

ENTERPRISE AND CULTURE COMMITTEE

Tuesday 13 September 2005

Session 2

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ENTERPRISE AND CULTURE COMMITTEE

18th Meeting 2005, Session 2

CONVENER

Alex Neil (Central Scotland) (SNP)

COMMITTEE MEMBERS

*Shiona Baird (North East Scotland) (Green)
*Richard Baker (North East Scotland) (Lab)
*Susan Deacon (Edinburgh East and Musselburgh) (Lab)
*Murdo Fraser (Mid Scotland and Fife) (Con)
*Michael Matheson (Central Scotland) (SNP)
*Christine May (Central Fife) (Lab)
*Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)

COMMITTEE SUBSTITUTES

Mark Ballard (Lothians) (Green)
Fiona Hyslop (Lothians) (SNP)
George Lyon (Argyll and Bute) (LD)
Margaret Jamieson (Kilmarnock and Loudoun) (Lab)
Mr Brian Monteith (Mid Scotland and Fife) (Con)

*attended

THE FOLLOWING ALSO ATTENDED:

John Swinburne (Central Scotland) (SSCUP):

THE FOLLOWING GAVE EVIDENCE:

Dennis Canavan (Falkirk West) (Ind)
Rod Houston (Scottish Schools Football Association)
Mr Frank McAveety (Glasgow Shettleston) (Lab)
James Proctor (Supporters Direct in Scotland)
Martin Rose (Scottish Football Supporters Federation)
Tom Johnston (Scottish Junior Football Association)
Joe McLean (Grant Thornton UK LLP)

CLERK TO THE COMMITTEE

Stephen Imrie

SENIOR ASSISTANT CLERK

Douglas Thornton

ASSISTANT CLERK

Seán Wixted

LOCATION

Committee room 2

Scottish Parliament

Enterprise and Culture Committee

Tuesday 13 September 2005

[THE CONVENER *opened the meeting at 14:02*]

Item in Private

The Convener (Alex Neil): I welcome everyone to the 18th meeting in 2005 of the Enterprise and Culture Committee. There are no apologies. I welcome John Swinburne MSP, who is here to join us for item 3, which is on Scottish football. I will ask him to declare his interests when we move on to that item.

The first item on the agenda is to consider whether to take item 5 in private. Is it agreed that we should take that item in private?

Members *indicated agreement.*

St Andrew's Day Bank Holiday (Scotland) Bill: Stage 1

14:02

The Convener: Item 2 is consideration of the St Andrew's Day Bank Holiday (Scotland) Bill. I welcome the bill's sponsor, Dennis Canavan, along with Rodger Evans from the non-Executive bills unit and Maureen Conner, who is Dennis's parliamentary assistant. I am happy for Maureen and Rodger to comment at Dennis's request at any time to help to supplement his answers or to provide additional technical information. I invite Dennis to give us an introduction to the discussion.

Dennis Canavan (Falkirk West) (Ind): The purpose of my bill is to establish a national holiday on or around St Andrew's day to recognise our patron saint and to give the people of Scotland the opportunity to celebrate our national identity and our ethnic and cultural diversity. Scotland is one of the few countries in the world that does not have a national day. We are also at the bottom of the European league in respect of number of public holidays.

My bill has widespread support in the Parliament and in the country. Seventy-five MSPs from all political parties and none have expressed support. Many other expressions of support have been received from various sources, including the trade union movement, local authorities, all the major churches and other faith organisations, the Commission for Racial Equality, the Saltire Society and the St Andrew Society. I have also received messages of support from as far away as Dubai, Moscow and North America. A recent MORI opinion poll indicates that 75 per cent of Scots are in favour of the proposal. Moreover, 85 per cent of respondents to my nationwide consultation proposal and 81 per cent of respondents to the Enterprise and Culture Committee's consultation are in favour of it.

The only serious opposition to the proposal has come from certain elements within the business community, but it would be wrong to imagine that the business community is entirely opposed to it. The business community is divided, with some for, some against and some sceptical. As you might recall from last week's evidence, the Scottish Retail Consortium and the Association of Scottish Visitor Attractions are strong supporters, whereas the Confederation of British Industry, the Federation of Small Businesses and the Committee of Scottish Clearing Bankers expressed opposition or reservations. However, even those groups indicated that they would go along with the proposal, provided that the St

Andrew's day holiday was a replacement for an existing holiday rather than an additional holiday.

On the matter of additional holidays, it is worth pointing out that Northern Ireland already has two additional bank holidays: one on 12 July and the other on St Patrick's day, which is also a bank holiday in the Republic of Ireland. The St Patrick's day celebration raises about €80 million for the Dublin economy alone and helps to boost Irish business and to promote Ireland internationally.

It would surely be preposterous to suggest that the St Patrick's day bank holiday is somehow bad for the Irish economy. Similarly, it would be preposterous to suggest that a St Andrew's day bank holiday would be bad for the Scottish economy. On the contrary, a St Andrew's day bank holiday would present many opportunities, particularly in retail, tourism, hospitality, leisure and recreation. The celebration of St Andrew's day would give a huge boost to Scottish business and the Scottish economy as well as helping to promote Scotland on the international stage.

The Convener: That was helpful, Dennis.

Murdo Fraser (Mid Scotland and Fife) (Con): I find the arguments in favour of a St Andrew's day holiday to be quite persuasive. The holiday would provide a new opportunity to celebrate Scotland as well as providing economic opportunities. I should qualify that by saying that I would prefer it if it were a replacement for another holiday at another time of the year.

I want to ask about the detail of the bill, which seems not to create a St Andrew's day holiday; rather, it is a permissive piece of legislation that permits the banks to celebrate a holiday on that day if they wish to do so. Were any other mechanisms available to you by which you could try to establish your aim of a St Andrew's day holiday? I am not convinced that your bill would achieve that aim.

Dennis Canavan: As far as I know, the bill is the only mechanism that the Parliament can use to establish anything resembling a national holiday in Scotland. The power under the schedule to the Banking and Financial Dealings Act 1971 is devolved to the Scottish Parliament under the Scotland Act 1998. I assume, therefore, that the drafters of the 1998 act specifically wanted to give the Scottish Parliament the power to create an additional bank holiday if that were the will of the Parliament.

Murdo Fraser: As I understand it, if your bill is passed by the Parliament, that does not automatically create a holiday. It will be up to public sector bodies and private sector companies to decide whether to grant a holiday on St Andrew's day. Have you had discussions with the

Executive as to whether it would be likely to give a lead to the public sector if the bill became law?

Dennis Canavan: You are absolutely correct in saying that the bill does not enforce a holiday. It is my understanding that the Parliament does not have the powers to enforce a holiday that would involve every workplace in Scotland closing down on a particular day. As you know, employment legislation is reserved to Westminster. However, the bill would create an additional bank holiday in Scotland.

It is correct to say that that holiday would be permissive rather than mandatory, but that is true of all bank holidays. Bank holiday legislation does not compel any workplace, including banks, to close on any given day. However, my hope is that the bill would create a climate in Scotland in which employers would get into serious negotiations with their employees about recognition of the holiday, bearing in mind that it has the potential to be not just an additional bank holiday but a national holiday. I hope that the Executive would take the lead in that.

I have had informal discussions with the First Minister about my proposal. It would be unfair of me to attempt to quote what he said in those private discussions, but I hope that the Executive could be persuaded to support my bill and, if not, to remain neutral and to give members of the Executive parties a free vote on the matter.

It remains to be seen how the Executive will react as a public sector employer. It did not indicate to me what it would do, but in view of the fact that the Scottish Parliament already gives its employees a St Andrew's day holiday, I hope that the Executive will follow suit. Of course, there would always be a need for certain essential and emergency workers to work on that day, as on all bank holidays.

Murdo Fraser: Thank you, that was helpful. I think that you would agree that the point is crucial. It is one thing for the Parliament to pass the bill; it is another whether the legislation then achieves your objective of a public holiday.

The Convener: We can assume that when Murdo Fraser takes the St Andrew's day holiday, he substitutes it for another one during the year.

