantial. That is the short answer.

Professor McKinnon: I am not a traffic modeller, so I cannot give an independent assessment of the Steer Davies Gleave forecasts, although I know that others have come up with lower traffic forecast figures. Congestion levels on the Forth road bridge are so high that even a marginal increase of 5 or 6 per cent could have a detrimental effect because traffic flow becomes more unstable the closer we get to saturation point.

I was also interested in the point made earlier that the growth in leisure traffic will account for much of the predicted increase, and that that will occur in the interpeak period. However, it was then said that a lot of freight is moved during the interpeak period, so removing the tolls could also have a knock-on effect on freight traffic levels. I agree with the central message in the SDG report, which is essentially that, as a result of this measure, we will be spending public money to achieve a net disbenefit. That conclusion is sound.

Professor Gray: I have not seen a figure for the length of time that it will take for the general increase in traffic going into Dundee and Edinburgh to match the predicted increase as a result of the abolition of tolls. If, as Iain Docherty suggests, we are talking about only months or a couple of years, that would explain the lack of enthusiasm about opposing the proposal.

Dr Docherty: Like any other transport economic analysis, the report considers a specifically defined question and applies standard transport economic analysis to determine what the net benefit or disbenefit will be. It is quite clear, in this case, that there will be a net disbenefit overall. However, in the scale of the economy of Scotland as a whole or the economy of the south-east of Scotland, the impact is marginal. David Gray is right to say that there is a clear negative impact on the economy but that that impact is rather small, even in transport terms. We are speculating about the average annual growth in passenger car miles in the south-east of Scotland. Statistics suggest that there has been a 1.5 per cent, 2 per cent or 3 per cent growth in recent years, which means that a matter of months of background growth is equivalent to the additional effect that would be produced by the removal of the tolls. In other

words, after a short length of time, we would not notice the difference.

The Convener: I would like to ask the same question in a slightly different way. We have already identified that the decision to remove tolls—or, rather, to raise the funds from general taxation instead of from bridge users—rather than making rail and other public transport fares cheaper is a political decision about how taxpayers' money is used. You argue that the impact on traffic levels of that political decision might equate to only a few months or years of background traffic growth. However, would it be reasonable to suggest that, if you were hunting around for a bunch of political decisions that you could make in order to reduce journey times, reduce emissions from transport, improve connectivity and so on, the removal of tolls from these bridges might not be the first political decision that you would make?

Professor McKinnon: That would be my view, certainly. It has been argued that the removal of the tolls will provide a boost to the Fife economy. However, it has also been argued that there will be no increase in freight traffic. There is an inherent contradiction between those two positions.

Earlier, a question was asked about whether the Scottish Chambers of Commerce represented freight users or passenger users. If you were expecting the economy to expand, you would also be expecting a mix of freight and traffic to grow. However, we have been told that it is unlikely that freight traffic will expand much. If that is the case, I question how great the economic benefits will be to Fife.

Further, I take the view that the money that is being taken from the public exchequer to remove the tolls could be spent in other ways that would probably have a greater impact on the economic prosperity of Fife. However, it seems as if no comparison of the effectiveness of various economic development ideas has been made.

Dr Docherty: Your logic is sound, convener. It would be curious to try to implement the objectives of the national transport strategy by removing the tolls. Having said that, however, I think that there is a suite of policy interventions that my colleagues and I would be keen to argue for that would not pass the test of immediate political support. I would be a bit wary about singling out this political decision as being any worse than any of the others that Governments have made.

The Convener: However, it might be more profitable to be debating the implementation of some of those other measures rather than this one.

Dr Docherty: Quite.

Alex Johnstone: You suggested that the impact of the removal of the tolls might be only the acceleration of the development of traffic by a few months. We are concerned about modal shift, which we discussed with the previous panel, as there is a suggestion that removing the tolls might put more private cars on to the Forth bridge. Would you see that as simply a blip in the statistics before a continuing move from car to public transport going over the bridge, or would you see it as changing the trend in the long term?

16:15

Dr Docherty: I am not 100 per cent sure. Not being a modeller, and therefore not knowing the ins and outs of the mathematical techniques that are used to forecast such things nor the work that has been done on similar changes that have happened, I cannot give you a confident answer. Having said that, I know that in such circumstances there tends to be a relatively long adjustment period. People will change their behaviour and try new things when new opportunities arise, so there may be a spike in additional traffic early on. However, that will settle down again as people's work and leisure travel patterns become more stable to take account of the new generalised cost and new opportunities that are presented by there not being any tolls.

In a way, congestion is self-regulating, and it is intriguing that the west Edinburgh area—the southern bridgehead—is both very congested and the location for a lot of planned economic and property development. I do not think that the SDG report takes that into account, as it essentially forecasts what will happen under current conditions. In the longer term, modal split or congestion could get significantly worse if we do not do anything to address the traffic continuing to go over the bridge while lots of additional developments in west Edinburgh generate new traffic that is attracted over the bridge from Fife. That problem will apply to all directions—on the bypass round to the east and on the routes that lead west, including the M8 and A71.

Shirley-Anne Somerville: The Forth Estuary Transport Authority and the Tay Road Bridge Joint Board are currently self-financing and, as we have mentioned, the abolition of the tolls will make them dependent on Scottish Government funding. What impact, if any, will that have on the future management and maintenance of the bridges?

Professor Gray: It depends on how large the grants are.

