TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

Tuesday 4 March 2008

Session 3

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TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE 5th Meeting 2008, 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:

Sandy Brunton (Mull and Iona Chamber of Commerce)

Dr Amanda Currie (Lismore Community Council)

Blair Fletcher (Argyll and Bute Council)

John Halliday (Strathclyde Partnership for Transport)

Duncan MacIntyre (Highlands and Islands Strategic Transport Partnership)

Councillor Donald Manford (Comhairle nan Eilean Siar)

Councillor Roy Pedersen (Highland Council)

Ranald Robertson (Highlands and Islands Strategic Transport Partnership)

Councillor Len Scoullar (Scottish Islands Federation)

Councillor Alistair Watson (Strathclyde Partnership for Transport)

CLERK TO THE COMMITTEE

Steve Farrell

SENIOR ASSISTANT CLERK

Alastair Macfie

ASSISTANT CLERK

Clare O'Neill

LOC ATION

Corran Halls, Oban

Scottish Parliament

Transport, Infrastructure and Climate Change Committee

Tuesday 4 March 2008

[THE CONVENER opened the meeting at 13:29]

Ferry Services Inquiry

The Convener (Patrick Harvie): Good afternoon, everyone. Welcome to the fifth meeting this year of the Transport, Infrastructure and Climate Change Committee. For the first time, we are meeting in Corran halls in Oban. I remind members and everyone present to switch off mobile phones, other mobile devices and anything else that is likely to beep during the meeting.

There is just one item on our agenda: an evidence-taking session for our inquiry into ferry services in Scotland. It is the first of seven sessions that we intend to hold over the coming couple of months. Today we will hear first from representatives of ferry users in the west of Scotland. Their evidence will be followed by evidence from local authorities. Finally, we will hear from regional transport partnerships. We expect each of the three sessions to last for around an hour.

Before we take evidence, I will set out the benefit that we saw in holding today's meeting in Oban. Our inquiry focuses on issues such as ferry routes, frequency and timetabling of services, capacity and integration with other modes of public transport. The committee understands that ferry services are important to many people in the west of Scotland. Because Oban offers a range of ferry services to a number of islands, the committee thought that it would be an ideal location for members of the public to see the work of the committee and give evidence.

The main theme of today's session is how ferry services can be delivered in response to local needs. The committee thinks that it is important for members to hear directly from some local users of ferry services. Even in seven evidence-taking sessions, we do not have the capacity to hear in person from everyone who is interested in the issue. We have decided to hear from a range of witnesses, with different experiences, from across the west of Scotland, to give us a flavour of the issues that are important to ferry users. Later, we will have similar discussions in the northern isles. We will also hear from organisations, including business and farming interests, hauliers and tourism interests. In the next few weeks, we will take part in a videoconference that will provide smaller island communities with another opportunity to feed in their views.

We acknowledge that there will not be an opportunity for every route or service to be discussed in formal evidence-taking sessions, but I want to ensure that all relevant issues are brought to our attention, so that we can consider them. I urge anyone with an interest in the matter to send us their views, either in writing or through the committee's website. Further details of how to do that can be found on the leaflets outside the room or can be obtained by speaking to one of the clerks at the end of the meeting.

I welcome our first panel of witnesses: Amanda Currie, from Lismore community council; Len Scoullar, from the Scottish Islands Federation; and Sandy Brunton from the Mull and Iona Chamber of Commerce. As I indicated, we will consider issues such as timetabling and integration, but I will begin with a general question. Do the ferry routes that serve your communities meet the needs of local residents and businesses? If not, what changes to existing routes would you like us to contemplate? I ask each member of the panel to introduce themselves briefly before answering the question.

Dr Amanda Currie (Lismore Community Council): I am Amanda Currie from Lismore community council. I have a throat problem at the moment, but it will get better as I talk.

We benefit from two routes serving Lismore. One goes from the south end of the island straight to Oban; the trip takes about 40 minutes. The other goes from the north end to Port Appin; that journey takes about five minutes.

When Lismore ferry services are mentioned, people start to scream at one another—this is a contentious issue. Some people want the car ferry to be moved to the north end of the island. I have a lot of information that people have provided in support of their views. Farmers, in particular, are not well served by the Caledonian MacBrayne ferry from Oban, which runs only twice a day, at inconvenient times. If a load of feed or hay is being transported or livestock are being moved, the lorry must be at the ferry terminal at quite inconvenient times and must spend the whole day on the island. The costs of that are prohibitive-it adds at least £15 to the cost of a tonne of feed. The farming community would like the ferry from the north end of Lismore to be a car ferry.

An increasing number of people from the island work on the mainland. They rely on a frequent service, running from 7 in the morning until fairly late in the day, so that they can access employment. They, too, would be well served by some sort of ferry at the north end.

However, the significant number of people who are unable to drive benefit from being able to get a

ferry straight to Oban as there is a lack of integration with other public transport options. Going by public transport via the Appin route is tortuous and costs at least three times more than taking the direct route into Oban. There are issues for and against the services, but our reason for wanting to speak at this meeting is that we are not satisfied with the services that we get at the moment—neither of them meets our needs.

Last autumn, we were promised a Scottish transport appraisal guidance appraisal, but that has not yet been started. Until there is an appraisal that talks to people who use the services, rather than being simply a paper exercise, you will never be able to unpick all of the issues. There will be pros and cons to any decision and certain people will benefit while others lose out. Basically, however, we have two good routes, but neither is well serviced.

Councillor Len Scoullar (Scottish Islands Federation): I am speaking on behalf of the Scottish Islands Federation due to the fact that the chairman is on holiday.

I come from Bute, in the Clyde. In the past few years, we have enjoyed a much improved frequency of service on the route. My understanding, from talking to people from other islands, is that much remains to be done to achieve an acceptable level of service on all of the routes. We should perhaps be looking at the national transport strategy, which I think was ordered by your predecessor committee in 2005. By focusing on the broader picture, we would be able to gather details of the potential for new routes and further address the sustainability of the Scottish network.

Sandy Brunton (Mull and Iona Chamber of Commerce): All of us on the islands shout about ferries all of the time, so I am grateful for the opportunity to address the committee today.

There are three ferry routes to Mull, but we are not linked to any of the other islands. Three ferries go past Mull to Coll, Tiree, Barra, South Uist and so on. The routes to Mull from the mainland are good, but we would ask that consideration be given to creating routes that would link the islands together better.

The Convener: Forgive my ignorance, but have those links existed in the past?

Sandy Brunton: Yes.

The Convener: How long ago?

Sandy Brunton: Until around five or six years ago, the ferry would call into Tobermory on the way to Tiree.

The Convener: How much and what manner of input have local people and ferry users had into

the development of services linking communities, whether that involved meetings with operators to discuss timetable changes, consultation on new vessels or whatever? How much dialogue has there been?

Councillor Scoullar: We in the Clyde shipping services advisory committee had a great deal of input into various matters. Often, we developed solutions for CalMac. I felt that it was a great pity that the shipping services advisory committees were removed and their responsibilities passed to the tier 1 groups within the Highlands and Islands strategic transport partnership. Those groups meet to discuss such issues, but they do not meet CalMac.

In the past, we were involved in discussions about a year before timetables were announced, which allowed us to tell CalMac about our aspirations. The results were often positive, and even when they were not, we at least felt that we had been consulted and that CalMac was doing its best to accommodate us.

Dr Currie: Our dialogue with the council has been and continues to be positive; we have been happy with the way in which it has reacted to our needs for the passenger ferry. The council is restrained by resource issues, and the working time directive has had a huge impact on the flexibility of the services that the council can offer. I am thinking in particular of ferries late in the evening or early in the morning. It has become difficult for people to get to the island to do business or whatever. Having to comply with health and safety and Maritime and Coastguard Agency legislation has also had an impact.

We have had little dialogue with CalMac. Somebody came to speak at a meeting, but that was just before the tendering process was complete so there was little that they could discuss or commit to in relation to timetables, fare structures and so on. Whenever we have raised concerns with CalMac, the response has not been especially positive. By contrast, the council is very local and our local councillors attend community council meetings. The council is much more responsive. We understand its constraints, and we feel that the council is doing the best it can, but that does not help the community. The council does not have sufficient resources to give us the service that we need. That is a question of manpower as well as a question of having a decent vessel.

The Convener: You speak for Lismore community council, but would the same feelings be expressed elsewhere? Is this not just a local communication difficulty?

Dr Currie: I am not sure about all other communities, but timetabling issues do arise in

some other communities that have local authority ferries. Some communities have better timetables than ours, and some have worse timetables. Experiences vary, but the accessibility of the local authority makes a big difference. However, even when you have good dialogue with local authorities, you do not necessarily get anywhere because of their constraints. The way in which local authorities deal with communities can be positive, but they will not necessarily make any headway and get results.

Sandy Brunton: We all agree about the difference between input and dialogue. We have a lot of input, but our efforts at dialogue are often not reciprocated.

We have been discussing these issues for some time and have come up with a plan. A study has been carried out, and we believe that a transport forum could be linked to a hub port. On that forum would be the funders, the providers of the services and the users of the services. The forum would meet perhaps once a year, and representatives of the communities would attend. People would be able to discuss timetabling, links, prices and all sorts of different things. The forum would let operators and users get together. That does not seem to happen just now; we do not seem to have the opportunity to get the railway folk, the bus folk, the ferry folk and the users all talking together. A transport forum would assist such discussions. There could be such discussions at every hub port—at Mallaig, Uig, Oban and so on.

13:45

Cathy Peattie (Falkirk East) (Lab): Good afternoon. Concerns have been expressed that ferry services are operated to suit the needs of service providers rather than the needs of ferry users. Do you agree that that is the case? If so, can you provide any evidence to support that claim?

Sandy Brunton: I will give a typical example. The main ferry to Mull sails from Oban. Our service is based in Oban rather than on Mull. A service that was based on Mull would allow for earlier departures and commutability from Mull to Oban. We should bear in mind that Mull is, in various ways, more disadvantaged than Oban—in respect of accommodation and connections, for example. Basing the service in Oban gives an advantage to those who already have the advantage.

Dr Currie: I agree. I think that there have been discussions about the Lismore passenger ferry for around 100 years. In the old days, the ferry was based on the island, which is where the ferrymen lived, but it is now based on the mainland. Three of the four members of the crew live on the island,

so they must stay away from home all week when they are on duty. They have a problem in getting over the water when the weather is bad, and the crew will often be a member short if the weather is too poor to relieve crew members who have been on the previous shift. Primarily, the ferry is a service for mainland people who come to the island rather than a service to meet the islanders' needs, although we rely on it wholly to get to work and to the doctor—the general practitioner is based on the mainland—and to get away to do our business. Some children rely on it to get to school. The majority of islanders use that route and leave their cars on the mainland.

Similar remarks apply to the CalMac ferry. On most days, there are only two services a day to Lismore. There is an additional service on Mondays and Fridays to get children to the high school and a couple of other services run during the week in the summer, but a basic service of only two sailings a day is provided, which is wholly inadequate for an island the size of Lismore. The use of ferry passenger numbers is an issue. If the ferry was a better vessel, so the passage was shorter—a better vessel would not take as long to complete the journey—and more frequent services were provided, the ferry would be used more regularly, but the timetabling suits the providers' needs rather than the users' needs.

I want to add something in case I do not get to say this later. One of the reasons why Lismore community council was asked to come to the meeting is that Lismore is representative of other islands that are close to the mainland. Most of our basic services are based on the mainland—our GP, for example—but we cannot access those services if the weather is poor or something goes wrong. Our passenger ferry breaks down fairly regularly—it may not run even on a beautiful day like today—but we use it to get to the mainland most of the time. That problem must be put into the equation.

For example, when we talk to the community health partnerships, they do not view the GP practice as an essential practice, because it is mainland based, although it covers an island, and they do not factor in the transport issues. It is important that all the committees that deal with all the different issues speak to one another and that their thinking is joined up. That sounds obvious, and I am sure that members think that that should happen, but I am sure that it does not happen as much as it should. We are in a difficult position because some see us as an island community, but others see the island as simply an extension of the mainland, and sometimes we fall through the gaps. Other islands are in the same situation that we are in; our island is not the only island in such a situation.

Councillor Scoullar: Dr Currie was kind to recognise the constraints under which our local authority operates in trying to provide a ferry service. However, councils should not be in the business of providing ferry services because we always seek to be more efficient and to save money, and costs continually rise, so it is difficult to provide people with the service that we would like. Financial constraints over many years—although perhaps not as much recently—are probably responsible for the position in which many of the services that we are speaking about find themselves.