Murdo Fraser: I work on all my holidays, convener.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): My questions follow on from many of the points that Murdo Fraser was pursuing. Given what you have just said, Dennis, is it not the reality that even if we wanted to—and I am not sure about the desirability of it—neither this Parliament nor any other has the levers to enforce a national holiday? Whichever route we

take, we still need to win hearts and minds for the holiday to happen in practice. Why then have you not taken an entirely hearts-and-minds approach? For example, would it not be in the Parliament's gift to work in concert with the Executive, the wider business community and other employers in the public sector to reach a point of agreement or—dare I use the word—consensus that it would be desirable to move towards the objective of having a holiday, so that people are really buying into it as opposed to feeling that there is an element of compulsion? There is a paradox, because the bill would not actually compel people, so taking the legislative route that you propose feels like the worst of all worlds when there might be shared objectives towards which people could work.

Dennis Canavan: I accept that there is a need to win hearts and minds, which is precisely why I conducted an extensive nationwide consultation even before my bill was lodged. The consultation showed that 85 per cent of people are in favour. Moreover, as I indicated earlier, 81 per cent of respondents to the committee's consultation are in favour and the MORI opinion poll indicated that 75 per cent are in favour. Perhaps that is not an absolute consensus, but it is a massive majority of the people of Scotland, including those within the business community. I quoted Lord Macfarlane last week and we heard from the Scottish Retail Consortium and the Association of Scottish Visitor Attractions—they all spoke in favour of the proposal.

There will be few occasions when the Parliament passes legislation with 100 per cent of the people's support, but all the evidence that the committee and I have is that the overwhelming majority of people in the country are in favour of the proposal. I am still working hard to persuade the doubters and opponents of the proposal in the business community to see it as a business opportunity rather than just to consider the negative aspects.

14:15

Susan Deacon: You and those who work with you are to be applauded for promoting the debate, which undoubtedly has engaged a great number of people. However, is it not the case that the body of opinion and agreement—the consensus, as you call it, or the majority view—centres on the end and not the means? Let us say that the Parliament, either at this stage or later in the process, does not support the bill as proposed. Members may say that they do not believe that the bill is an appropriate and effective means of moving forward. If that were to happen, do you have a plan B? How can the body of support be harnessed in some way—short of legislation, that is—to take forward the principle?

Dennis Canavan: I do not see how the objective can be achieved without legislation. We would have to go round every employer in the country and try to persuade them to get into negotiations with their employees. As I said, employment legislation is reserved to Westminster. The schedule to the 1971 act is the only instrument available to the Parliament to bring about anything resembling the creation of a nationwide holiday. I agree that that route does not enforce the holiday, but it would create a mood throughout the country whereby, in the fullness of time, the holiday would become more and more recognised and Scotland would have a national day of celebration.

Susan Deacon: So if the bill were to fall, would that be an end to the process as far as you were concerned or could the idea and objective be pursued by another route?

Dennis Canavan: It would not be the end of the story, by any means. Like Robert the Bruce and the spider, I would have to try, try and try again. I see no other legislative means available to the Parliament to bring about the objective that we share.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I am somewhat persuaded of the merits of your suggestion, Dennis, but I have two questions. First, I have a bit of a daft-laddie question. In Russia or Greece, for example, is St Andrew's day on a day other than 30 November? One of the good things about St Patrick's day is the time of year when it falls. It is a great time of year for tourists. I appreciate that the counter-argument on shoulder months can also be made.

Dennis Canavan: I know of nowhere in the world where St Andrew's day is celebrated on a day other than 30 November. For centuries, 30 November has been recognised in Scotland and throughout the world as St Andrew's day.

Some people use the wrong-time-of-year argument and I accept that November is a dreich month by any measure of the imagination for having a holiday. However, the tourism industry describes it as a shoulder or slack period when tourism is not exactly at a peak. The date could therefore be an advantage for that sector and could give it a boost. Indeed, it could give the whole population a boost by providing us with something to celebrate in dreich November. I do not accept the wrong-time-of-year argument. As the Scottish Trades Union Congress said last week, there are no bank holidays between August and Christmas.

Mr Stone: Secondly, what is your reaction to the point that was made to us last week—certainly in the written evidence and to some extent in the oral evidence—that the introduction of the bank holiday

would stand in the way of cheque transactions, direct debits, people being paid at certain times of the month and all that sort of thing?

Dennis Canavan: That criticism could be made of any bank holiday and not only a St Andrew's day bank holiday. Surely if the banks and their customers can overcome whatever difficulties arise on other bank holidays, they can do so on a St Andrew's day bank holiday. Nowadays, many people are into online and telephone banking, which are 24-hour services. I suspect that the inconvenience to customers during a bank holiday nowadays is much less than it was when bank holidays were created in the 19th century.

Christine May (Central Fife) (Lab): To what extent was the positive response—which was considerable—that you and the committee received to the proposal influenced by people's understandable desire to have an extra day's holiday in the year? Do you think that people did not appreciate that the proposed holiday might have consequences for them?

Dennis Canavan: I think that people realised from the consultation document that I issued that Scotland is right at the bottom of the European league for the number of public holidays. On that ground, there is a strong case for saying that employees in Scotland should have an additional day's holiday.

There is an extra dimension to the argument for having a holiday on St Andrew's day. That day should be a national day on which Scots can celebrate their Scottishness and their internationalism, which would help to put Scotland on the international stage. It is rather sad—and an indictment of the Scottish cringe—that St Andrew's day is more celebrated in places such as Canada, the United States, New Zealand and Australia than it is in Scotland. Expatriate Scots come back here and say that they have a great dinner, party, concert, cultural activity or something else every St Andrew's day, but in comparison there is nothing here. We ought to show a lead in trying to put Scotland on the international stage and in celebrating our national identity and internationalism.

Christine May: That gives rise to two related questions. First, why do we need a holiday to do such things? The second question follows from the first. Can we not celebrate St Andrew's day in the same way as we celebrate Burns, for example? Burns is celebrated all over the world, including in this country—sometimes there seem to be celebrations on all the 10 days around Burns night—without a national holiday being created.

Dennis Canavan: I do not want to get into arguments about St Andrew's day versus Burns day. However, Robert Burns would recognise that,

for centuries before he was born, St Andrew was the patron saint of Scotland, as he still is. St Andrew is a unifying figure throughout Scotland.

We need a holiday because, if we want a national and international celebration, the declaration of a holiday would show that we were serious about such a celebration. It is obvious that, if everybody simply went to work as they normally do on St Andrew's day, that would decrease the opportunities for celebrating that day and for organising cultural, sporting or other events to mark it.

Christine May: But you agree that Burns is adequately and widely celebrated without people having a holiday that is either tacitly or overtly supported by the Scottish Parliament or the Scottish Executive.

Dennis Canavan: I would not say that Burns day is adequately celebrated—there should be more opportunities for celebrating it. Having a holiday on St Andrew's day would give us many more opportunities to celebrate that day and Scotland's identity and to project ourselves on the international stage. Many economic and cultural benefits would flow from that.

Christine May: I have a final question, on an altogether different issue. In last week's evidence, we heard about the potential costs to industry and business as well as the financial benefits that could accrue. You mentioned Ireland's income from St Patrick's day. Do you have any figure for the costs to industry of the shutdown on St Patrick's day?

Dennis Canavan: I do not have any accurate figures for that, but I am informed that the Irish Government provided seed funding of €2.5 million for the St Patrick's day festival. Obviously, there are opportunities for public expenditure to be regarded as public investment rather than as money that is just going down a black hole. If the Scottish Executive and/or local authorities were to invest in St Andrew's day celebrations as the Irish do for St Patrick's day celebrations, I believe that great benefits would flow into the Scottish economy and that the advantages would far outweigh the disadvantages, as the Scottish Retail Consortium, for one, pointed out at last week's meeting.

Christine May: My question related rather to the wider costs to industry of closing down for a holiday. Perhaps, convener, we can ascertain whether such figures are available so that we can make a comparison.

Michael Matheson (Central Scotland) (SNP): For me, there are two aspects to the bill. The first is the social aspect of providing an extra day's holiday, from which many workers would benefit. Given our poor level of bank holidays and annual

holidays compared to our European neighbours, I think that that is a desirable objective from a social policy viewpoint.