Shirley-Anne Somerville: FETA has told us that it does not think that the change will have any impact on the maintenance of the bridge. Do you

support or disagree with that? Or do you not think that it is an issue?

Professor Gray: It is very difficult to crystal ball gaze at likely spending review figures and future budget allocations from finance ministers to the transport sector. I guess that, if the economy slows down and we go into recession, there will be a squeeze on public sector finance and, if I was in charge of a bridge that did not receive its funding through tolls, I might be slightly concerned that my funding would be cut. However, that would be the same across all aspects of Government spending. Not being the finance minister, I would find it difficult to say how that will pan out in the future.

Dr Docherty: I would look at that in a slightly different or complementary way. If the organisations no longer have a ring-fenced source of funding to do their job, we then ask the obvious governmental question of whether we need separate organisations to manage the bridges. Would a national transport agency be able to do the job just as well, using the skills and expertise of the people currently in FETA and the Tay Road Bridge Joint Board? Would we need separate institutions to run the bridges? If I remember rightly, much of the reason for the current governmental structure was linked to the legislation to empower them to collect tolls in the first place. There may be a grain of self-interest at play.

Charlie Gordon: What effect might the abolition of tolls on the Forth road bridge have on the funding of the proposed replacement Forth crossing?

Professor Gray: The phrase "drop in the ocean" springs to mind.

The Convener: Does that cover it, or are there any other views?

Professor Gray: That covers my thoughts.

Dr Docherty: I agree. The costs of a new crossing are likely to be substantial. A more interesting question—although it might not be for today's discussion—is how we might fund such a new piece of infrastructure and whether it might require to be tolled.

The Convener: That is on our list.

Dr Docherty: It is a serious question. I am speculating about how a set of crossings over the Forth might work, because we do not know yet what the final make-up of that will be. If there is a commitment to have a free-access road crossing over the river and if we end up with more than one because we have a replacement crossing and the existing one is fixed—whatever that means—or, as it has less traffic on it in future, it can be stabilised and the engineering task of keeping it open is less difficult, it becomes an interesting question how we toll or charge in combination across those two pieces of infrastructure. It is a difficult question because decisions about what might be done have to be made—or, at least, scenarios drawn up—before it is decided what kind of crossing we want and how it will be funded. Without knowing what the revenue sources will be, it is hard to make a decision on what to build and how to fund it. Those are difficult decisions that need to be made in short order because we all know about the timescale for procuring and building a replacement crossing.

Charlie Gordon: So you think that there would need to be new revenue sources for a new Forth crossing and that it could not be accommodated by traditional capital grants.

Dr Docherty: I have an interesting alternative take on the equity issue—I emphasise that this is my personal view. If the outcome of building a new crossing is that, in essence, Fife has two new road links to the south that are free, we could easily hear people in every other part of Scotland arguing about equity. Therefore, rather than people being penalised to get into the kingdom, everybody else might be looking jealously at the level of transport service that Fife has.

Let us not kid ourselves: it would be an expensive business to build a new crossing. Simply because it would be a replacement crossing, any standard transport economic analysis is unlikely to say that it would create a huge net benefit to the economy, because we would be replacing like with like. It would cost a lot of money that could be invested in another project that would give a much higher return—another transport project or any other element of Government spending. We have to be careful about the package of Forth crossings that we end up with over the long term and how we fund them.

Professor McKinnon: It is instructive to consider the example of the replacement crossing on the Severn, where fairly substantial tolls were imposed, particularly on trucks. Many hauliers found it more economical to travel via Gloucester than to cross the bridge, so there might be lessons to be learned from that. I think that that bridge was much cheaper than the second Forth crossing would be.

The Convener: Are there any other final comments, or do the witnesses want to mention any other issues that have not been covered?

Professor McKinnon: I have one minor point, which I do not think has been mentioned. Companies and hauliers that are based in Fife often avoid paying the toll because, if they are serving the central belt, they head south over the bridge and route their vehicles in such a way that they go to the west and come back over the

Kincardine bridge. Therefore, it seems to me that the removal of the tolls will have no effect at all on the operations of many freight operators. That is worth considering.

Professor Gray: Fortunately, I have my recent statistical bulletin with me and can confirm that traffic growth across the network is running at exactly 3 per cent—which is rather a lot higher than I thought—and traffic levels are 16 per cent higher than 10 years ago. The abolition of tolls needs to be put in the context of that fairly sharp rise in traffic levels.

The Convener: I thank all our witnesses for their evidence. We will suspend briefly to allow them to leave the committee.

16:24

Meeting suspended.

16:24

On resuming—

Subordinate Legislation

Water Industry Commissioner for Scotland (Dissolution) Order 2007 (SSI 2007/399)

Scottish Road Works Commissioner (Imposition of Penalties) Regulations 2007 (SSI 2007/411)

The Convener: For item 4, we have two Scottish statutory instruments to consider. The Subordinate Legislation Committee had no comments to make on the instruments, no comments have been received from members and no motions to annul have been lodged. Do committee members have any comments?

Rob Gibson: I am tempted to make a comment about the abolition of the water industry commissioner for Scotland but, as the person concerned has got another job in the Water Industry Commission for Scotland, I will say nothing.

The Convener: Resist your temptations for the moment.

Does the committee agree that it does not wish to make any recommendations in relation to the instruments?

Members *indicated agreement*.

The Convener: As agreed earlier, we now move into private.

16:25

Meeting continued in private until 16:35.

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