Cathy Peattie: Perhaps an answer to the next question has been given, but I will ask it anyway. Are you satisfied with current ferry timetables and frequencies? If not, what changes would you like to be made?

Dr Currie: I have probably already answered that question. The car ferry at the south end of Lismore is wholly inadequate. Its timetabling is poor and causes difficulties for businessmen. The ferry is used only by people who do not need to get anywhere in a hurry—for example, those going to Oban for a day's shopping or a visit to the dentist.

The local authority does its best at the north end of the island, but because of the constraints that the working time directive has placed on the hours that crews can work, early morning and evening ferries in particular are constrained. For example, if you are late back from a meeting or from a hospital appointment in Glasgow, you may need to stay over on the mainland. That is an additional cost for people in an area in which the average wage is much lower than the Scottish average. Such an additional cost discriminates against our community.

The situation is not the council's fault, because it uses its resources as best it can, but it cannot be resolved unless there are additional ferry crews and better vessels.

Sandy Brunton: We would ask for the ability to commute, which relates to everything to do with timetabling. For example, if someone from Mull was trying to work in Oban, on most days they would arrive in Oban on the first ferry at quarter to 10 and perhaps get to their work at 10 o'clock, if they worked in the centre. In the wintertime, most days they would need to leave at about half-past 3 to get the 4 o'clock ferry.

The timetabling does not allow for commuting from Mull, whereas someone commuting from Oban could arrive on Mull before 9 o'clock, and could stay there until nearly 5 o'clock in the day. If the word "commutability" was built into timetabling, it would create a difference in how things happen.

Councillor Scoullar: Again, the issue of frequency probably falls within the remit of the national transport strategy. Once the routes were decided, the frequencies could be enhanced. For example, recent discussions on an alternative bid for the Mallaig to Lochboisdale service faltered because of the lack of a vessel. If that service had been approved, it would have given 30 hours more sailing time for the Clansman and the Lord of the Isles, which would have provided a much better service for Mull, Coll, Tiree and Colonsay. We need to take a long-term view of routes, frequencies and prices.

Rob Gibson (Highlands and Islands) (SNP): In your experience, are ferry services timetabled to ensure good connections with other forms of public transport, for example buses and trains? Is there any kind of through-ticketing just now? If not, would it be easy to implement that?

Councillor Scoullar: Integration with ferries is a difficult problem in so far as ferries are weather dependent. The clock-face operation insisted on by the EU for those who receive public money to subsidise transport means that, often, a bus or train that is meant to connect with a ferry service leaves passengers, who are perhaps five minutes late, behind—although I understand that service operators have people waiting for that train or bus at a destination, to come back later.

We should have a close look at integration. For instance, proposals are being discussed just now between Caledonian MacBrayne and the local ferry users group to have an hourly service between Wemyss Bay and Rothesay instead of one that operates every three quarters of an hour, because it would allow more time to meet the trains and buses. The proposal is being looked on favourably because integration is important. I agree with your concerns about it. However, it is difficult to understand how it can be achieved, because of the disruptions.

Rob Gibson: Before I question the other two witnesses, I want to follow up what you said. I presume that there are three different regulators for ferries, trains and buses.

Councillor Scoullar: Yes, indeed.

Rob Gibson: Would it be possible to have one regulator for all three? Is that not the key to getting integration?

Councillor Scoullar: I had not thought of that until you mentioned it, but yes, I think that it would be the key. When our timetable was changed, I acted as an intermediary between the rail network and Caledonian MacBrayne to try to achieve some kind of integration. If one authority had overseen that change, I agree that it would have been much better.

Rob Gibson: Does either of the others want to answer?

Dr Currie: I agree with that suggestion—as long as the various arms of the organisation speak to each other. Just because there is one regulator does not mean that it would operate effectively. I have worked in a range of public sector organisations for a very long time and it is my experience that plenty of organisations do not communicate well within the organisation never mind with anybody else. Having one regulator would be a first step towards improved integration. I would not like to be the person who manages the process; integrating some of those services is very difficult because it is a complicated process.

With regard to our services, you can integrate leaving Lismore and going straight to Oban on the car ferry, but not coming home. Once you have got off your train, your last ferry has already left, whether it is the midday train or the later one. As you would have to return home first thing in the morning, you cannot do a day trip by train or bus; you would need an overnight stay wherever you were going.

The operators have tried to integrate journeys from the north end of Lismore several times by providing a wee minibus that linked with the ferry and the service buses that run along the main road coming down from Fort William. That did not work, although I do not know why. It was not well publicised and the bus did not integrate with the ferries initially. Even the minibus did not integrate with the ferries. That would be easy to do now because there is an hourly service, but there are still lengthy waits for the service bus when you get to the main road. If you are an older person or a young mother with a pushchair and children, you are getting out of a vehicle and on to the ferry, then getting on a minibus, getting off it, crossing a busy main road, waiting for 15 or 20 minutes, getting the bus all the way into Oban and then repeating the process with all your shopping. It is just impossible to do. Even if the vehicles integrate, the services are not effective for people. If people do not get the Achnacroish boat in and they are not able to drive, they have to thumb a lift.

14:00

Rob Gibson: Thank you for that detailed explanation. How many people live on Lismore?

Dr Currie: About 180. It is when you think about the detail of a situation that you realise that integration is complex and is not always the whole answer.

Sandy Brunton: An example of integration in relation to Mull is that the first ferry usually leaves Mull about 9 o'clock in the morning and gets into Oban after the first train and the first bus—which

tend to leave at the same time—have left. They are totally integrated in as much as they both go to Glasgow at the same time, but that time is not integrated with the arrival of the first ferry.

Furthermore, the ferry service is not consistent each day. The Mull ferry goes to Colonsay on Mondays, Wednesdays and Fridays, which means that there is no service to Craignure on those days in the middle of the day. On Tuesdays, Thursdays and Saturdays, however, there are many services. That means that, if you are trying to plan a collective activity, you have to think about the day on which you are going to do it. That is not good integration.

The issue comes back to the transport forum study, which we believe presents a genuine chance to sort out some of the problems. The study, which was funded by the local economic forum and carried out by Lorne MacLeod, is on the shelf

Rob Gibson: It would be useful for us to see that study. Could you get us a copy?

Sandy Brunton: Yes.

Rob Gibson: Cleary, the restrictions that arise from having one large ferry on the route to Mull have been built into the system since the late 1980s. Given that we are getting towards the end of the life of that ferry, do you think that it would be better to have two ferries? Would that increase the frequency of the service? Do we need to have smaller but more frequent ferries on the routes? That is a leading question, of course, but you might disagree with my view.

Sandy Brunton: There has been a single large ferry serving Mull for more than 60 years. The time the ferry takes is the same now as it was when it started. There has been no increase in speed for a long time—in fact, some of the older ferries were faster than the present ones.

The route to Mull is about 11 miles and the ferry leaves every two hours. There has been a long campaign to have two ferries because, if one breaks down or is being serviced or is taken out of the water in the winter, everything has to get shuffled around. A new ferry would have to be built: if it were smaller and faster, the service could be improved. We are told that there is an issue about capacity, that it takes 10 years to plan to build a ferry and that the Chinese have bought all the engines. However, we have the ferries with engines currently, but at night time they are tied up and put to bed.

There is perhaps a genuine opportunity for someone to work on a commercial basis, using fewer crew members, and to do some runs to the other locations or islands that need commercial transport. Such a service might well have to

operate at inconvenient hours, but the rate might be cheaper.

Rob Gibson: I have heard that people can be turned away from the Mull ferry because large numbers of tourists are going over, which can mean that people who live on the island and are trying to get back to the island cannot go home that day. Is that true?

Sandy Brunton: Unquestionably.

Rob Gibson: Does it happen often?

Sandy Brunton: Yes.

Rob Gibson: So residents find themselves unable to get to their destination.

Sandy Brunton: Yes. Residents do not have priority—whether through pricing or booking advantage.

Councillor Scoullar: The committee should perhaps also consider the option of some of the islands being connected, which could take away the need for ferries to run to each individual island. Although that is not part of a ferry strategy, it would be part of a general transport strategy. I hear from the Scottish Islands Federation that the problem that Sandy Brunton has mentioned exists and occurs frequently—it does not happen only on Mull.

Rob Gibson: Where else do such situations arise?

Councillor Scoullar: They arise on some of the services out to Coll, Tiree and places like that. If the boat is mobbed with people going to Mull, she calls in at Mull and then goes on to serve the islands, but folk have been left behind in Oban. We do not suffer that fate as we now have two nice new boats, but we used to. We had a sort of one-and-a-half-ship service many years ago, but we now have two boats. Nevertheless, in general, the SIF considers it to be a problem.

Rob Gibson: The SIF?

Councillor Scoullar: The Scottish Islands Federation.

Rob Gibson: Of course—the organisation that you represent.

Two different companies run the ferries to Lismore. If one company was running them, could the service be more flexible? Would you get a better service if a more frequent service could be provided that way?

Dr Currie: Perhaps, but not necessarily. I have to be careful what I say, because the issue is very contentious on Lismore and I do not want to give only my personal view.

A lot of people have suggested that having just one ferry at the north end of Lismore, which provides the shortest route, would be most beneficial. It certainly would be in respect of running a business, provided that the ferry shuttled backwards and forwards, started early enough in the morning and finished late at night. Whether we got a good service would depend on the company that ran it.

The ideal situation for us would be if there was a north-end car ferry and a south-end passenger ferry, which would not necessitate the lengthy journey by road on public transport that some older people would need to make if the Achnacroish to Oban ferry was done away with altogether.

The pricing structure is also important. I work in Oban and travel every day. If a car ferry was priced at £8 or £10 for a return trip, I would not be able to afford that: I would leave my car on the mainland. In that case there would be car parking issues—the council wants to bring in parking charges and so on. Many other related issues are impacted on by the decision whether to move the car ferry. It would depend on the operator as much as anything. One concern is that if there was only one ferry, which operated from seven in the morning until six at night, that would not benefit anybody—no matter how frequently it went backwards and forwards.

Rob Gibson: Are you saying that more crews are needed?

Dr Currie: There is definitely a need for more crews and for more than one vessel in order to provide flexibility. On Lismore, as much as we can agree on seems to be that a south-end passenger ferry and a north-end car ferry would probably be the ideal situation.

My experiences are similar to those of Sandy Brunton. My husband is a livestock farmer and it is sometimes impossible to get livestock to sales in the middle of the summer-particularly on a Saturday when there is a changeover of visitors. The Lismore ferry takes about five cars. Put one livestock lorry on it and it is almost impossible to take other vehicles. Residents do not have priority over visitors. The same is true on the passenger ferry, but at least that shuttles backwards and forwards until the queue of passengers is cleared. However, someone can still miss a train or a connection of some sort if they have to wait for the ferry to run backwards and forwards three times. Sometimes, people can jump the queue, but sometimes that is not possible. I agree with Sandy Brunton's comments.

The Convener: I will follow up the issue that Rob Gibson raised about people being unable to get on a scheduled service for one reason or another. Obviously, that is hugely inconvenient and it may have a financial cost to passengers. What do people do in those circumstances and what compensation arrangements do the operators have in place?

Dr Currie: Basically, if people lose their money because they cannot get their feed over or get their livestock away, they are not compensated. CalMac sometimes makes an effort to put on an alternative vessel, such as a bigger boat, or to do a double run to get livestock away. However, we overwinter cattle on the mainland and, for many years, we have made other arrangements for shifting the cattle. We also make arrangements for moving fish-farm equipment. That is not always the best way, but it is the most convenient and effective. We cannot get a large livestock lorry on the ferry-we have to use a small wagon. If somebody is moving 40 or 45 cattle, that requires a double run for the ferry, because the size of lorry that we need to take our cattle cannot get on the ferry. Therefore, we have to split our cattle, take them down to the pier separately and have them hanging round at the pier and waiting for the ferry to come back to get the second load. The haulier needs to wait at the other end and he has to decant the cattle from one lorry to the other in the middle of Oban. That is not really adequate.

Councillor Scoullar: On routes that are not bookable, no compensation is available. If somebody does not get on a ferry, that is that and they have to make alternative arrangements at their own expense.