The second aspect is the cultural element, which I want to focus on by picking up on the issue of hearts and minds, to which Susan Deacon referred. Clearly, if we passed the bill, the potential benefits of a St Andrew's day holiday would not be realised without ensuring that there was a public programme to promote the day as a holiday and a cultural event that would attract people to Scotland. Have you had any discussions with organisations such as VisitScotland and EventScotland, or with the First Minister or the Executive, about whether they have considered the work that they could undertake to promote the cultural element of a St Andrew's day holiday?

Dennis Canavan: I have had informal discussions with people from VisitScotland and EventScotland. From what I can gather, there is considerable support for my proposal from their contacts. The Executive at this stage has not given any indication of its view, but I hope to be able to persuade it to come on board, because I think that a St Andrew's day holiday would be a tremendous opportunity to promote Scottish culture at home and abroad.

Susan Deacon: I wonder whether I could—

The Convener: I am sorry, but I must intervene because I am told that the broadcasting system is not functioning properly. I must suspend the meeting until broadcasting can recommence.

14:28

Meeting suspended.

14:31

On resuming—

The Convener: The good news is that the broadcasting system has been switched on again. Susan Deacon has another question, after which I will call Shiona Baird.

Susan Deacon: I was keen to ask Dennis Canavan to comment on the schools issue that I raised at last week's committee meeting. If one reason for the bill is to establish something that looks and feels like a national holiday and enables people to spend more time with their families, achieving some alignment with school holidays will be critical.

Dennis Canavan: You raise an important point, because we want the children of Scotland, too, to join in the celebration of St Andrew's day. It is interesting to note that at least three local authorities—Clackmannanshire, Dumfries and Galloway and Angus Councils—recognise St

Andrew's day by giving their employees and schoolchildren a holiday on or around that day. I understand that when St Andrew's day falls mid-week, for example, Dumfries and Galloway and Angus Councils manage to co-ordinate teachers' in-service days so that children are off not just for one day, but for perhaps two or three days to celebrate St Andrew's day.

If and when my bill becomes law, I hope that the Scottish Executive will take a lead by sending a circular to ask all local education authorities to try to ensure that children have the opportunity to celebrate St Andrew's day by having a holiday, for example. That could be done within the existing number of statutory minimum openings. The creation of an additional school holiday might bring us up against educationists and require a change in education legislation. However, even within the statutory number of school openings, a reorganisation could be made by dropping a local holiday to celebrate St Andrew's day instead, for example.

Susan Deacon: It strikes me that that could be done without legislation, which leads me to my second question. Is the bill capable of amendment at stage 2—should that be Parliament's wish—to decouple the issues of the additional day and the designation of St Andrew's day as a national bank holiday? What would be your views if that were to be the outcome?

Dennis Canavan: The bill is a simple two-section bill. It can be amended in several ways, including that which you suggest. At stage 2 or stage 3, it would be open to any member of the committee or the Parliament to lodge an appropriate amendment. If they did that, I would examine what I considered to be the merits or otherwise of the amendment and perhaps take on board the views of the member or members who had lodged the amendment. My mind is not closed on some aspects and I am willing to consider constructive amendments.

Shiona Baird (North East Scotland) (Green): The witnesses from whom we heard last week supported the proposed bank holiday, but their strong preference was for the holiday to be allocated to a Monday to comprise part of a long weekend. Would it detract from the aim of celebrating our national identity and our nation's patron saint if the holiday did not fall on 30 November?

Dennis Canavan: Personally, I believe that it would not detract from that aim completely. However, in response to the consultation on the bill, some church representatives, the St Andrew Society and the Saltire Society indicated a strong preference for the holiday to be on 30 November. I am prepared to consider the issue. The bill currently provides that the holiday will fall on

"30th November, if it is not a Saturday or Sunday or, if it is a Saturday or Sunday, the first Monday following that day."

The bill is so drafted because the majority of respondents to the consultation expressed that preference. However, I accept that the majority of witnesses who gave evidence last week seemed to be in favour of always having the holiday on a Monday. If that is the majority view of the committee or of the Parliament after the full debate, the bill can easily be amended to accommodate that.

The Convener: Is it not Ireland's experience that, although many of the things that have been suggested could happen on our national day without legislation, such things just do not happen without the symbolism of having the day made into a bank holiday?

Dennis Canavan: Absolutely. A national day needs some statutory basis. It is no use a minister or community leader merely encouraging people to close down their workplaces on a particular day to celebrate our national identity. If a Government or Parliament is serious about creating a national holiday to celebrate national identity, the day must have some statutory basis.

The Convener: The Irish experience is that St Patrick's day generates some €80 million, I think, inside Ireland alone—

Dennis Canavan: Inside Dublin.

The Convener: The Irish also benefit hugely from what happens elsewhere—especially in America, where the president holds a special St Patrick's day celebration in the White House. Have you asked George Bush whether he would do the same for St Andrew's day?

Dennis Canavan: I am not so sure that George Bush would be the best person to ask.

However, seriously, the transatlantic celebrations of St Patrick's day have provided Ireland with great advantages, for both the advancement of the peace process and trade and the economy in general. I am informed that the Republic of Ireland has started only recently, for the first time in its history, to export more to the United States than it does to the United Kingdom. In part, that is due to the transatlantic connections that are forged and strengthened through the celebration of St Patrick's day on both sides of the Atlantic.

The Convener: I thank Dennis Canavan for his helpful evidence. As he knows, the Parliamentary Bureau has given us a timetable—which was agreed to by the Parliament—that requires us to have our stage 1 report ready no later than 6 October.

Football Inquiry

14:39

The Convener: Agenda item 3 is our inquiry into Scottish football. I welcome, again, John Swinburne to the committee's discussion. Does he have any interests to declare?

John Swinburne (Central Scotland) (SSCUP): My only interest is that I am a director of Motherwell Football Club, whose players are the finest exponents of Scottish football.

The Convener: It is a good job that you do not have to swear an oath.

Frank McAveety MSP is here to give us some evidence. Because you are an MSP, Frank, I must begin by asking whether you have any interests to declare.

Mr Frank McAveety (Glasgow Shettleston) (Lab): I have no particular interests to declare, other than emotional scars.

The Convener: I invite Frank McAveety to open the discussion and to give us his thoughts on the future of Scottish football.

Mr McAveety: Part of the contribution that I want to make was reflected in a discussion that I had with Alex Neil about the general direction of Scottish football, so Alex, in his wisdom—or whatever—invited me along this afternoon.

I want to contribute on three levels, the first of which is to do with my most recent experience, when I had the chance to serve as a minister. I want to convey some of the perspectives that I had from inside that structure, in relation to Scottish football, how we deal with sports bodies in general and how we see the role that we can play together to grow activity, participation and, hopefully, success.

Secondly, like many other individuals, I have an interest in what I would say is our national game. Although there are other sports that we are particularly keen on, the coverage and intensity that are associated with football show that there is a genuine affection for football and a concern about some of the dilemmas that it faces.

Thirdly, the committee's inquiry started at a time when between a third and half of the Scottish Premier League teams faced significant financial difficulties. That probably includes one or two clubs in which people round the table have declared an interest.

That is the context of my contribution, in which I will identify key themes that I think the committee should examine. From the questions that have been asked of previous witnesses, I can see that

the committee has been examining those themes and I am sure that that will be the case this afternoon. One of those themes is what can be done to grow participation, particularly in football but also in other sports; the other is what we expect of our governing bodies, which will seek public support and endorsement for their activities in that regard. It is also important to ask what we can get from other agencies that can assist in that process.

The evidence that the committee has taken so far echoes my experience. Unless we have governing bodies that are willing to face up to the realities of how they are perceived and, more important, the ways in which they operate and to try to develop a consensus of trust, it will be difficult for politicians or the public sector to feel comfortable about the idea that the resources that are going in can make a difference.

It took a considerable period of time—both in the Executive and at the football end—to get greater clarity round the development of the football strategy for young people over the next 10 years. The strategy went through a number of processes, which combined internal consultant assessment with the awareness and knowledge of senior figures in the game. However, significant figures at official level and at club level misunderstood some of the debate about what that development plan could be about and what were eventually identified as the final outcome and recommendations.