Sandy Brunton: That is correct. This morning, I heard about a problem that somebody had trying to get to Mull last week, when all the bookings were being integrated on to one ferry. The person had booked on to the Mull ferry, but when they turned up, they found that they were not booked on for one reason or another, perhaps because the booking had not been processed. That was the 4 o'clock ferry, which is the last ferry to Mull from Oban. The person then drove to Lochaline to get the ferry across from Fishnish. That story shows that everybody is equal, because the person is a board member of CalMac.

The Convener: That kind of anecdote is very useful to us.

Alison McInnes (North East Scotland) (LD): We have started to touch on competition. I want to explore the issue further. What are your views on the introduction of competition on ferry routes or on the provision of services by private sector operators? Perhaps Councillor Scoullar could talk about good examples that he has of best practice from other peripheral regions in the European Union, given that his submission mentions the Conference of Peripheral Maritime Regions.

Councillor Scoullar: The tendering process that we went through was at very great expense to the taxpayer—I think that CalMac spent in the order of £21 million. I attended a CPMR workshop in Shetland, at which it was agreed almost unanimously that, where lifeline services had been put out to tender in order to try to create competition, the reverse had happened. All the money has to be spent. With publicly owned or subsidised companies, all the pension schemes must be hived off and the operating company has to be separate from the ship-owning company. As I said, my understanding is that the tendering process cost CalMac £21 million.

14:15

At the end of that process, the CPMR discovered not only that the subsidy costs had increased, but that the incumbent had retained the service. From the evidence that was presented, it seemed to me that all we did by going through the process was to raise the amount of subsidy that the companies required. I do not criticise the companies for that because they had operated services previously on an estimate of what would be required, whereas now they would be tied down for six years to providing services that would be as indicated in the timetable.

As to competition, Alison McInnes probably picked me out for a question on that because of the council connection. Frankly, I do not think that the council should be in the business of providing ferry services because we are not adequately resourced to do so. As I said, Dr Currie was fair to the council in what she said. We do not have the resources and should not provide the ferry service.

Dr Currie: I agree that the local authority is insufficiently resourced to provide that service. In addition, it does not necessarily have the expertise to manage ferry crews and deal with all the regulations in the maritime environment, given that it is the council's roads and transport department that has to deal with all that and most of its interests lie elsewhere.

What we do like about the local authority is that it is reactive and accessible, and it listens to our views. It tries to do something about difficulties or issues that we have. We can go to our local council members, but it is more difficult to see people when we deal with private companies.

Competition is a good thing, but the tendering process needs to be much simpler and more user-friendly. I did not get into too much detail during the tendering process, although I attended some of the meetings. My impression was that the process is cumbersome and that it had put off most of the potential competitors. CalMac was the

incumbent and it was obvious that it would get the contract.

Sandy Brunton: I have had the benefit of going to different parts of Europe with a chamber of commerce and the Scottish Islands Federation on island issues. I attended a meeting of the European small islands network on the Greek island of Hydra. The island has 3,000 or 4,000 folk, and four or five operators work different types of ferries there-for example a hydrofoil or a catamaran like FastCat. They have no difficulty in using just one pier, and there are no challenges to the ferries shuttling in and out. The operators work together out of Piraeus and link all the islands together. It is an incredible operation, and it is just staggering to see how the operators work. I understand, too. that some Scandinavian countries-for example, Sweden-have stateoperated ferry companies working alongside private operators, with well-run ferries that allow people to commute back and forward.

It should surely be possible to have competition in ferry services here, but the structure militates against that. Any operator trying to get into the system here now would find it challenging to do so because one company owns many piers—for example, those that were owned previously by CalMac and which are now owned by Caledonian Maritime Assets Ltd.

Dr Currie: The success of competition would depend on Government policy on how Highland communities should be supported. No company would be particularly interested in running the car ferry to Lismore, for example, because it clearly cannot make a profit and has to be heavily subsidised. The north-end passenger ferry is subsidised as well, but at least it has higher passenger numbers. Because of our location and the size of our community, we will always be constrained in terms of passenger numbers and the amount of profit that a ferry company could make.

However, the countries that seem to do well in this regard—Norway is the one that is always mentioned—value their small island communities and have policies that specifically encourage their growth and development. That makes a huge difference. Open competition for a route to a small island such as ours would mean that nobody would tender for the contract—unless it was bundled with another more lucrative route.

Alison McInnes: Mr Brunton mentioned a visit to Hydra. Who owns the infrastructure there? Is it the local council?

Sandy Brunton: As far as I could find out, the only pier on the island—onto which 1 million visitors a year are disgorged—is owned by the equivalent of a local council.

Charlie Gordon (Glasgow Cathcart) (Lab): Because resources are limited, would you prefer public money to be spent on improving ferry services or on developing air services, where that is an option? There is an airfield on Mull—Glenforsa airfield—is there not?

Sandy Brunton: There is an airfield on Mull but it is closed at the minute and we do not know when it is going to open. We hear that it might be closed for health and safety reasons, but we do not know.

Councillor Scoullar: I do not know that I want to go to airfields like that one.

Charlie Gordon: Is aviation an option for some islands?

Councillor Scoullar: Definitely. Coming up for three years ago, I very much supported the creation of Oban airfield. It is proving to be a bit more difficult than we had thought, but I hope that it will be operational soon. Children from Coll and Colonsay who go to school here in Oban get home to see their parents once every three months. With the airfield, they would get home every week. We have also received letters from medical consultants who would be able to visit patients at or near their homes easily, rather than making long and fraught journeys.

The Government's public service obligation of a 40 per cent reduction in some air fares has meant massive availability for people on the islands. I would very much welcome island transport by air.

Sandy Brunton: From the point of view of business on Mull, every additional transport opportunity has to be welcomed. The financial constraints have been mentioned, as have our aims and objectives. Either we make a commitment to having thriving populations on islands, or we do not. If we make such a commitment, we will have to do what it takes to support those populations.

David Stewart (Highlands and Islands) (Lab): I want to ask about the road equivalent tariff. Did local organisations and people have any input to the design of the pilot scheme? As you know, the pilot will begin in October. What are your views on it?

Dr Currie: I do not know of any people in our area who were involved. We would ask why the scheme is just a pilot scheme. Why has it not been adopted in all the islands as of now? There is a clear need for it. The pilot is to last for two years, I believe. During that time, the islands that are not involved will lose an awful lot of money and some of the smaller producers will go out of business, especially now that fuel prices are going up. The cost of feed is also going up for all sorts of

reasons. I would urge that the pilot scheme be adopted in all the islands sooner rather than later.

Councillor Scoullar: The RET scheme is to be welcomed. Such a scheme operates well in Sweden, I believe. However, the Scottish Islands Federation thinks that the pilot scheme will mean that all the other islands will be disadvantaged in comparison with those that will receive the benefits of RETs. The same feeling existed when the Skye bridge tolls were removed. At a stroke, the Government disadvantaged every other Scottish island, or gave Skye an advantage. Removing those tolls was an admirable thing to do, as is implementing the RET scheme, but the Government should seriously consider the negative effects of the scheme.

As I said, I welcome the scheme that the minister announced. However, he said that it should help tourism. Will it help tourism at the expense of the other islands? Someone should consider how to lessen the impacts on the other islands.

Sandy Brunton: I do not know anybody who had any input into the design of the pilot road equivalent tariff scheme. It seems that the scheme has changed since it was proposed that it would operate on a single route. As somebody who lives on an island and has been involved in many organisations that have campaigned affordability, I think that anything that helps affordability must be welcomed, but a scheme must be equitable and fair for all islanders and visitors to the islands. We are talking about a sixmonth lead-in to the scheme and a two-and-a-halfyear project.

We do not know how long it will take to assess the scheme. We ask for assessment of the efficiencies of RETs to start immediately, and that after the first winter and the first summer of the scheme, what has happened to the trades, travelling and so on should be analysed. RET plans for the other islands should be put into place straight away, and we should consider the benefits straight away. If the other islands are not included in an RET scheme, they could be included in another discount scheme. A genuine chance exists. Such a scheme would allow the other islands to benefit. If that was not going to happen. we would need to ask for a marketing initiative that would help to advertise the disadvantaged islands to visitors specifically.

As far as we understand, RETs will bring great benefits to islanders, but it is likely that the benefits will be greater to casual visitors who make one trip to an island. The mechanism and pricing of the scheme need to be considered. It looks like a significant commercial advantage will arise. However, we did not really have anything to say about the scheme.

David Stewart: You have already touched on my follow-up questions. Would it help if the pilot was wider? For example, would it help if it covered some of the interisland ferry services? The situation in Orkney and Shetland has already been mentioned. What is your view on the effect on capacity? Critics have said that it is relatively easy to run the Western Isles services, but the immediate problem that will be run into is the capacity problem. It is clear that boats cannot suddenly be produced to meet demand. Critics have also said that there may be effects on business and tourism in particular areas, and that there may be knock-on effects on air services in the Highlands and Islands. What do you think about those views on RETs?

Councillor Scoullar: Capacity has been one of CalMac's major concerns in discussions about RETs. Earlier, we discussed local people not being able to get home as a result of ferries being full.

If the cost of ferry journeys were to be reduced dramatically—I should say at this point that the cost of some of the shorter routes might not be reduced, but increased—the boats might be overfilled with people just visiting for the day, which could disadvantage local people. All the points that David Stewart raised are significant when considering RET.

14:30

Dr Currie: I agree with that. I come back to the problem of considering a policy decision in isolation—there have to be changes to other things too, such as dealing with capacity, making sure that more vessels are on order and, possibly, prioritising residents over visitors. We consider that to be important, even if we just had a northend car ferry, because a flood of people could visit the island, which does not happen at the moment. There are all sorts of environmental and quality-of-life considerations as well; it is not just about whether we can physically get on to the ferry.

As regards pricing for local people so that they can do business, we do not think that that can come fast enough.

Sandy Brunton: We talk about capacity all the time—at least, CalMac does, and it is CalMac that ties up the boats at night. We have to believe in what we want to happen for our islands. Just now, our islands are fragile and their economies are delicate. We say that we want to encourage vibrant populations, but we are not looking after our islands. We need to do something about that, but I do not know whether people will put their money where their mouth is. There is no doubt that we need more people living on our islands: we need more capacity and to encourage long-term

activities and businesses so that people will work, stay, live and do all the things that we want them to do on the islands. If we are to do that, we have to put our money where our mouth is.

There could be a discount scheme that feeds into RET. We are not afraid of increased capacity. I run a shop and I would love increased capacity to come straight through the door and put money into my till.

David Stewart: It does not take five years to open another shop.

Rob Gibson: Why do you think that the Government chose the Western Isles as the place to try out the pilot?

Sandy Brunton: All the indicative figures for the Western Isles show that, of all the Scottish islands, the area is in the most urgent need of most of the help available. There is no doubt that all the indicators of unemployment, lifespan and job opportunities show that the Western Isles needs the most help. However, that does not mean that the other islands do not need some level of assistance.

Councillor Scoullar: Western Isles Council did the most thorough investigation into RET seven or eight years ago. It might be that it is being rewarded for giving those figures to the Government. However, the answer to your question is that I do not know.

Rob Gibson: We will ask other people, too.

Councillor Scoullar: I am sure that you will.

Dr Currie: I agree with my colleagues. Obviously, people in the Western Isles have the furthest to travel and therefore have the most to gain. As Councillor Scoullar said, short-distance routes might lose out, so it might become more expensive to get to Lismore. That needs to be considered, too.

The Convener: I thank the witnesses for their evidence and for answering members' questions.

I am aware that the Scottish Islands Federation has provided a written paper, which has been circulated to members. I say to all the witnesses that if they would like to make us aware of further information that occurs to them after the meeting, they are welcome to submit written evidence.

I suspend the meeting briefly to allow the changeover of witnesses.

14:36

Meeting suspended.

14:38

On resuming—

The Convener: I welcome our second panel of witnesses. Blair Fletcher is the transportation and infrastructure manager with Argyll and Bute Council; Councillor Roy Pedersen is from Highland Council; and Councillor Donald Manford is from Comhairle nan Eilean Siar.

How do the current routes meet the transport needs that are identified in your local transport strategies? If they do not meet those needs, what changes need to be made?

Blair Fletcher (Argyll and Bute Council): The first point that I make as an introduction is that the idea of what would be almost a root-and-branch review of ferry services on the west coast has been flagged up. I believe that a window of opportunity for that is coming up because, in relation to ships that are being built and ships that have been ordered, there is not much on the horizon. So much has happened over the past 30 years that we need to take a fresh look at how the routes have been developed and what we should do. We have new technology and new roads and we are not entirely sure that the routes all meet the needs of the communities that they serve.

To give an example, in Argyll and Bute we have ferries that serve the islands of Coll and Tiree, which are furthest to the west. The service in the wintertime is very limited—the islands get only three ferries a week. One possibility is to consider closely the idea of a land bridge, which would involve a shorter sea crossing between, for example, Coll and the island of Mull, a road journey and then the use of the ferry at the other end of Mull, between Craignure and Oban. In the longer term, such routes may work out as more sustainable than the present arrangements.

Taking such an approach would also give us an opportunity to consider having shorter and more frequent sea crossings, which might allow communities to accept greater disruption to services in the wintertime. For example, instead of services running for 99 per cent of the time, communities might have to accept they will run for 97 or 98 per cent of the time. Instead of services being off for four or five days in the winter, perhaps a four-times-a-day service would allow communities to put up with more disruption. The fundamental point is that we must have a close review of how the services and routes are made up.

Councillor Roy Pedersen (Highland Council): Before I start, I point out that my name has been misspelled as "Pederson" on my nameplate. Perhaps that can be changed for the record. My surname takes the Norwegian spelling.

The question of ferry routes is fundamentally important. The purpose of ferries, in my view and in my council's view, is to help sustain island communities and reverse population decline. We believe that that decline is not inevitable, because some island populations have exhibited growth. Although the Western Isles had a steep population decline over the 20th century, other island populations have shown growth in more recent decades. For example, the population of the Isle of Skye has gone up from 9,000 to 12,500 since the 1960s, which shows that population decline can be reversed. Ferry services can be part of the means of doing that.

I throw the concept of road equivalence into the ring for consideration. We heard during the previous panel's evidence about the roadequivalent tariff. Many people round the table will know that I invented that concept in the mid-1970s. Road equivalence is not just to do with fares, although they are an important part of it. Road equivalence means making a ferry as much like a road as possible, which is to do with frequency, hours of operation and shortening the passage time. There is much scope throughout Scotland to do those things. If passage time is reduced, the fare is often reduced as a consequence. I suggest that the committee's focus should be on how routes can be made more road equivalent. However, taking the routes one by one and suggesting how each could be made more road equivalent is perhaps too big a subject to go into.

Blair Fletcher talked about the concept of the land bridge, whereby roads are used in place of ferries. I will illustrate how important that could be. The Clansman and Hebrides class of vessel that Caledonian MacBrayne uses is a standard product—the Isle of Mull is a similar size of ship. Those ships consume 1,500 litres of fuel per hour, which is about 100 litres per mile. With a perhaps generous estimate of an average loading capacity of 50 per cent, the fuel consumption is 2 litres per car per mile.

Those of us who drive know that the average fuel consumption of a car is between 8 and 12 miles per litre. Therefore, a ferry consumes about 20 times the fuel per car carried and produces 20 times the emissions of a car driving along an equivalent length of road. If the distance that a ferry travels can be reduced, which is possible in many cases, that would give a saving in time, fuel consumption and emissions; it would also enable the route to be operated more frequently, with probably a smaller vessel.

I will leave my answer to the question on routes there, having put on the table the general principle of road equivalence. 14:45

Councillor Donald Manford (Comhairle nan Eilean Siar): I thank the committee for inviting me to answer some of its questions. My answer to the question on ferry routes is that they do not meet our transport needs, although not all the services go to the wrong places in the wrong way. We must get to grips with what the transport needs are and get a deeper understanding of them. We spend so much time going on about problems and difficulties that we lose sight of how the situation has come about. Our present-day communities are different from those of 50 years ago, and have different needs. Communities are far more interdependent now, often because travel from one community to another is required for legal or statutory reasons.

There must be a wider evaluation of the type of ferry services that we need. We must ask how many services a community needs. There are dramatic differences, which are not necessarily dependent on the amount of people who live in an island community, between economies that are built on three services a week, those that are built on three services a day and those that are built on one service a day. We must recognise that different types of services have dramatically different influences on the economies of the communities that they serve, which is the point that Blair Fletcher and Roy Pedersen made. I disagree with Blair only in that I believe that we must get to grips with the issue now-I made the same point in 2000. All the negative stuff that has gone on in the past 10 years, which has focused only on the type of contract, has set us back 20 years at least.

The Convener: It is an auspicious way to start to hear that not all ferry services go to the wrong place in the wrong way—that strikes an optimistic note.

Councillor Manford: I will quickly say something about that, if I may. Whatever service there is, business and connections will arrive on the back of it. Even if change is largely for the better, it will find a hostile reaction. The way we go about improving services is vital—we must learn that lesson.

The Convener: That is useful. My next question is similar to the previous one, but with the focus on timetabling rather than on routes. Having more frequent services would generally be regarded as a good thing. However, are any changes required to other aspects of timetabling? Are there any problems that you would like addressed?

Blair Fletcher: It comes down to the same point that I made about the routes. Timetabling is about available capacity. I refer again to the example of the ferry that serves Coll and Tiree. That ship has duties in relation to other islands as well, so only a certain level of frequency is available to each island.

It is difficult to compare the outer islands with the likes of the Islays and the Mulls, which have a relatively good service. To go back to the example of three services a day in the wintertime, if such a service is disrupted and there are perhaps only two services a day, that starts to impact on people's ability to take fresh produce to market and so on. If there is no major review of services, it is difficult to envisage how something could be done about such disruption without introducing major additional tonnage into the equation.

To return to my first point, if we are looking at a horizon of 25 or 30 years, we need to re-examine how routes are decided because changes in routes can impact on frequencies. Rather than stick to historical routes, it might be better to consider having smaller vessels. As I said earlier, that might mean more disruption, but smaller vessels operating much more frequently.

Roy Pedersen's earlier point was about sustainability. We have a large dead leg coming down the Sound of Mull to Oban, where the vessels travel perhaps half of their journey without any real need to because there is a ferry at Craignure and potential for an embarkation point at Tobermory. There are ways of redesigning the services such that what I suggest would be possible.

There is also a need for a consistent approach. Some ferries are supplied privately. The island of Kerrera is served by a private operator and the island of Ulva is served through a private arrangement. However, Argyll and Bute Council provides four ferries, and Caledonian MacBrayne provides the undertaking. That creates problems, because it means that different communities have different levels of service depending on their location. That needs to be addressed.

The point was made earlier that there really ought to be one provider, which would mean that there could be a consistent approach to service. I will develop that point, if I may. The infrastructure that the vessels use belongs to different people as well. It may belong to the ferry company or the council, or it may be privately owned.

We have a history of being able to tap into national Government funding for transport. Whether through the piers and harbours grant, the crofting counties scheme—which, to go way back, provided help on roads—public transport funds or integrated transport funds, it was possible to get significant intervention of perhaps up to 75 per cent if the piers or harbours needed to be maintained. Under the new arrangements, that assistance has been withdrawn. As far as I am

aware, no element of public transport funding or piers and harbours grant funding is available to local authorities.

The ownership of the infrastructure needs to be examined. Should it all belong to the state? We ought at least to take a fresh look at the question to identify different arrangements in different parts of the world.

Councillor Pedersen: Many points must be taken into account. Different islands are different distances away from the mainland and their requirements vary.

We must also take into account value for money—I am thinking of value for money for the taxpayer as much as for anyone else. There is a limit to the amount of money that one can throw at ferry services. It is interesting to note that, in the past 15 years, the subsidy for CalMac has increased from 22 per cent to 45 per cent. In the case of NorthLink Ferries, it has gone up to more than 60 per cent—in other words, two thirds of the company's income comes from subsidy. However, although the services are, in many respects, good, safe and reliable, there has not been a greatly detectable increase in quality of service, and one wonders a little where things are going wrong.

Frequency is what timetabling is all about. The more frequent that one can make a service, the better. In a number of cases, the ability to commute is an important factor. If people in an island community can commute to work in a nearby regional centre, that enhances the quality of life on the island, because it means that they earn a decent income but can live on the island and come home to their family and friends at night. In many cases, that is either difficult or impossible.

I think that the earlier witnesses—I did not catch the very beginning of that evidence-taking session—mentioned that, in Mull, the ferry shuts off at a very early hour, especially in the wintertime, so commuting is impossible. That is also true of a number of ferry services in the Highland Council area, such as the Raasay to Sconser service. Commuting from Raasay to the Skye mainland—especially to Portree, which is the main centre—is quite difficult. Commuting from Mingary to Tobermory is also difficult. Tobermory can be regarded as the regional centre for the Ardnamurchan peninsula to an extent, but it is not really possible to commute to work from Ardnamurchan to Tobermory.

The Mallaig to Armadale route is another case in point, especially in the winter. Mallaig is a considerable centre and Sleat in Skye is an attractive place to live, but commuting from there to Mallaig is not possible. Relatively simple adjustments to scheduling would make such commuting possible.

Hours of operation are another scheduling matter. In Norway, which has always been a bit of a model of good practice for me, ferry services run for 18 hours a day—from about 7 in the morning until midnight—more or less as standard, unless a place is very remote. In that way, people can conduct their normal business and get home at night to their families. In Scotland, that is not so—almost all ferries shut off at or just after tea time, except the Western Ferries service across the Clyde and Shetland's internal ferry services.

I suggest that, as well as increasing service frequency, lengthening operating hours is a major concern. When crews live on board ships, it is difficult to achieve that increase in hours; we are stuck because of the working time regulations. An answer to that problem is to run shifts, as some companies do, with shore-based crews who live on the islands when possible.

Councillor Manford: The timetables are not good; many are horrendous. The previous panel regaled the committee with examples, and I could do the same. On docking at the pier in Oban after seven hours on the ferry, we see the train pulling out. If people who are just leaving the train at Oban see the ferry taking off, they can sit there for two days until the next ferry leaves. For a family with children, the exercise can be very expensive. In the summer, when a daily service runs, someone who misses the ferry might not be able to get a place to stay.

There have been horror stories, and I could go on. If people try to come into Oban early to do shopping, they cannot check in their luggage, although that can be done in Glasgow. As if to infuriate people more, the luggage cabinets that have been installed are locked and cannot be used for some reason.

I know that the timetables are not designed to antagonise, but we can understand how passengers feel. People arrive in Oban from Barra sometimes at 11 o'clock at night, when bed and breakfasts do not want to take them in, so, if they can, they will take their own transport so that they have some through transport. Public transport is not available. That is the downside.

How to put things right is not an easy question to answer. Tinkering by another committee will not put them right. If 12 ferries come into Oban and there are three ways out, the needs of passengers from three ferries will be met, but those of passengers from nine will not be met. That will always be the case. Buses and trains come in at the same time, so staggering their timetables would make the situation better and could be a radical improvement, but we are talking about catching services not just one way, but both ways. That turns the 12 into 24 different ways. The

situation is not easy; it is complicated, but it needs to be addressed.

Shirley-Anne Somerville (Lothians) (SNP): You have started to touch on integration, which the first panel also talked about. Do your authorities produce integrated timetable information for service users? If not, or if someone else produces the information, will you explain why?

15:00

Blair Fletcher: I am pleased to say that our authority produces area travel guides that have all the various modes in the timetable. We have made a start in that regard.

Integration is difficult when there is a low frequency of services. There are three trains a day from Oban, although a greater number of ferries come into Oban. The other issue is that you cannot integrate all the way down the line. The chances are that the buses that leave Oban integrate with their own company in places such as Tyndrum. They cannot possibly integrate everywhere down the line, and that is an issue for places that have infrequent services. The head of the queue is always more difficult to integrate than the downstream end.

Another problem with integration, which was mentioned earlier by a committee member, is the question of the operating regimes. We have three different regimes: one for the shipping services; one for bus operations, through the commissioner; and one for trains, through the rail franchise. Competition is the main driver—that is what encourages the trains and buses to leave at the same time. However, in Oban, we are making considerable progress towards improving the situation. We have been working with Citylink towards ensuring that there are more departures from Oban. The situation is much better now than it was some years ago.

Councillor Pedersen: We, too, produce integrated timetables that cover all the modes, including air services.

There are 18 vehicle ferry terminals in Highland Council's area. I am not sure whether that is more or less than Argyll and Bute has, but it is quite a lot. We also have five passenger-only terminals. There is a great requirement for interchange between land-based transport and ferries. To a fair extent, bus and ferry integration is not too bad. The situation is not perfect but works fairly well, particularly in relation to the ferries that go to the Western Isles and Orkney—buses link up reasonably well with those ferries.