I think that the plan is a good one. It contains substantial structures that could make a difference in the long run to football development, at both the elite end and the general participation end. However, to develop effectively the plan needs two or three legs: good local partnerships, which have been mentioned in some of the evidence that the committee has heard; heavy involvement with local authorities, with a national and regional consensus around the strategy; and clubs seeing themselves much more as significant contributors to local communities. When the financial crisis kicked in for some SPL and Scottish Football League clubs, there was evidence in communities of strong affection for the local clubs, but our concern was about how supporters, individuals and the community could group together if they had been excluded for a long time and felt that they had not been trusted with that development.

14:45

There are three areas that are worth looking at. First, we should expect a great deal from sporting organisations and from those with responsibility, not just from the Scottish Football Association—Scottish football's governing body—but from the clubs and how they engage in decision making in that structure.

Secondly, we need to be clear about how we involve supporters and communities in positive developments. The co-operative development agency model offers such a chance, as it enables us to look at equity and access to capital. The supporters touched on that in their submission.

Thirdly, we have to be serious about using agencies, local authorities and other bodies to create space for participation and development. It is a difficult issue, but the Scottish Executive has made progress on recruiting for physical education in schools and on ensuring a minimum time requirement for PE. However, we might need to look at going further than that. For example, we could consider the possibility of regular afternoon sessions during the week to ensure that we create the space for increased participation. Alongside that, we must look at developing a strategy about playing fields. I have read submissions that have varying perspectives on that issue.

If the committee is serious about its inquiry into Scottish football—and I think that it is—we need to create a language and culture that do not leave it solely to the governing body to raise the debate. It is up to the governing body to supervise, organise and ensure that the debate on football is regulated. However, there is a legitimate community of interest that should raise the agenda more effectively.

It is essential that we get key players such as team sport Scotland to pull together with local authorities. We should try to use the energy that has come out of the adversity of the clubs' economic plight and channel supporters' massive energy in a much more dynamic way. We should not wait for supporters to rally round in times of crisis, but engage them more effectively in developing their clubs. My experience at various events as an MSP and, in particular, as Minister for Tourism, Culture and Sport was that official bodies underestimate supporters' energy as a force for driving and energising football.

Those are some of my perspectives; I am happy to respond to any questions on them.

The Convener: That was very helpful. I open up the meeting to questions for Frank McAveety. We will then be joined by the other members of the panel for a round-table discussion rather than a formal question-and-answer session.

Richard Baker (North East Scotland) (Lab): You talked about the importance of building trust between the various agencies and the governing bodies. We know that the SFA has embarked on a process of reform through the youth action plan, but what else needs to be done? What extra steps need to be taken to build up trust to ensure that partnership working, which is doing well in some areas, develops even more successfully?

Mr McAveety: There needs to be a willingness to recognise that people must be much more open and transparent. Some submissions to the committee were very defensive in tone about the structures. Submissions more or less said, "Give us resources from the public sector; we are best placed to deliver." I do not dispute that the governing body and the other football organisations are best placed to deliver. The evidence, however, is patchy. The committee, and indeed wider Scotland, should perhaps have that debate. My worry is that although the youth action plan is seen as a good solution to some issues, it is regarded as a longer-term drive for radical change and restructuring. What cropped up in ministerial discussions was that there were more important issues than how Scottish football is governed. No one disagreed with that. However, that position was almost a defence mechanism—a sort of floodwall against debate.

The clubs and the SFA must have much wider membership. The youth football development strategy is worth while, but it is long term; it is a five to 10-year programme. We must open regional participation and accountability. Those developments are welcome. I am not convinced about whether they can be made at a pace that will meet people's demands about football to politicians and others or whether they can deliver change on a timescale that demonstrates to folk that things are happening. Committee members can explore that much more than I can on the outside.

Many of the corporate governance issues that have popped up were going to happen anyway, partly because of European dynamics and partly because of United Kingdom and Scottish legislative frameworks. Those developments would have happened anyway. The question to ask is whether they would have happened at the pace at which they have occurred if the other factors had not been present. The jury is still out on that.

Another issue is how we tap into the reservoir of support that is out there for individual clubs. For example, I understand that Richard Baker's club is having a markedly different experience this year from that which it had 18 months ago.

Richard Baker: Happily.

Mr McAveety: You may argue that that will continue until May or June.

Richard Baker: To the end of the season.

The Convener: Will you tell the rest of us which club you are referring to?

Richard Baker: Heart of Midlothian Football Club.

Mr McAveety: That was a difficult confession to make to the committee, but he has done it.

The point that I am trying to articulate is that developments can happen quickly in football. We can shift the debate. In adversity, anger and frustration can occur. The issue is the structures that we have in place—irrespective of the mood or events—to produce long-term change and to ensure that we make sport, and football in particular, even more open and accessible for participation and that, by widening participation, we have a chance to develop the talent that we think still exists in the country.

Richard Baker: Should regional associations and the youth action plan have more ambitious targets on a quicker timescale? You seem to hint at that. Should regional associations be involved not just in youth development but in wider strategies for football development?

Mr McAveety: If bodies have made submissions for greater public resources, with those resources come greater levels of accountability and expectation, so those bodies should not be upset when that is asked of them.

Richard Baker: There has been much talk about what additional funding or other support the Executive should provide to improve not just football facilities, for example, but multisport facilities. As a minister, you knew what other agencies and public bodies, including local authorities, were doing to develop facilities and plans. What more could they do to have a greater role in ensuring that we have a national strategy for better facilities, for example?

Mr McAveety: The youth action plan will help immensely, because the key regional appointments will help engagement more locally. Pessimism exists because of the institutional structure that means that it takes so long to achieve the organisational framework for such plans. From a council point of view, given the pressures on a range of capital developments, the question is how the space is found to take an overview. The audit that is being undertaken will help and I hope that what is required can be delivered as quickly as possible.

I can speak from my experience in local government. When Glasgow City Council developed its sports for all strategy, that was underpinned not by a lead development, but by a good-quality range of facilities. The likes of sportscotland and several other sporting bodies were pulled together to produce a development plan that met their needs and allowed the opportunity for development. Ways had to be found to fund that plan, which has resulted in one of the best football development centres, on Glasgow green, which had 20 red blaes pitches 20 years ago and now has a top-quality series of facilities. Alongside that, in the next tranche of the national facility development, is another major football development centre in Glasgow.

That would not have occurred had the strategic partnerships not been in place. If there is any major message, it is that dialogue should occur much earlier, that folk should be encouraged to believe that work is worth doing and that we should be honest about what can be achieved and map what is needed to meet local needs and to provide a regional service. Sporting bodies' capacities should be used a bit more.

I admit that that relates specifically to football, but you touched on multisport facilities, which could be explored in many ways.

Christine May: You said—I will paraphrase—that it is difficult to be sure that money in means quality out. You outlined three areas in which you felt that we could help in that regard. We heard from some witnesses, “You don’t give us any money directly, so get your tanks off our lawn—it’s nothing to do with any of you how we organise.” Given that those bodies are important in the governance of football—as are similar bodies for other sports—would the blueprint of your three approaches deliver that ability to measure quality output against input?

Mr McAveety: We have not tried such approaches fully, so how do we know what the outcomes will be? Where there have been small examples of partnership, there has been some good-quality development.

We are in the beginning stages. There was a rocky period at the start, because of the situation with the senior official. However, the youth strategy maps out for the next five to 10 years ways in which we can start to put in place a number of ideas through regional development strategies and partnerships. There is natural protection.

When one speaks to the SFL or SPL clubs, one learns that some of them spend a significant amount of money on youth development. Most supporters do not know that—we do not see much of that work and it is not articulated in phone-ins or however public discourse about football takes place. The discourse is all about who is up, who is down, who is the in figure and who is the out figure—it is a bit like politics. If public agencies are asked to put more into the sport, we need to get a sense of those organisations that feel they have a role to play and want to demonstrate how open and transparent they are.

The consistent theme that I have picked up as an elected member—committee members have seen this in the submissions—is a sense of disconnection. We need to work much harder at overcoming that problem. No one should ask the public sector for resources unless we politicians can say, “This is how the wider community and individuals might benefit.” That is the challenge that we face.