An innovation that is planned for this summer is a bus running twice daily in each direction

between Kirkwall and Inverness, using the ferry. The fact that the bus will travel on the ferry means that people can check in their luggage in Kirkwall and do not have to pick it up until they arrive in Inverness. Such a system is common practice in many countries, including Norway and Canada—in British Columbia, for example—but our operation will be a first in Scotland and might well be a model for other routes in future, assuming that it goes ahead. Incidentally, it will use the unsubsidised Pentland Ferries service, which is attracting a good deal of business at the moment.

Councillor Manford: Western Isles Council also produces travel guides and timetables that cover the area. The system is extremely complicated and challenging. We have nine different ferry ports, with all the services that arrive at and depart from them, and we also have airports. Of course, the ferry times often change. For example, the Monday timetable for the Sound of Harris is different from the Tuesday timetable, which is different again from the Thursday timetable, which is different again from the Friday timetable. That is hard to work with. That situation is being addressed, but it is difficult to do so.

Throughout the Western Isles, the bus services—which, apart from taxis or private cars, are the only way people can travel around the area—have, historically, been based on the school routes. The bus companies work together to develop a school service and a north-south connection service.

The Sound of Harris ferry, like the Sound of Barra ferry, is a pretty recent service. The five-year contracts are coming to an end and much work is being done to try to make a spinal route throughout the Western Isles, but that will be an immense challenge.

Shirley-Anne Somerville: Do any of the panel members have difficulties with operators changing their timetables at different times of the year, so that there is no integration?

Blair Fletcher: Absolutely. The summer and winter timetables are different for each of the modes, which is a great difficulty in trying to integrate transport.

Shirley-Anne Somerville: Is that the same for the other councils?

Councillor Pedersen: Yes, it is an issue. We endeavour to work with operators and to pull them together so that they can discuss their future plans. One hopes that that helps to overcome some of the difficulties, but difficulties remain.

Councillor Manford: I agree that it is an issue, but the difficulties are not entirely a result of the air service company or the shipping company not

working with others to try to resolve them. Other issues arise, such as having to change the travelling times in winter because of the hours of darkness—those matters are influenced by health and safety considerations. Traditionally, island-based communities understood and were able to adapt to differences in the weather, but we seem to have moved away from that and have got the idea that everything must be set and if something moves by five minutes, everything is up in the air. We must take a different approach that involves understanding that we are not totally separate from the environment. We cannot change it to suit our roles; instead, we must adapt our roles, but we have lost the ability to do that.

Blair Fletcher: We often hear criticism from people who happen to arrive three minutes after a train has pulled out of the station or a boat has pulled away from the pier. However, we must remember that the need for integration applies also to those who are on that boat or train and who have to meet another connection or use another mode of transport somewhere down the line. The issue is difficult. It would be easy to say that a boat or train should always give a few minutes' leeway to allow an incoming vessel or train to catch up, but the other side of the coin is that people who are on the boat or train may have a tight connection to make at the other end. That is where the trick is.

Shirley-Anne Somerville: All your communities have local bus services that are not run commercially—they would not make a profit—but which are socially required. Do you require bus operators that receive subsidy from your authorities to integrate well with the ferry timetables? Is that issue taken on board when you deal with bus operators?

Blair Fletcher: Timetables are closely examined. We are always constrained by the amount of money that is available. Although we would perhaps like to run regular evening or Sunday bus services, there may not be sufficient demand to allow us to do that. For bus services during the working day, one of the primary requirements is that we establish when connections can be made, and we require the successful operator to make them.

Councillor Pedersen: The same applies in the Highland Council area.

Councillor Manford: All the services in the Western Isles are assisted. Nevertheless, nearly all of them are operated privately. I certainly would not want that to change, because in my experience the private operators give a good service. They are locally based and they are part of the community. We have service-level agreements or contracts with the operators to run the services. Those operators give fantastic value

for money and they contribute massively to the local economy.

David Stewart: What are the panel's views on the pilot road equivalent tariff scheme that the Government has announced? Councillor Pedersen, who is the father of RET, will of course take a parental view on the issue.

Blair Fletcher: I have heard it said that Councillor Pedersen is the father of RET.

Argyll and Bute Council very much supports the principle, but a number of people in the council think that the approach has not been applied in the most equitable way. Members heard the previous panel express concerns that tourism might be displaced from islands that are not part of the pilot. People must book summer holidays well in advance and there is concern that their decisions might be influenced if they are aware that a pilot scheme that covers particular locations is running.

In principle, we support RET. Fares need to be sorted out in some way. However, if monitoring of the pilot shows that tourism has been displaced from islands that are not included in the scheme, the Government will have to consider how to redress the balance.

Councillor Pedersen: In view of the gestation period after RET was first thought of, I was described in a recent meeting as the grandfather, rather than the father, of the idea.

I am delighted that a trial will run for two and a half years in the Western Isles. Our key reason for choosing that archipelago is the catastrophic population drop during the past few decades. The islands seriously need a boost. In addition, the Western Isles Council undertook a good deal of detailed research during the past few years, whereas other local authorities whose areas include ferry routes showed little interest. Therefore. the Western Isles seemed a reasonable place to start. A pilot must be limited and it must be possible to compare results with areas in which the pilot did not run.

There was criticism from Orkney and Shetland, where people felt that they were being disadvantaged. However, as I pointed out on "Newsnight Scotland" last Tuesday—or whenever it was—car ferry rates between Aberdeen and Lerwick and between Aberdeen and Kirkwall are below the RET level, if we apply the formula that will apply to the Western Isles. It could be argued that the Orkney and Shetland island groups have been unfairly favourably treated during the past few years—I would not describe the situation in that way.

David Stewart: He said quickly.

Councillor Pedersen: Yes.

The key point is that we want to develop tourism in the whole of Scotland. I hope that the Western Isles will be given a boost by RET, but that is not to say that anywhere else should be disadvantaged. We want the whole of Scotland to benefit. Whether or not RET is applied in the immediate future, although some island groups might not have the advantage that the Western Isles will have, I do not think that they are disadvantaged by the current situation. I think that the arrangement is very fair and reasonable.

Councillor Manford: When the arrangement has settled in after a few years, we will probably give Roy Pedersen the freedom of the Western Isles. To be frank, I do not care what we call it, as long as it starts to bring the Western Isles and the other islands closer to being part of our own country. For the Western Isles, that is the west coast of Scotland. We do not want people who talk about the west coast of Scotland to add, "and the islands" as an afterthought. RET has to be attempted and it must be monitored closely.

I listened carefully to what the previous panel said. I was struck by the fact that, while there was concern about RET not being applied to some islands, there was also concern about what would happen if it was applied. That is reflected throughout. In small communities, we fear dramatic decline, but we also fear huge change. That is true in all of us. We have to deal with the problem, however, and it will not surprise you to know that I am delighted that the problem has been dealt with. I have been arguing for a move to RET for about 10 years, at least since I came into my current work.

15:15

David Stewart: Does that make you a grandfather of RET, too?

Councillor Manford: I do not know—does 10 years do that?

A huge amount of work was put into RET in the Western Isles—examining the ups and downs, the difficulties and the impacts of the system. I remember arguing with various organisations, including the shipping services advisory committees and HITRANS. I distinctly remember being laughed at when I talked about it. The idea was described to a previous transport minister by an MSP as the economics of the madhouse. It was totally swept aside.

As I said, communities have changed. We are more interdependent, and we must facilitate that and allow it to continue. We must become more, not less, connected, otherwise isolated areas will decline.

David Stewart: I welcome the RET pilot that is being conducted in the Western Isles, which I think makes a lot of sense. Critics have acknowledged that it will probably work well for the Western Isles, and I am sure that everyone would agree with that. However, they have also suggested that it will not work so well elsewhere. I think that Councillor Pedersen touched on that.

Does the panel take the view that RET should be a partial model in Scotland, or should we run the scheme in all island communities in Scotland, whatever happens in the pilot?

Councillor Pedersen: It depends what happens in the Western Isles pilot. The scheme might not work—although I believe that it will, and that it will generate traffic—and there might be reasons for tweaking it. The reason for running such a pilot is to see what the consequences are of undertaking the exercise. If the effects are positive, and if one applies efficiency measures to the whole ferry system, which I believe is an important thing to do—I do not know whether I have time to speak about that—it may well be possible to roll out the model to the whole country.

The system's great benefits are that it is understandable and equitable. The fare is clear for a certain length of ferry journey. At the moment, fares in Scotland are all over the place. Some will argue that there is rhyme or reason to them, but personally I can see neither. For no real reason, some places have high fares and some places have low fares.

Blair Fletcher: Roy Pedersen touched on the equality aspects, which are valid. However, we must start from the premise that the west of Scotland is particularly badly affected in economic terms, with a rate of something like 0.75 of the Scottish gross domestic product. We must consider primarily those areas that are badly affected by that, rather than thinking about a model that would be applied across Scotland. There would be no point in giving the well-off areas more of a boost as well as boosting the poorly off areas a little. If we are serious about the principle of equality, we need to examine the situation across the board and to consider where the economic advantage needs to be nudged. Like Roy Pedersen, I think that we must view the results of the pilot before we come to any conclusions on RET.

Councillor Manford: RET will work if it brings in more people and allows more economic activity. That is what it aims to do, but there will, of course, be difficulties. Such an increase in traffic will bring capacity problems. That comes with growing an economy. The pilot should be rolled out if that is what the communities want, but some island communities might consider that their current level of economic activity is what they want. Some

people go to an island for exactly what it is and do not want it to change, while others want to see change. That is where the battle can be in a community. If a particular community specifically did not want to generate such economic activity, I do not think that the scheme should be imposed on it. However, in my view, it will make us all a bigger and better country.

David Stewart: Are you suggesting a referendum before we have RET?

Councillor Manford: I am certainly not a supporter of referenda in general. I am a supporter of proper, deep consultation that puts the pros and cons before people and gives them the responsibility of coming to their own conclusions, having evaluated all the evidence.

The Convener: Referendum debates take up too much time in the Scottish Parliament anyway.

The next set of questions will be directed at specific witnesses rather than the whole panel. If witnesses and members bear in mind that we have about 10 to 15 minutes left in the session, we will, I hope, get through them all.

Rob Gibson: One referendum would be sufficient.

I understand that the Highland Council local transport strategy dates from about 2000 and that a new strategy is under development. Will you outline the key policies and proposals for the development of ferry services in the new plan?

Councillor Pedersen: It would be premature to do that until the plan is pulled together. I have a number of ideas that I would like to be included, but until we have been through due process, it would be premature to suggest what they might be.

Rob Gibson: Not even a hint?

Councillor Pedersen: Well, perhaps I could draw the committee's attention to something with regard to ferries. We have not mentioned competition, and I do not know whether you are particularly interested in it. However, we have two operators across the Pentland Firth: one is subsidised to the tune of at least £6 million a year and has had £25 million spent on upgrading the Scrabster terminal, while the other is an unsubsidised operator whose bank provided the finance for vessels and terminals. The owner virtually built the terminals with his bare hands.

A new vessel is being built for the private operator in Cebu in the Philippines, at a cost of £10 million compared with the £30 million for the NorthLink vessel. The vehicle capacity is about the same, and it will have a crew of 16 compared with 30 for the NorthLink vessel. Its fuel consumption is one third but its speed will be the same—18 knots

or thereabouts—as the NorthLink vessel. One can operate unsubsidised, while the other has an enormous subsidy. The unsubsidised operator tends to be favoured by the Orkney population.

I suggest that we consider such technological and operating-method solutions. Looking at the innovations that the private sector can bring to bear may be instructive both for designing ferry routes and operating them in the future.

Rob Gibson: I am conscious of the time, but we must be careful to say that the two operators do not work on the same route. Sailing between Stromness and Scrabster, which is on the Atlantic, is a different kettle of fish. I hope that Highland Council's policy will take that into account.

Charlie Gordon: I want to press you on your ferry development plans, Councillor Pedersen. You operate a couple of services directly—I have used the Corran ferry frequently. What are your plans for the development of your own ferry services?

Councillor Pedersen: The Corran ferry is an efficient service. It is the second busiest ferry service in Scotland after the Western Ferries service across the Clyde, and carries about 250,000 cars per year. The vessel is relatively modern, although she will be re-engined this year; that will improve her fuel efficiency, as fuel is a consideration for any ferry operator.

As we see it, the Corran ferry service will continue. We have squeezed the maximum number of operating hours out of the service. We have done so bearing in mind crewing arrangements and without bringing in a second shift, which would be a major step change and add major cost. It is business as usual, but we are trying to make the service as efficient as possible.

At the last council meeting, along with other councillors, I voted to increase fares by 20 per cent. The vote was carried by a large majority. Fares had not been increased since 2002 and we were really just bringing them up to par. That said, the charge for a multijourney ticket is well below the RET level. The Corran ferry is one of the better ferries in Scotland. The other ferries are operated by private operators, which we subsidise.

Alison McInnes: My question is for Mr Fletcher. Argyll and Bute Council's local transport strategy, "Moving Forward", contains a number of ferry-related policies and proposals. Will you outline the key ferry proposals in the plan and advise how that work is progressing?

Blair Fletcher: The high-level proposals are along the lines of accessibility. We want there to be equivalence in the service provision that islanders enjoy to that which is enjoyed on the mainland. As we discussed earlier, there is a

question mark over whether councils should provide ferry services in the first place. Each of the ferry services that Argyll and Bute Council operates has its individual problems.

For example, the ferry that serves the island of Luing is fast approaching its sell-by date. We are within two or three years of that and the council must make the decision what to do. A transport appraisal study was undertaken, the conclusion of which was that a high-level fixed link to the island should be constructed. The problem is cost. A fixed bridge will come in at about £15 million and the Government has indicated that it requires Argyll and Bute Council to bear the cost. Under current financing arrangements, and given other funding requirements, it is impossible for us to find that sum.

Another example is the passenger service to the island of Easdale. Again, vessel replacement is required to comply with current health and safety requirements, evacuation requirements and so forth. We are undertaking a STAG appraisal to find the best solution. Again, a fixed link is very much in the frame, but we will await the outcome of the consultants' report before taking a decision.

A further service runs to the island of Jura from the island of Islay. It has been running for the past 10 years and, while it was adequate at the time, there is considerable demand locally for a larger vessel. The distillery on Jura operates effectively and more capacity would seem to be required.

Last but not least, there is the Lismore ferry, which you heard about earlier. The Government is looking at the possibility of a STAG appraisal on how Lismore would best be served. The future of the service that we run to the island will depend on the outcome of the appraisal.

Cathy Peattie: Argyll and Bute Council run four ferry services—when you described them, it sounded as if there are more than that—but I think that it is four. What are the council's plans to develop those services?

Blair Fletcher: Again, I will take the Luing ferry as an example. The consultants who undertook the STAG appraisal suggested that, rather than replacing the ferry with a larger ferry and creating better frequency in the service, a fixed link was the answer. The costs involved in ferry replacement will escalate as the years go on and a fixed link will not only allow complete accessibility for island dwellers, but open up the economy of the island, and cut back on recurring revenue expenditure. Our problem is finding the level of capital finance that is needed to construct the bridge. The question is how an island with about 140 residents can jump into pole position in the council's capital requirements.

If the money were to become available, we would develop the other routes by creating greater frequency, perhaps by having a longer working day.

15:30

Alex Johnstone (North East Scotland) (Con): My question is for Councillor Manford. It is about a year since you received the "Stornoway to Ullapool Ferry Study". What are the key recommendations of the study and what have you done to take them forward?

Councillor Manford: That is one of the issues that we have a problem with, given the current structure for dealing with the service provider. When we make a recommendation on a specific issue, there seems to be a lack of transparency about what is happening with it and when it will come out the other end. Are you referring specifically to Saturday evening services?

Alex Johnstone: I am asking generally what the key recommendations were and what you have done so far to take them forward.

Councillor Manford: We have engaged with the service company and ferry users group and lobbied on the recommendations. Not a great deal of progress has been made. The argument is often about the capacity of the vessel, closed contracts and the additional costs that will have to be brought to bear to address a particular change. That is one of the drawbacks of the current system.

The Convener: We touched briefly on competition, but Alison McInnes has a follow-up question on it.

Alison McInnes: I want to ask the witnesses the same question that I asked the first panel. Councillor Pedersen has given us a clear view on competition. I invite the other witnesses to share their views on the introduction of competition on ferry routes and the provision of services by private sector operators.

Blair Fletcher: My view probably reflects what has been said before: we do not have a basis for competition, because many of the services that we are talking about are lifeline services, which operate to small communities. In a great number of those services, there is not the necessary critical mass to invite competition. I believe that the tendering exercise was a substantial cost to the public purse. I am not sure that the result would have been any different had there not been a tendering exercise. There is no competition out there just now and it is difficult to see how it could be created, particularly under the current arrangements whereby the state holds the infrastructure—the vessels.

Alison McInnes: Councillor Manford, do you think that the introduction of competition into the provision of ferry services is feasible or welcome?

Councillor Manford: It is feasible and welcome. Under the current structure there is an exemplary safety record, which must not be taken lightly. However, all opportunities to improve should be considered. I would like instantly to see a good review of services—that has been delayed for too long. I see no reason why each of the service areas should not be given a type of service obligation of its own for a minimum level of service. Where that can be provided, there is no reason why there should not be the opportunity to consider the introduction of competition.

Councillor Pedersen: There is a lot of scope for the private sector to contribute to ferry services in Scotland. The current tendering system seems almost designed to inhibit the private sector in contributing. The terms of the tender say that companies must use the same ships and crews and work the same timetables with the same conditions. There is no scope for variation. Something more flexible is required for the future. Perhaps we could test the water on a few routes with a private operator contracted to provide the service. That might well be instructive.

The Convener: I thank all three witnesses for giving evidence. I suspend the meeting for a break of around 10 minutes.

15:34

Meeting suspended.

15:47

On resuming—

The Convener: We welcome panel 3, which is the final panel of the afternoon. We are running a wee bit behind the intended schedule, but I hope we will manage an hour for this panel, to ensure that everyone has a chance to explore the issues.

I welcome Councillor Alistair Watson and John Halliday from Strathclyde partnership for transport, and Duncan MacIntyre and Ranald Robertson from Highlands and Islands strategic transport partnership. Thank you for joining us.

Rob Gibson: My question is directed at the witnesses from HITRANS. In your draft strategy, you state:

"HITRANS, NESTRANS, SPT (West of Scotland) and the Shetland Partnership have jointly commissioned work on ferry traffic and marine bulk freight."

Can you provide information on the scope of that work, its expected outcomes and how you intend to take forward the results?

Ranald Robertson (Highlands and Islands Strategic Transport Partnership): Along with our colleagues in the other regional transport partnerships, we have completed substantial work on the origin and destination of both passengers and freight, to establish where people are going. The work has included significant on-vessel surveying, to capture where people would like to go. We have also looked at issues such as when people would like to travel. The work is not limited to a single study of origin and destination of passengers and freight—we expect to consider other issues in the future. We are trying to do much of that work in partnership with other transport partnerships across the country. We are working in partnership with other RTPs on consultation arrangements for ferry services, to ensure that we move forward in a sensible and cohesive manner across the board.

Rob Gibson: You have already considered the origin and destination of passengers and freight. What other things do you plan to measure?

Duncan MacIntyre (Highlands and Islands Strategic Transport Partnership): We certainly plan to measure cost—and capacity. There are four transport partnerships that are involved in ferry issues and we must take a co-ordinated approach. Our view is that we need a plan for ferries and transportation and we are grateful for this meeting, which gives us an opportunity to start things off. We need to work together. At the end of the day, regardless of the views of the communities, the issues that we face are very similar.

Rob Gibson: Obviously, how the results are taken forward will be an issue. Does Alistair Watson want to comment on that on behalf of SPT, which is also mentioned in the strategy?

Councillor Alistair Watson (Strathclyde Partnership for Transport): We place a lot of emphasis on collaborative working with other RTPs and with other bodies and agencies. Given the potential for river and ferry transport following the redevelopment of the upper and lower reaches of the Clyde—and indeed beyond—it is entirely sensible that we should do that. We are looking at the development of ferry services in that area as we anticipate that they are ripe for growth, given what might be referred to as the growth of development in the Clyde estuary.

Rob Gibson: That will be one new service. Could any new services be developed in the HITRANS area?

Ranald Robertson: I will answer this one.

I will start with an apology, as I should have explained that the origin and destination work that I mentioned actually came out of an earlier study on strategic sea crossings, which was a bit of a

toe in the water for us. In our regional transport strategy, we stressed the need for a network-wide study to evaluate the best way forward in general. The strategic sea crossings study recommended some further outputs, including the work on origin and destination as well as a route-by-route analysis to determine whether we have the correct services and whether they are in the best form. In partnership with Comhairle nan Eilean Siar, we followed that through by commissioning a study on the Stornoway to Ullapool service. As that has been widely reported, I am sure that members will be aware of some of its recommendations.

Rob Gibson: I am not, in fact, but I am not sure that this is necessarily the time to hear about them. However, it would be useful if those details could be sent to us in writing.

Alison McInnes: What input did ferry service providers and ferry users have during the development of the regional transport strategies of HITRANS and SPT? What commitments have the service providers given to the implementation of the policies and proposals that have been developed?

John Halliday (Strathclyde Partnership for Transport): The development of our RTS involved a wide consultation, to which virtually all groups—possibly any group that was living—could contribute. We were particularly proud of the fact that we received such a broad range of views and we think that we captured all the key issues. Those issues were broad and at the same time pointed. A key issue was integration, which we will no doubt touch on later.

Duncan MacIntyre: HITRANS conducted a fairly intensive consultation involving all the islands and communities in our area, which is fairly wides pread as we have five constituent councils. We employed Steer Davies Gleave to carry out the work and to produce the report at a cost of something in the order of £300,000. The consultation was pretty intensive and involved as many organisations and communities as possible. We sieved through the responses and developed the strategy as we went along. We received a fair amount of input from community partnerships and different councils and organisations.

Alison McInnes: What commitment, if any, was given by the ferry service providers to help to develop the kind of services that the consultation revealed were needed?

Councillor Watson: If anything, we got a very big welcome. We are a fairly new boy to the ferry club—if I may describe it as that—but we got a big welcome because of our desire to continue the development of ferries. SPT has always been perceived as being interested only in trains and buses rather than in ferries, but that is not the

case. In our consultation process, we were very much developing an integrated strategy, which I am sure will be touched on later. Developing our ferry services is certainly a key issue that is on the table.

Duncan MacIntyre: Within the HITRANS area, 20 to 25 per cent of the population use ferries. That number of people—and the number of ports involved—is why we were keen to have a full study and consultation on ferries.

You will be aware that the transport strategies are with the minister at the moment, although we are working to refine them.

Alison McInnes: SPTs draft RTS commits the partnership to producing a ports, ferries and airports action plan. Can you provide any information on the scope of this plan, its expected outcomes and when and how you intend to take forward its policies and proposals? Why did you choose that as a priority? If it was for economic reasons, it would be helpful to hear examples of specific benefits.

John Halliday: SPT is charged with redrafting its RTS in line with Government direction and we hope to bring the redraft to our partnership board on 18 April. That is a line in the sand. A number of action plans will then be developed. We have already completed a few, but not the particular one that you mentioned. Work is about to start on that plan and I will mention some of the reasons why it is so important.

About 6.8 million people use the 11 ferry services that operate in the Strathclyde area, so ferries make up quite a significant part of the transport mix there—they are an economic necessity. For example, the Arran service is key. A large part of our public use the ferry services to commute to work. Ferries are a vital part of the business and social connections in the area and, of course, are also important to tourism.

One of the drivers for putting in place an action plan on ports, ferries and airports is the connection between Stranraer and Northern Ireland. That happens to be slightly outside our area, but the connection's influence into the west of Scotland is there for all to see. That is a huge economic driver. Our ability to improve services and infrastructure—including information, ticketing and so on—will be key to the success of our strategy.

Alex Johnstone: The SPT draft strategy mentions a future programme of Clyde pier and ferry upgrades. Can you provide any additional information on that?

Councillor Watson: We have engaged with a number of bodies, including North Ayrshire Council, which has set up Irvine Bay Developments to develop the ferry and pier facilities at Ardrossan in particular. We are also working closely with Argyll and Bute Council on the improvements to the Dunoon waterfront and some of the smaller pier heads elsewhere. Currently, we and Argyll and Bute Council are conducting a joint marine bed study to consider the possibility of additional pier heads as far north as Arrochar. We are considering all options.

As I said earlier, we want to consider ways in which we can develop the potential of the Clyde as a waterborne highway.