People floated ideas five or six years ago when there was a fair amount of money in football from sources such as television rights. Perhaps people did not foresee the kind of difficulties that emerged two or three years ago. However, putting aside money for youth development was not an expectation that clubs had. Some clubs did that disproportionately and some benefited from putting money aside—some clubs survived because they did that—but many others did not; an economic consequence is that they no longer have assets in the form of good players to sell on. Equally, they are finding that they have much smaller numbers of players in their team pool. There are many factors and I see no reason why a parliamentary committee could not amplify some of the issues. We are not saying that we have the solutions, but we are entitled to amplify those debates.

Susan Deacon: The insights of ex-ministers are valuable and, in my view, often undervalued. It is enormously helpful for us to hear some of your observations, given that you have the insights of ministerial office but are now free from its shackles. I would like to hear your observations in the wider context of how Government conducts itself in this area.

In relation to the tired old phrase “joined-up Government”, could there be improvement in relationships and communication between the Executive, sportscotland and other Government departments that have an interest in the area? I am thinking of education, because of the involvement with schools and youth development; evidence about that is in front of us today. How can we get better at moving towards some widely shared objectives, particularly when we look at the broad agenda of young people and activity of which sport, and by definition football, is such an integral part?

15:00

Mr McAveety: I have a funny feeling that my tenure in tourism, culture and sport was much more public than I would have liked. It is not an admission of weakness to say that the most important issue for anyone tackling such problems is time; they have to find the time to develop the kind of relationships that will deliver in the long run. Given my experience as a councillor in comparison with my experience as a minister with various portfolios, I do not think that ministers always get the same grip as do councillors. Conveners of a service committee, for example, can pull together more effectively people with interests inside and outside the local authority; they get the thinking time to brainstorm.

For either my pain or pleasure, I am reading again about the 1990s Democrat campaigns in

America. One of the key messages that Clinton kept coming out with was, "I don't have enough time to think"—when you think about it, that probably would have been better for him. He needed time to step out of considering governance issues and into considering what he wanted to achieve.

Twenty years ago, French football was hitting the skids and those who were in charge had to step back and consider what they wanted to do. The department with responsibility for education and young people was seen as central and politicians had much more of a role in that area. Perhaps that is to do with the centralist system in France, which is supposedly not the way that we conduct our business in Scotland—although I would want to discuss that.

We need space and time to get the message across. In Scotland, we have what I call—to use a football metaphor—defensive mediocrity. We just hold what we have; we do not want to show anything to folk, because they might ask questions that we do not want to answer. You just need to consider the tone of some of the submissions, which say "That's not for you." That is not the way that modern Scotland should work in relation to issues that matter to folk. Sport matters, whether that is right or wrong, so we need to open it up more. Politicians have a legitimate role. How do we get the politicians and bureaucrats—we are all bureaucrats in one way or another, in a positive sense—delivering and engaging openly with folk who have felt excluded for far too long? It is ridiculous that it has taken us this long to get the genesis of Supporters Direct in Scotland. The potential of that is radical, in the best sense of the word. We need to use such energy more effectively.

Susan Deacon: What about the relationships between Government departments? I am thinking of the Health Department and the Education Department, which are major stakeholders in the issue. On the specific arguments—call them demands if you like—that have emerged through the prism of this football inquiry, we know that the major delivery agencies and budgets sit outside the brief of the minister with responsibility for sport. What can be done to strengthen relationships and forge more shared objectives so that the various arms of Government pull together in the same direction?

Mr McAveety: I have been thinking about that. We need to get back to core principles. Over the next couple of years, every political party will be thinking up new manifesto ideas. Why do we not get back to basic principles? We need to ask what we are meant to be doing and what we are doing at the moment and ensure that it is done well. We have a health agenda, an education agenda and a

sports agenda. Everybody says that we want people to be more active and that in the long run that will help in relation to health, educational attainment and sporting achievement, from individual satisfaction in participating to the elite end of development, but nobody asks what we are doing about that in the curriculum review.

How often have ministers been able to ask why, in the curriculum review, it is God given that they do not interfere in certain things? Why do we not ask the big questions? Twenty years from now, what kind of sporting activity do we want any boy or girl aged 10 to be doing at any given time in the week? We need to get a sense of that. Why should that be beyond the ambition of a relatively small country with a relatively small number of agencies and politicians? We are running around the problem instead of getting to the heart of it.

Mr Stone: My question arises from the convener's comments about taking a joined-up approach. I hate that expression, but, when we think about football, we must bear in mind issues such as the health of our nation and young people. As a result, I like what I have heard about capital and youth development plans. That sounds like good stuff.

As I have said before, when I was a kid, I had spectacles and two left feet. Notwithstanding the evidence that we might hear from our next group of witnesses, what is your personal take on how we get out on to the pitch the kids who lack enthusiasm for the game because they feel that they are useless at it? After all, it would have done me much more good to get out there. I would not have been any use, but at least playing the game might have made me fitter and might have built up in me a sense of team spirit. Despite the good ideas behind your approach, I suspect that such kids who ought to be included in sports form something of a minority rump.

Mr McAveety: The debate must centre on how we provide kids with good-quality choices. For example, if I was talking about the arts, you might argue that youngsters should have exposure to drama, the creative arts, the visual arts and so on. However, our structures are uneven in that respect. It is ridiculous that, in such a small country, people in one place can have a high exposure to sports or arts and culture whereas people in another place have only minimal and fairly mediocre provision.

The only way of breaking through that problem is to get all the major stakeholders—if you want to use such buzzwords—to plan things effectively. Perhaps at school my weakness was that people could not get me to do activities other than football. Before the physical education teacher came into the changing room, I might have been found gently persuading the other wee boys who

did not fancy playing football that it was the right choice that day.

That was what happened then. We need to try to avoid such a situation in future and provide kids with a range of choices. Those choices do not exist at the moment and we should try to find out why.

Mr Stone: So are you saying that, as far as football is concerned, we should give up on J Stone with his specs and get him to do some other activity?

Mr McAveety: As my previous evidence shows, I am not really an expert on persuading people or on finding out what sport might have motivated you. If a range of folk had been able to offer a range of different opportunities, something might have been found to interest you. However, the mentality, particularly in Clydeside, was that sport was football—end of story. There might well have been role models—for example, a 16 or 17-year-old kid like yourself—who could have shown you other sports that might have interested or inspired you. I do not know whether quidditch was available then.

Mr Stone: Oh, very droll.

John Swinburne: There is a short answer to Jamie Stone's question about what he could have done with his specs and two left feet: he could have been a referee.

Mr McAveety: But his eyesight is fine.

John Swinburne: I suppose Denis Law himself wore glasses.

Members have raised some interesting points about health and football. Motherwell Football Club is a role model in that respect. Thousands of kids have been introduced to the healthy eating aspects of football training by having lunch at Fir Park with the players and the manager. If modern footballers' diets are not perfect, they will not be able to perform on the field—perhaps that is where Motherwell is going wrong. In any case, with the help of Lanarkshire NHS Board, we are inculcating those ideas in local kids. It is a superb initiative.

Administration was mentioned. Clubs are trying to follow Rangers and Celtic by buying in overpaid, underachieving foreign players instead of establishing a youth development policy to make young kids better footballers and to ensure that they play to the extremes of their ability.

We can go on and on about the issue. Luminaries such as Bob Crampsey have pointed out that one reason why the game is in decline is the teachers' strike, when teachers stopped participating in extramural activities because they were not being paid for it. After the strike, football was not played to the same extent. We lose a lot when football is not played at school level.

The Convener: John, we are having a debate once we bring the panel in. Do you have any specific questions for Frank McAveety?

John Swinburne: Frank, do you agree that involving the public and communities in football through supporters trusts is the best way forward?

Mr McAveety: I am on record before and after I was a minister as being supportive of supporters trusts—indeed, I echoed that support in my opening remarks.

There are three big issues. One is that, whether we are talking about the elite end—the Scottish Premier League teams—or the smaller clubs such as Stenhousemuir that have a good youth development strategy, I expect clubs to take the rigorous approach that you identified.

Secondly, out of the adversity of recent years, more realism is coming back into Scottish football in terms of the wages out, income in equation and player development. That is to be welcomed and we are seeing snippets of it in the slow but steady progress of the national team, about which we can be positive.

Thirdly, it is 20 years since the teachers' dispute. I come from a teaching background and the issue when I ran school football teams was not whether there were enough volunteers—it was always difficult to get volunteers to run the teams—but the lack of support from the institutions in relation to taking training, developing skills, maximising the team sport and turning the wee kid to whom Jamie Stone alluded into a wee nugget in the long run. Those things are happening, but inconsistently.

In some cases, people can access video and other training material, but when I pop down to see school teams in my constituency I see that, often, the adults who are running the teams do not have as much access to the courses or advice as they should have. There might be a money barrier—they might think that it costs too much money. I do not have an answer for them. However, let us ensure that anybody who volunteers has a pack of information to help them. You know yourself, John, that anybody with a reasonable football eye will spot a boy or girl with talent. Those kids should be taken to the next level, where there will, we hope, be proper developmental pathways, so that we have good women's and men's football teams.

The Convener: That was helpful, Frank. Thank you very much. That is a good cue for us to bring in the rest of the panel. We will have a round-table discussion, which need not be too stiff and formal.

We are joined by Tom Johnston, secretary of the Scottish Junior Football Association; Rod Houston, assistant secretary of the Scottish Schools Football Association; Martin Rose, acting chair of the Scottish Football Supporters Federation;

James Proctor, policy officer for Supporters Direct in Scotland; and Joe McLean, partner with Grant Thornton.

A mistake was made with the Scottish Junior Football Association's written submission. The clerks apologise for distributing the wrong document to members. The correct one is the one that was put on members' desks today. I am sure that we can cope with that.

The easiest way to kick off is to go round the panel members and ask them to say a few words on the key issues that affect their organisation and football in general.

Tom Johnston (Scottish Junior Football Association): I take it that the committee knows what junior football is all about. "Junior football" is a bit of a misnomer, in that the distinction is between junior and senior football, rather than between age groups. Often, people think that junior football is played by wee laddies.

The Convener: I will just check. Do all committee members know about junior football?

Members: Yes.

15:15

Tom Johnston: We have 164 clubs from Moray on the Moray firth down to Dumfries and from Greenock across to Dunbar. We are split into three regions—north, east and west—and we have a pyramid system within each of those regions.

We restructured about three years ago after Martin Rose and Ernie Walker carried out an independent review, which criticised junior football. I think that the word that they used was "atrophy", which means dying on the vine. We took that hard, so we decided to restructure our game and put the new structure in place in 2002. As a result, our game has become more vibrant. We have got more media exposure and we are getting better crowds—not large crowds, but better than we had before. The game at the top end is semi-professional and the game elsewhere is probably amateur. What distinguishes us from the amateur game, however, is the quality and the fact that most of our clubs have their own facilities or facilities supplied by local authorities.

Despite the fact that, as I said, the game is vibrant at the top end, we find it difficult to attract large crowds, as do all other grades of football. We have an issue with the SFA. We are one of the six affiliated national associations and the SFA gives us facilities at Hampden, but we have difficulty obtaining finance from it. More important, we are only one voice among 93 at the annual general meeting. We have been battling for some time to get representation in the Scottish qualifying

cup—the senior cup competition—but at the most recent AGM that proposal was heavily defeated, by 52 votes to 29. Unless the structure of the governance of the game or the voting structure at the SFA changes, I do not see junior football having a great impact on the game overall, although we will continue to work on community development. The Scottish junior cup final at Tannadice last summer attracted 7,000 people—we were relatively happy with that figure. Overall, the game at the top end is vibrant and we are relatively happy with that.

Rod Houston (Scottish Schools Football Association): There is a commonly held and serious misconception that schools football has not recovered from the events of 20 years ago. Proportionately, a greater number of secondary schools now take part in schools football than have ever taken part historically and, proportionately, a greater number of youngsters take part. That is in the context of falling rolls and a falling number of schools. Our submission includes the essential statistics as part of the background to our evidence.

Our big issues are getting and retaining volunteers, because the SSFA is run entirely by volunteers. We receive a small sum of money from the SFA on occasion, but other than that we have to find about £100,000 a year to run our activities. We manage to do so through the unstinting efforts of a voluntary treasurer. The problems that we face include keeping volunteers, supporting them—as was mentioned earlier—and finding time for football and other sports in an increasingly crowded school week. A huge range of demands is made on schools. I was interested to note the suggestion that was made earlier that there is a need for an afternoon to be set aside for these activities. We are strongly of that view and say so in our submission.

Those are the main issues, but our view is that schools football is doing very well. We should not lose sight of the fact that schools football is vibrant, but it faces challenges, not least in adjusting to the new shape of the game in the light of the SFA's youth development plan.

Martin Rose (Scottish Football Supporters Federation): It may be worth my making a comment on my own background. As I have one or two hats, I will mention the hat that I am not wearing today: in addition to being the acting chair of the Scottish Football Supporters Federation and the chair of Motherwell FC Supporters Trust, I am a director of Motherwell FC. I am here today in respect of my supporter involvement and not as a director of Motherwell FC, although that post clearly gives me an insight into football that many other supporters do not have and have not had the opportunity to have.

Clearly, one of the objectives of the trust in Motherwell and the trusts throughout the country is to have a greater and more formal involvement in each of the clubs. That is generally done through a shareholding, which would allow the trusts to be full members of the board of the club.

The key aim of supporters trusts and supporters clubs generally is to have greater involvement in the game. For too long, supporters have been regarded as people who pay money at the turnstiles but cannot be allowed to contribute to the running of the game. Certain aspects of the game have been poorly run, but not involving supporters has meant that clubs have not had the benefit of the supporters' range of skills and experience. However, supporters can now express their views formally through the supporters trusts and contribute in a way that, I hope, governing bodies and individual clubs will take account of.

I support the point about the Executive providing funding. The Executive and the Parliament must ensure that any funding makes a difference and gets all the participants in the sport properly involved. I want supporters to be given a say in what happens to the resources that are directed at football, whether at local authority or club level. That aim is consistent with broader social inclusion policies.

The aim of supporters trusts and supporters generally is to increase their involvement in the game to create a bond between clubs and their communities. The key to success for many clubs with trusts is having a base in the community. The money-spinning clubs will not benefit directly from trusts, although there is scope for their having them, too. Trusts can build a bridge between a club and its community and we regard that as a yardstick of success.

James Proctor (Supporters Direct in Scotland): I thank the committee for asking us to the meeting. Clearly, Scottish football has many problems and I hope that the range of people here can take forward the debate on the game. We look forward to reading the committee's final report.

The supporters trusts network has 31 trusts in Scotland and more than 100 throughout the United Kingdom. In Scotland alone, we have managed to get 12 people to represent supporters on football clubs' boards and 21 of the Scottish trusts now have a shareholding in clubs. Given that we have been in place for just over three years, we have made massive progress.

The major problems in Scottish football are corporate governance and representation. When things go wrong, there is no mechanism for turning that round and bringing solutions to bear. We want greater representation within the SFA and the wider Scottish football family because we believe

that that will bring solutions to bear and open up opportunities. We talk a lot about community clubs, but we must start to define what they are. Supporters Direct and supporters trusts are the champions of the way forward for Scottish football. We want communities to become much more involved in their football clubs to bring about the social, health and education benefits that I believe we would all like to see.

Joe McLean (Grant Thornton UK LLP): I, too, thank the committee for inviting us to the meeting. I am pleased to be here.

I live in England and work there as a partner in a large international firm. I spend a lot of my professional time looking at underperforming businesses in general commerce and industry. I also spend much time looking at underperforming football clubs and sports businesses. I hope to share with you, where appropriate, my experience of how clubs deal with underperformance and how they have responded and reacted to the clearer leadership from the Union of European Football Associations and the national associations.

I hope that today's meeting will cover the particularly difficult area of corporate governance in football, which is now being grappled with. I also hope that we will give significant coverage to the links between sport, health and education, which have been alluded to. As a citizen, I hope that the Scottish Parliament can come up with radical suggestions about promoting such links.

I end my introductory remarks with a question to the committee: do you want to leave the future of Scottish football with the people who currently run the game? Perhaps politicians should think radically and try to bring together sport, health and education if they want a radical agenda for the benefit of Scotland.