John Halliday: Councillor Watson mentioned the study into the development of the river Clyde. Clearly, marrying the vessels to the slipways is important, especially with regard to issues such as compliance with the Disability Discrimination Act 1995. We want to get a better handle on what is required. Some of the infrastructure is quite expensive, so we have to be careful about the funding that we need to be able to capture for that.

We are doing work at Ardrossan to improve the connection between the rail service and the ferry. At the moment, there is a rather wind-swept connection between the small station and the ferry terminal. Improving such facilities is vital if we are to improve the passenger experience.

16:00

Alex Johnstone: The draft strategy also mentions the development of fast ferry services on the Clyde. You touched on that a minute ago. What progress have you made on the development of such services?

Councillor Watson: The project is at an embryonic stage. We need to discuss with Clyde Port Authority what type of ferries would be suitable, how far into the city they could travel and at what speed they would be allowed to go. All those issues must be taken into consideration. The authority always takes care to liaise with local authorities on each side of the Clyde about the development that is now happening there. That development will make any future fast ferry service more viable.

Alex Johnstone: So you definitely see this as a growth area.

Councillor Watson: Absolutely.

Duncan MacIntyre: The HITRANS area extends down to one side of the Clyde, whereas the other side of the river is in the SPT area. We are working together closely along the whole of the Clyde to produce one overall development plan. There is huge potential there.

Charlie Gordon: SPT operates the Renfrew ferry from the Yoker district of Glasgow. It also subsidises the operation of the ferry from

Kilcreggan to Gourock, as part of a triangular service that also serves Helensburgh. What are your plans for the development of those services?

Councillor Watson: Some time ago, we discussed the Kilcreggan ferry service with an organisation called the Friends of Blairmore Pier Trust, which asked us to consider varying the service to make it a four-stop service. At that time, the feedback that we received was that the proposal would not be advantageous to those communities that might lose some services. However, the study that I referred to earlier is allowing us to re-examine whether the Kilcreggan service can be developed further to include Blairmore. The location offers the attraction of enabling people to access the Loch Lomond and the Trossachs national park by water, which is not possible at the moment.

An options appraisal of the Renfrew ferry is under way. The study will examine whether the service should continue; one option is the cessation of ferry operations between Renfrew and Yoker. At this stage, we are only appraising options. We have not yet received the consultants' report, which should be with us by the spring.

Duncan MacIntyre: Councillor Watson did not say that SPT was kind enough to put a new vessel on the Kilcreggan run.

Councillor Watson: Yes—and I got to have a look at Charlie Gordon's plague.

Charlie Gordon: I remember that afternoon at Kilcreggan. However, I will move swiftly on.

One of the four key outcomes of SPTs draft regional transport strategy is "attractive, seamless, reliable travel". How do you intend to improve the interface between ferry services and other forms of public transport? Mr Halliday touched on that with respect to Ardrossan, but the emphasis of my question is on through ticketing and journey information.

Councillor Watson: You have touched on integration and the need for different services to work together better. It is clear that, since the good old days of public services, integration has deteriorated; I would say that, would I not? Having driven trains for 25 years to some of the ferry terminals that have been mentioned today, I have distinct experience of the problem. We must get better at joining up journeys, to use SPTs phrase. At the moment, we are not very good at that.

If we are trying to encourage people to make a journey by switching from one mode of travel to another, then the way that we operate our transport industry—the chase for profit—is not in the best interests of many communities. I am not saying that private operators should not operate transport, but there should be a much greater

hands-on approach to joined-up journeys. We have to get better, in particular at linking to ferries, if we are to encourage more people to use public transport.

I will finish with this point: when ferry terminals such as Ardrossan, Stranraer or Oban have only a certain number of dedicated train services a day, that service is a lifeline. If people lose it, they lose out big time. We have to get better at integration, which we are currently not very good at.

John Halliday: What is open to bodies such as SPT? We can get involved with infrastructure improvements and even small changes can make a big difference. The example at Ardrossan that I mentioned is basically a covered walkway. It is not too great an investment, but it will be welcomed by the people who use it.

One clear message from the RTS consultation was that the public demand integration, in particular the integration of timetables, services and ticketing. We can influence some of those issues, but we do not have control of them. We have been thinking about how best to influence them within our current structure, and the committee may want to think further about how that can be done.

I will not go over the points again, but other witnesses have referred to ferry and train service connections. There is also the question of ticketing. SPT runs some integrated tickets, which are popular, and there is scope for expanding that, possibly to the rest of the country.

Rob Gibson: Is the "Strategic Sea Crossings in the Highlands and Islands: Development Opportunities (2005-2025)" report that you commissioned in 2005 the one that we were talking about?

Ranald Robertson: That is the first one.

Rob Gibson: Am I right that you have not taken any action to implement it yet?

Ranald Robertson: The origin and destination work was the first output from that, and it was followed by the Stornoway to Ullapool studies.

Rob Gibson: I thought that that was what we were talking about. We will pass on guickly.

One of the 10 horizontal themes in the draft HITRANS RTP is to prepare a strategy for investment in ports and ferries. How is that work progressing?

Ranald Robertson: We have held discussions with the new Caledonian Maritime Assets Ltd, which has been tasked with taking forward that theme as part of its own development plans. We have agreed to engage closely with the process. We were previously tasked with managing consultative arrangements for Scotland's ferry

services with the other RTPs, but we now have a high-level group called tier 2, which brings together some of the key stakeholders. We are pulling together a meeting of that group to help CMAL to develop its proposals. That is the next step.

Rob Gibson: Is there anything happening specifically?

Ranald Robertson: The meeting will, I hope, take place next month, and that should start the ball rolling.

Rob Gibson: Could we have some kind of report to the committee before the end of our inquiry in May?

Ranald Robertson: I am not sure how long CMAL has been given to complete the work, but we could certainly provide a report based on the meeting that we have in March if that would help.

Rob Gibson: It certainly would.

Duncan MacIntyre: CMAL will, I hope, report back to the committee. You will get some information from it on that specific item.

The Convener: There is certainly nothing to prevent us from asking.

David Stewart: The Orkney interisland ferry network was described as the "least adequate" part of the regional transport network in the HITRANS area. I met the convener of Orkney Islands Council just a few weeks ago, and I can understand some of the points that you have made on the matter. Can you explain why that is the case? Are there also issues to do with the 2010 European legislation, which will cause severe problems for the fleet of nine ferries that the Orkneys currently have? What is your view on having more fixed links, which would get round the need for ferries on some parts of the interisland network?

Ranald Robertson: The problems with the internal ferry network in the Orkneys stem from an acute need for investment, both in the vessels and in the supporting infrastructure. John Halliday mentioned the DDA and its implications for the gradient of ramps. The harbours in Orkney tend to have major issues with their ramp gradients. The vessels are getting on a bit. The newest vessel, which serves one of the longer-distance routes, is from the early 1990s. Some vessels on the network go back to the 1970s. There has been a lack of investment over a number of years.

The proposals, which have been through a full STAG analysis, provided a sensible, incremental approach to dealing with the issue, which would not mean a big bang of lots of new vessels being required in one go, but would allow the islands to continue to be accessed. There is a real fear

around the current changes—people are worried that the situation represents something of a time bomb.

David Stewart: Sure. If I remember the figures correctly—it is a few weeks since the meeting to which I referred—replacement of the ferries and piers would cost about £100 million. As you well know—we heard about this earlier—the ability to commute is important for the interisland links. There will be major problems if there is no change to the system.

What is your view of the suggestions that have been made about fixed links?

Duncan MacIntyre: In the HITRANS area, a few fixed links and causeways have been built over the years. They have been successful, and people have benefited hugely from them. Someone mentioned that the population of Skye has increased dramatically since the building of the bridge. Now that the bridge is free to use, that trend of increasing access to the island should continue.

There has already been discussion about the ability to use ferry services to commute to work and to access health and other services. Against that, there are concerns about the cost and availability of ferries and the time that it takes to build them. There are issues around health and safety, disability and the European working time directive. There are also running costs and oil costs to consider, which hugely influence the thinking about ferries.

The HITRANS view is that, if we can improve the service by replacing a poor ferry service with a better service that includes a fixed link, we must consider that. The possible Coll to Tiree link has been mentioned. I am not sure whether everybody understood that that is to be a causeway—a fixed link between the two islands. The ferry would run from Coll to Mull. People could go across Mull and then access Oban by way of Craignure. Those possibilities must be examined. Charlie Gordon mentioned the shortage of funding—we must consider the economics. Health and safety is a huge issue now, too.

Ranald Robertson: Fixed links should be considered on an individual basis, because they might not always provide the best answer. That point was picked up in the STAG study, which considered all the options. In the Orkney islands, for example, there was a specific study on the possibility of a tunnel to Shapinsay, which is quite close to Kirkwall on Orkney Mainland, but that was deemed to be a very expensive option compared to upgrading the ferry service. It is horses for courses.

16:15

Duncan MacIntyre: To come back to financing, it was mentioned earlier that the vessel that is used for the Isle of Luing ferry service is about 32 years old. We had a look at the cost of replacing that vessel and the associated pier and at whether, in the long term, a bridge, a fixed link or a replacement ferry would be the best option. The STAG came out in favour of a fixed link, but there is no way that Argyll and Bute Council can afford a £15 million project, even though that is the best solution.

David Stewart: We have had some correspondence on that.

Shirley-Anne Somerville: Ferry services to the Western Isles, the Orkney interisland ferry network and connections to the Argyll islands are all identified as priorities for investment in the draft RTP. That is a lot of priorities for just one bundle of transport. How do such investment proposals rate in comparison with other priorities, such as those to do with the road network?

Duncan MacIntyre: That is a good question. As I said, between 20 and 25 per cent of our population use ferries. I presume that the rest of the population use the roads in one way or another. Ferry services have fallen behind for about three decades. As we have said, we want a full review of ferry services to be set up so that instead of taking a four to five-year view we can have a strategy for the next 30 years. That would fit into the bigger picture and form part of the overall strategy for better access and improvements.

We are talking about having an RET for ferry services that come into Oban. If that scheme progresses as it should, there will be a requirement for greater capacity. What will an increase in the number of people coming into Oban mean for a road such as the A82, which is an absolute disaster at the moment? How on earth will it cope with the extra traffic? We could ask the same question about the three trains a day that come into Oban. How will those capacity constraints be dealt with? Our response must be that everything should fit together. There should be a strategy that allows the various elements to develop together.

Shirley-Anne Somerville: You mentioned the idea of a 30-year plan for ferry services. Is that part of the work that you have mentioned or is it a separate piece of work that still needs to be undertaken?

Duncan MacIntyre: It is both. If we get the ferry review that we want, we will be able to work with what we already have to produce a 30-year plan for ferry services. SPT has come into ferry services in a big way since it became a statutory

organisation. It will have to work with other partnerships to make progress on what should be a ferry strategy for the whole country.

Ranald Robertson: In answer to your original question, like the other regional transport partnerships, we were asked to revisit our strategy. We put together a three-phase programme that involved short-term, medium-term and long-term measures, but we did so without knowing whether funds would be available to pay for everything. We did that work on the basis of what we felt the needs of the Highlands and Islands were. We have now been asked to remove the interventions element and to develop a delivery plan that acknowledges that, as you said, we face a lot of pressures, which equates to a lot of cost. We are trying to proceed sensibly with that work.

Councillor Watson: I support what has been said. In general, investment in transport is a longterm process. There are few quick hits to be obtained through investment in transport. As someone who has been involved in transport for a long time, I know that transport improvements take a great deal of planning. There will always be discussion about whether a scheme can be afforded or whether the finances are available, but infrastructure investment should be planned for the next decade, the decade after that and the following decade. That is how the Telfords worked 250 years ago, when they invested in the road network that many of us used to get here. The reality is that vision and significant investment will be required. The committee will do itself justice if it listens to that message.

Shirley-Anne Somerville: I have another question for HITRANS. I think that you have already touched on integration, but if there is anything you want to add, please do so. Your RTP indicated that

"There is poor integration, in terms of information, ticketing and timetabling, with other public transport".

We have heard countless examples of that already this afternoon. What solutions did you propose—in the RTP or elsewhere—to deal with that, regardless of who could put that solution into play?

Duncan MacIntyre: When HITRANS became a statutory organisation, we considered its management role. We had a core of one member from each of the five authorities—I nearly included Shetland, but it has its own partnership—plus three other directors who were non-elected members. We had a proposal to the board for an outer circle that included CalMac, the roads people and the bus and train services, so that we could consider transport for the whole of the Highlands and Islands. That is in abeyance until

we find out where the partnerships are going. We became involved in the replacement of the shipping services advisory committees; there are now tier 1 and tier 2 groups, which consult local communities. CalMac and the users.

I was taken aback when I heard that CalMac set its timetables six months after the train service timetables were set and that the two organisations did not meet. There is a starter for 10-two organisations that should be working well together have only just let us know that that is what they did. We have had more communication with the bus people. The committee has heard today about the stage we have got to in Oban, where eight buses a day can connect with the central belt. Previously, if the ferry was late coming in at 12 o'clock, you had to wait till 6 o'clock to get the next way out, when you could get either a train or a bus. In between, there was nothing. That is no longer the case. We have worked well with the operators, but it is amazing that they did not get together to sort out their timetables.

I heard somebody mention today that a ferry could not wait for a train if there was three minutes' difference. I cannot for the life of me understand that. I know that penalties are involved, but surely to goodness a skipper on a ship to Barra can make up three minutes in a fivehour journey. Surely simple things like that can be done. We say, "Why can't you consider that?" to which the reply is, "Oh, it's the penalties that are involved." It is more difficult for the trains because they have got to come into a station such as Queen Street. There are areas that can be resolved if we start talking to one another about them, but having to wait two days for the next ferry to Barra because the earlier ferry cannot wait three minutes is crazy.

Shirley-Anne Somerville: You mentioned CalMac and the train operators. Has that situation been resolved or is it still a problem?

Duncan MacIntyre: We are working on it at the moment.

Shirley-Anne Somerville: Is CalMac being receptive?

Duncan MacIntyre: There is something on the cards that I hope will progress fairly soon. The committee was at the new ferry terminal in Oban today. It will have noticed that the train station is across the road. There was a debate some time ago about that. Network Rail and CalMac could not resolve their differences, so they built in separate places when the station and the terminal should have been pulled together. We are getting to the stage of having a ferry terminal, a railhead, buses and taxis in an intermodal centre. If they all come under the one roof, surely they will start talking to one another.

John Halliday: Please excuse me if you understand all this. The RTPs operate under the Transport (Scotland) Act 2005. We have a legislative framework, but it does not provide us with a stick, if you like. I am a great believer in persuasion and in trying to bring people to the table. Broadly speaking, all the partnerships try to operate under that theme of trying to bring people in and do the integration thing. What we are talking about here is information and timetabling. When there are unco-operative—for whatever reason—service providers, one needs to think about what else one can do. Sticks are not available to us.

Even if we do not use them, sticks are useful in persuading people to come on board to achieve what the public demands of us—integrated services. The public challenges us day in, day out on that issue; people repeatedly ask us, "Why can't you integrate?" The Strathclyde/SPT area has 120-plus bus operators, which has led to the sort of fierce competition that does not happen in other partnership areas. At times, it is impossible to integrate information.

One of the things that people are asking us for is smart-card technology. The technology exists—other cities use it and find that it brings benefits—but it is difficult to implement in areas where different operators are in business. They are unprepared to hook into the system, which makes it hard to introduce an integrated ticketing solution.

Shirley-Anne Somerville: Will you give an example of a stick that could be used to bring pressure on operators? I appreciate that the stick may not be available to the SPT.

Councillor Watson: For a kick-off, I would go for re-regulating the buses. I do not have the agreement of the bus operators to do that. Strathclyde partnership for transport has just launched its "Bus Action Plan"; a series of plans that I will take to the Minister for Transport, Infrastructure and Climate Change next week. We seek quality control over the type of product that an operator provides in a geographic area, in partnership with the relevant local authority.

The approach that we are taking could be rolled out to other modes of transport. I am thinking of key engagements with ferry operators on the type of product that they provide and the interface that we want the customer to have with the various transport operators. Most users of public transport services—be they ferry, rail, bus or A N Other—simply want to get from A to B. Having to use two or three modes of travel in one trip may not bother some people, but if we used the technology to which John Halliday alluded, we could make it seamlessly easy for people to get from A to B. Doing so would undoubtedly make public transport a much more attractive option.

Basically, the toolkit that is available to us at the local level is limited. You guys have control of the legislative framework. If you feel that it does not have enough teeth, it is in your gift to change it.

John Halliday: The question asked for specifics. One example is information standards. Strathclyde partnership for transport attempted to seek agreement on a standard for all operators; thus far we have not achieved that across all operators. We are trying to get a common standard for information and timetabling. It may be an easy thing for the committee to deliver—it could be a win for you. Of course, the question then is who will provide it. Agencies across Scotland may be able to co-ordinate things. The committee may want to consider the matter.

Ticketing is a ticklish, difficult and complicated area. We are talking about integrated ticketing—the purchase of a whole-journey ticket. Strathclyde partnership for transport has some offerings in that respect, which we can provide to the committee. You may know of others that can be shared across the board.

The Convener: I return to the Highland Council draft strategy, but the question may apply more generally. If SPT witnesses want to respond, I would welcome that. The draft strategy says:

"Services are sometimes based around operational needs rather than those of the markets they serve".

That chimes strongly with what we heard from a previous panel. What evidence do you have to support that claim? What is to be done about the issue?

16:30

Duncan MacIntyre: We take the view that in the past 30 years—we seem to have got into 30-year mode—things have not changed dramatically. In his evidence, Donald Manford mentioned the speeds of vessels that serve the islands. There has been an increase in the size and capacity of vessels, but no one has ever turned over the sheet of paper and asked what we should really be doing.

At the moment, there are nine ports of entry in the Western Isles serving 20,000 people. We must look at ourselves and seek to identify the best way to improve services. Sometimes a service may be better and safer, but it may not be quite what people want—transportation can be imposed on people. We must work out what would improve the situation for everyone, which certainly involves change.

When the ferry from the Western Isles comes up the Sound of Mull, it is doing nothing but filling in time. It could stop at the other end of Mull or in Tobermory. We are doing the same things that we

did 30 years ago. We have changed the vessels and their names, but the speeds are no different and in some ways services are worse. When I went to Barra as a child, it took 12 hours. It takes five hours now, but people see that as a long time. We must consider what else we can do to improve matters.

I have a note of services that we have improved. The Tarbert to Portavadie, Tobermory to Kilchoan and Claonaig to Lochranza services are new and been successful. Before they were established, they were pooh-poohed, but when we put the services on, we found that people wanted them. We need to strike a balance between what will serve the community best and assist economic and social progress, and how operators want to operate their vessels. That is difficult. Sandy Brunton spoke about vessels being tied up for 12 hours overnight and not being used, but I do not think that vessels could survive if they were run 24 hours a day. Is it possible for them to be run for that long? What are the operators' requirements? What do they require to service their vessels? I do not think that the general public want a 24-hour service; they want a good, reliable service.

In Argyll and Bute, we held a consultation in one community about a bus service that had never been changed. We identified the service times that would suit people by asking them when they went to and came back from work. We arranged for the bus to arrive in Oban at 10 to 9 and to leave at 20 to 6. Over a five-year period, the number of people using the service rose from 5,000 a year to 14,000, because people were getting a service that suited their requirements. If the ferry leaves three minutes before the train to Oban gets in, people will think of another way of making the journey. We must balance what operators must do under legislation and within the confines of their finances against what we can do to help communities. We believe that the two sides can come together; that is why we are so keen to carry out a consultation on ferries and how they operate.

Councillor Watson: I do not know whether this comment will be helpful, but I will give it a try. I do not think that ferry services should always remain the same. I am probably old enough to remember that many ferry services on the Clyde were run by the railway, before they were run by CalMac. The old British Transport Commission was not all that bad at meeting new service requirements. We have lost some of that.

I do not want to repeat evidence that I have already given, but people's increased desire to use a more sustainable mode of travel is an opportunity to improve ferry operation. We should encourage the incumbent provider of the majority

of ferry services to continue to innovate and consider new markets in partnership with others.

The Convener: The draft RTS states that

"high fares on some routes can act as a disincentive to travel."

What does that mean? I can see that a tourist who is looking at different routes might plump for the cheaper option, but does it also mean that island residents and businesses are less inclined to travel on some routes? What evidence do you have for that claim?

Duncan MacIntyre: Perhaps you can take the first part of the question, Ranald.

Ranald Robertson: I might try to be cheeky and take the second part first.

As part of our consultation on our regional transport strategy, we held a stakeholder session in Stornoway at which a local businessman-I think he was a haulier-quoted the cost of a regular journey that he makes from Stornoway to Brussels: about 70 per cent of the cost of that journey was for the leg from Stornoway to Ullapool on the ferry. That is as good an illustration as we could get that high fares are a disincentive to travel not only for tourists coming in, but for goods going out. The businessman's goods were probably from fish farming, which is a staple industry for the west Highlands. Western Isles markets are being seriously disadvantaged by ferry fares, even compared with markets in other parts of the west coast.

The Convener: Are there any final comments or supplementaries from members?

Alison McInnes: I have two follow-up questions, if there is time. First, I want to ask the question on competition that I asked the other panels. Can I have views from each of you on the introduction of competition on ferry routes and the provision of services by private sector companies? Competition might have a different effect when a route serves a mass of people.

Councillor Watson: I want to be careful about the answer I give to that. Western Ferries is a private operator that provides a good service—I would be the first to recognise that. My main concern about putting a package of lifeline services on the market is that, as in the bus industry, private enterprise will always want to take the profitable routes and leave the rest to state subsidy, which can effectively push up the overall cost of the product. I suppose my view is that there is a place for the operation of some private services and a place for good-quality public services.

Duncan MacIntyre: I was certainly in favour of the bundling version of the tender contract. My

concern is the same as that of Alistair Watson. We must have a tried and trusted unit, which is important for health and safety and other reasons that are now prevalent.

There are many cheap flights around nowadays and cost is all that is important to many people, but the position is different for lifeline transport services: we must have assurances on their reliability and safety and be assured that the communities they serve will be looked after. Operators of such services have a responsibility not only to their senior partners or whoever, but to the Government, which must be assured that they will do things well.

We have gone down the competition road and the tendering route from Brussels for too long and have come up with the same answers as so many others. The ferry market is difficult to break into because everything is already in place. That might change in the future, but we will still need assurances on health and safety and on reliability.

John Halliday: Can I just add a small rider? The kind of evidence that Alison McInnes wants can be found in the bus market in the SPT area, to which I alluded earlier. It is a free market that has little effective control and in which services can be curtailed because of an operator's economic requirements. I think that that example provides evidence that could help in trying to take a balanced approach to lifeline services.

Alison McInnes: I want to pick up on a point that the first panel made about the community's point of view: regret was expressed about the demise of the shipping services advisory committees. As I recall, their responsibilities were moved to the RTPs. Can you explain what you have done since that move to connect again with the users of ferry services?

Duncan MacIntyre: No doubt Ranald Robertson will give you the detail, but I was involved in the change to the RTPs to which you refer because I felt that the same people, particularly those from the HITRANS board, were meeting over and over again. Inevitably, members of HITRANS were also members of the shipping services advisory committees. We wanted to bring things together to get the same minds involved and cut out duplication. I have just been involved in setting up the tier 1 and tier 2 meetings: the first series took place just last month. They were organised across the whole western seaboard and, indeed, into the Clyde, and they seem to have gone particularly well. Alistair Watson can tell you what he feels about the RTPs, but we think that they are heading in the right direction and that they will change and evolve. We have made a start with them; the key players and the key people to consult were at the meetings.

Councillor Watson: As I said earlier, we did not have any experience of engagement with those community organisations, but we do now. I decided to go out to Arran and Cumbrae and reassure the communities that our engagement would be made on the ground. We have had some early feedback that indicates that that is generally appreciated. STP is a new body and we need to ensure that, at my level, we are consistent in our approach.

The Convener: Thank you. That concludes our questioning, so I thank all the witnesses from all the panels. The committee decided to get out and about a bit, but I am aware that witnesses have had to travel as well, so I thank you for taking the time to be with us today.

As we are about to close this meeting in Oban, I put on record my thanks to the committee clerks and other Parliament staff, and to the staff at the Corran halls for making the meeting here possible and for letting us see Oban on such a glorious day.

We have six more evidence sessions for this inquiry. Members of the public who want to submit written evidence might want to know that our next evidence-taking session will be in Edinburgh on 18 March. That gives members no excuse at all for forgetting my birthday. With that, I close the meeting.

Meeting closed at 16:43.

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