The Convener: When David Taylor and Lex Gold gave evidence to the committee, their message was that we have enough to do without interfering with Scottish football.

It would be useful to focus on areas in which the Parliament can add value. Many of the issues that have been raised are clearly not within the Parliament's remit and we are keen to focus on areas in which we can add value. There is no point in trying to cover every aspect of the game, as many aspects of it are none of our business and not our responsibility. Focusing on where we can make a difference would be helpful. We will have a freewheeling, open discussion for 25 minutes or so.

Murdo Fraser: My question is on financial performance and is directed at James Proctor and Joe McLean, but anyone else can answer it if they want to.

The submission by Supporters Direct in Scotland makes interesting comments about the unhappy history and incurred debts of clubs, not least Dundee FC and, with respect to John Swinburne, Motherwell FC—the comments probably relate to before his time. Whose responsibility is it to sort such problems out? Should things be left to the clubs themselves? Should the Government or the Scottish Parliament deal with matters, or should the football authorities go down the road of licensing schemes, for example? Who should take ultimate responsibility?

Joe McLean: There are a number of private limited companies in Scotland, as there are in England—there are 92 clubs in England and 40 in Scotland. Each club is a business with its own body of shareholders. One would want to give people the autonomy to run their businesses, but, on the other hand, it is up to the authorities to show leadership if individuals are not running their businesses sensibly for the benefit of the game. Clubs must combine good behaviour and good corporate governance. If that is not forthcoming, they should be encouraged to achieve it—that is the essence of the direction from UEFA over the past 10 years. UEFA is now producing the UEFA licence, which is the forerunner of the licence that is being introduced in Scotland. Where clubs are not able to run their own businesses effectively, there must be leadership from the centre, otherwise the wider game will be endangered.

Murdo Fraser: I want to be clear. In effect, you are saying that financial performance is not really anything to do with the Government beyond government of the football authorities, which is not a matter for the Scottish Parliament, for example, to act on.

Joe McLean: My view is that clubs' financial performance is not the responsibility of the Scottish Parliament and that we are discussing a commercial and sporting issue. The Scottish Parliament has an obvious role in promoting the health of young citizens and in suggesting how the game in general and sport can be advanced for the benefit of Scottish citizens, but financial performance is a matter for the sport and individual clubs.

John Swinburne: Basically, the question is how the Parliament should support football. Football is like any other business or organisation—it should stand on its own two feet. Motherwell FC went into administration, but I am pleased to say that it is the only club in Scotland to have declared a profit in the past two years. We have ploughed our way out of our problems by being sensible and ensuring that our outgoings are not greater than our income.

The Scottish Executive spends in excess of £14 million every year on health advertising. Why does

it not buy the centre circle space at every football ground and fill it with a giant no-smoking logo? That would give a financial input to every club across the land, from the bottom level to the top—from Berwick Rangers to Rangers. The logo, which would be seen by everyone who watched football, would highlight that smoking was bad. I am a smoker and I wish that someone had convinced me not to start. The cost would be relatively minor, as it would only involve drawing the centre circle in red and putting an image of a cigarette in the middle of it. That would be a simple way of helping football and the health of the nation. Such a measure would be progressive and would be spread evenly across the football spectrum. That is my suggestion, for what it is worth.

15:30

Susan Deacon: A continuing theme is how Government and the Parliament can add value not just to the promotion of health, but to the wider task of the development of young people. In that regard, I want to ask specifically about the issue of child protection and the various regulations that are in place, which is mentioned in the submission from the Scottish Junior Football Association.

Tom Johnston: I think that that was mentioned in the submission that you should not have got.

Susan Deacon: It was certainly mentioned in the paper that I have. In relation to schools football, you majored—understandably—on the need to attract volunteers, which may or may not link with child protection. Will you expand on what you think we could do to enhance such capacity at community level, which we all know is desperately needed?

Rod Houston: In relation to checking and child protection issues, we have a fully operational child and vulnerable adults protection policy in place. We have seen to ourselves in that regard. It is important that we make volunteers nowadays feel secure on the issue because many people have become highly apprehensive about it. The response to your question is that child protection is covered in what I said about the provision of support for volunteers. Helping and encouraging volunteers to feel secure in the work that they do with youngsters remains a huge part of our work.

Susan Deacon: Is it fair to say that, on balance, although the regime that is in place was initially a burden from the point of view of the amount of work involved, people are finding that it gives them a sense of security once they have been through the process. Is that what you are saying? I have heard that said elsewhere.

Rod Houston: That is what I am saying. Given that everyone is a volunteer, the initial volume of

work was horrific and it took a fair amount of persuading people to accept that hurdle. About four or five years ago, there was a significant risk that we would haemorrhage volunteers, so we had another look at how we were going about things and tried to streamline the process sensibly and make it a tad more pragmatic, without at any stage compromising the important underlying principles. Now people are much more comfortable with the process. As you say, they are secure in the support that the regime gives them.

Tom Johnston: We would give a similar answer. We have about 3,500 people who play junior football. Although fewer than 100 of them are under 18, we are subject to child protection policies. The word “security” has been mentioned and the checking process gives volunteers a sense of security. Initially, implementation was a burden, but the sense of security that the system provides assists.

Richard Baker: I have two questions in one for James Proctor and Martin Rose. The Executive has identified empowering supporters groups as being important and has given funding to Supporters Direct to encourage supporters trusts. How successful has that been? How many clubs have supporters trusts? I am thinking of SPL clubs in particular. Are trusts having an impact in getting representatives on to clubs’ boards? Following on from that, is the key goal for each supporters trust to get a supporters director? How is that role going to pan out? Martin Rose said that he had a dual role in that he is a director and a supporters representative. Will the supporters director keep links with and be representative of the supporters trust? How will that relationship develop? Obviously, there will be concerns about how representative that person will be of supporters once they are on the board.

Martin Rose: That is one of the issues that supporters directors have. I am in a slightly different position, in that I am on the board in a personal capacity but, coincidentally, am the chair of the trust. However, from that point of view, I act as though I was on the board because of my role in the trust. From time to time, members ask how they can get information that has been discussed at the board meeting and so on. I do not have a problem with that because it is a simple enough matter. As a director, I am governed by the relevant regulations and legislation, which means that I do not discuss anything that is confidential. To be perfectly honest, however, few things are dealt with confidentially at the board level. Therefore, there is an opportunity for me to represent the supporters on the board and to feed back to them. However, in the eyes of some people, there is a tension about the fact that I have to wear two hats.

It is—I think—the second article of the articles of association of our trust that we should get a shareholding in order to get a position on the board. We use the same model rules as most other trusts, so I would assume that that is a key objective of most trusts. How difficult it is to get a position on the board depends on the share structure of the club, the ownership of the club and so on.

From the point of view of broadening the base of the board, it is important that supporters are represented, as it gives a different perspective. Ordinary directors might not be aware of certain issues that people who have links to the supporters are aware of.

No doubt James Proctor would agree with me that, although supporters trusts grew outwith the clubs, often in adverse situations, we want them to be built into the fabric of the clubs because that would help to prevent many difficulties from arising. We are not saying that the supporters representatives would stop every problem arising, but they would be able to bring some realism to issues such as the contract arrangements that are put in place, the way in which supporters are treated, ticket pricing and other such practical elements.

Earlier, the question of where it would be appropriate for Parliament to be involved was raised. In that regard, I would simply restate what I said in my introduction. When Parliament is acting as a paymaster, for example through grants, it should ensure that the broad tenets of its social inclusion policy are addressed in the football environment. That approach should be replicated in the choice of the people who are involved in the disbursement of the funds.

The Convener: Does Rod Houston have anything to add to that?

Rod Houston: I wanted to answer your original question, convener. I will do that whenever it is suitable to do so.

The Convener: Do you want to do that now?

Richard Baker: I think that James Proctor wants to add something.

James Proctor: A question was asked about the number of supporters trusts. All 12 clubs in the SPL now have supporters trusts. Throughout Scotland, there are 12 directors and 21 trusts that have a shareholding.

Obviously, the work that has been done at Motherwell since the club came out of administration has been terrific. The idea of buying shares to get a director is a means to an end, not an end in itself. We want to make the football club more representative of its community, introduce an element of democracy, which is a concept that

everyone round this table will be familiar with, and bring people into the club by using the community assets that exist, by which I mean people's skills and abilities that are not being used at the moment—in any support base, there is a massive amount of skills that are, generally, excluded from football clubs. There has to be a mechanism by which all that can be done and it so happens that, at this point, the supporters trusts provide the best way of doing that.

I do not sense any expectation among supporters that the Parliament or the Executive should bail out stricken football clubs that have got themselves into a financial mess. The Executive could provide some support and assistance, but supporters do not expect it to bail out people who have made gross mistakes and are responsible for gross mismanagement.

Christine May: Members will recall that I am a member of the East Fife Supporters Trust. My question is about the mutual suspicion that tends to exist before supporters trusts are allowed a shareholding. Have you found that, where you have managed to get someone on the board, that mutual suspicion has been dispelled? I refer to the suspicion among directors that all sorts of confidential information will be blabbed all over the locality and leaked to the media, and the suspicion among supporters that the guys with all the money are doing everything that they can to do down supporters. Has the relationship between board members and supporters been helped by the inclusion of supporters trust representatives on boards?

James Proctor: The relationship has been helped in the great majority of cases. There is no doubt that we have allowed a them-and-us mentality to develop. Supporters are partly responsible for that, although some of the responsibility lies with others. In the majority of cases, when fans and directors or owners have started to talk and break down barriers, things have gone much more smoothly. In England, the owners of both Rushden & Diamonds and Stockport County came to the conclusion that if they wanted to move the clubs on, they should sell them to the supporters trusts. A mechanism was found that enabled them to do that. They decided that the community was best served by the football club being owned by the community, although that does not prevent other investors from coming in.

We need a wider idea of what a football club is that would allow different people to become involved. The people who are already involved in Scottish football do much good work and run the clubs relatively successfully. We must remember that thousands of people watch football at SPL and SFL level every week, so football is not without support. The people who currently run

Scottish football are doing a relatively decent job, but we can improve on that. One way of breaking down barriers and closing the gap that clearly exists at the moment is for supporters trusts to take a collective shareholding and to place some responsibility on supporters to do their bit.

Christine May: My second question is not about supporters trusts but about gender equality. You talked about widening access, but every individual who has given evidence to this inquiry has been male. I have not heard how many women directors there are, although I am sure that there are some. I know that clubs do a lot for women's football, but that is not the same thing as women being represented on boards or their views being taken into account. I would like to hear something about that.

Martin Rose: This is one area in which supporters trusts want to move things forward. At a number of clubs, it is part of the licensing agreement that there should be a supporters charter, which should include a commitment to diversity and equality. Diversity and equality should be evident in the trust, the club and the community that it serves. A number of clubs have taken an active role in generating interest in women's football—we are about to start some women's teams at Motherwell. We want the issue to be taken up by the supporters trust movement.

The panel is a bit unrepresentative. Before I was involved in the Motherwell FC Supporters Trust, I was chair of the Association of Motherwell FC Supporters Clubs. Of the association's 12 branch delegates, six were women, so there is a history and tradition of women's involvement. However, we want to ensure that the club and the trust are representative of the general community in Motherwell and that women and other groups are properly represented.

Earlier, you made a point about the suspicion about supporters directors that can exist. It is understandable that such suspicion should exist in the beginning. In the past, because supporters were excluded, they often had to make their views known in a very aggressive way, so directors often wondered what they would get in the boardroom with them. However, if you spoke to all the chairmen of the clubs in which Supporters Direct in Scotland is represented, they would tell you that having a supporters director on the board has had a positive influence. There can be suspicion at the beginning, but that is quickly removed.

15:45

Christine May: Women directors?

John Swinburne: Motherwell had one.

Christine May: Well done, Motherwell.

Martin Rose: I think that there might be only one in the SPL.

Michael Matheson: This question is probably best dealt with by Rod Houston and Tom Johnston. It is about access to facilities for football, whether they are for training or for playing games. A key theme that has come through in the evidence is the difficulty in accessing facilities at certain times, particularly quality facilities that are suitable for purpose. It will not be the last time that I will hear complaints about the goalposts being removed in the Easter holidays because the pitch is going to be used for other purposes and can no longer be used for football. Will you comment on your experience as associations about the difficulties that your member organisations have in accessing the right type of facilities? Does more work need to be done in public policy terms to deliver the right type of local facilities?

Tom Johnston: It is interesting that you said that because I had written down "affordable, accessible facilities". It is a major issue for grass-roots football. As I said earlier, the majority of our clubs rely on council parks. The junior football season finishes in May or June and starts again in August but, at some of those parks, that is when the council starts works. It is farcical. When it rains on a Friday in north Ayrshire the games on a Saturday are cancelled. We need to address the situation. More important, we need facilities. Frank McAveety spoke earlier about the investment in Glasgow and the big sheds that are being built. That is laudable, and it is where the Parliament can perhaps add value, but there is also a need for affordable facilities throughout Scotland for playing football and for training.

Rod Houston: The need for a single, co-ordinated strategy for facilities is overwhelming. My organisation is not the only one to suggest that in its evidence. However, the issue with schools football is not match facilities. Most schools are fortunate enough to have them, although we could always be better off. We are also fortunate in that many senior clubs freely give their facilities for regional cup finals, Scottish schools finals, internationals and representative games. We should not lose sight of the level of good will within the game.

The crucial issue in Scotland is training facilities. There is a terrible paucity of good, consistent training facilities. There are still far too many players playing on a muddy park under a streetlight. It may interest the committee to know that I am currently seconded by my employers to manage the Highland football academy, which is based in Dingwall and Inverness. Because we have a high-quality facility, we cannot cope with the demand. We have three-fifths-size indoor pitches, but I could put in another two. It would

cause a certain frisson with the people of Dingwall if I were to do that, but it might start to meet demand. We programme from 1 October to 31 March, and we are going 12 hours a day, seven days a week. That is the scale of demand for good training facilities.

In answer to your original question, convener, I think that the committee could work up a single, co-ordinated strategy for football facilities in particular and sports facilities in general. There is a crying need for that. What happens at the moment is that a thread does not quite get taken on so we try something else. The football academy strand is quite a good example of that. Only three happened in Scotland and then in 2004 they were no longer considered to be such a good idea. One of the reasons for that was that too many clubs failed to see the strength of partnership working, whereas the two clubs in the Highlands realised the benefit of it. It is a crying shame that areas such as central Scotland, Lanarkshire and parts of Ayrshire have not gone for partnership working to create something that would give a level of training facilities fit for the 21st century.

Michael Matheson: What more could have been done to draw the football clubs out of their insular world and into partnership arrangements with different agencies in order to provide the right facilities?

Rod Houston: It would need a lot of hard work behind the scenes. First and foremost, we have to overcome the fact that, in many respects, football clubs are paranoid organisations. If club A thinks that club B is going to gain a scintilla of advantage, we have a diplomatic problem.

Michael Matheson: It sounds like politics.

Rod Houston: Somehow we have to find a way to make clubs realise that the total will be greater than the sum of the parts. We need to bring them together. Perhaps that is a function for local government. Highland Council was a major player for the Highland football academy; the council decided that it needed the academy and it made it work. There could also be a role for the Scottish Parliament, which could take a strategic view and a regional approach. It was not easy and there were a fair few hiccups along the way, but there is now broad agreement that it was worth while to overcome them.

Somehow, we have to get people round the table. We have a lot of visitors to the Highland football academy, many of whom are from clubs. We say to them, "Sit down with your neighbours," but they say, "Oh, but—". They have to get past that attitude. Football is bigger than Auchenshoogle United's individual interests and it is worth the work because the results can be exceptional.

Michael Matheson: A couple of your submissions mention the need for structural change in Scottish football. Tom Johnston mentioned that in his opening remarks and he referred to it in his written evidence. Frank McAveety also mentioned it during his contribution. I am not clear about how far you think politicians should go in getting involved in the debate about structural reform in Scotland's national governing body for football.

Tom Johnston: You need to go as far as is required, because I do not see that reform happening. There is self-interest throughout Scottish football and clubs will not go down the line of reform. That would be like turkeys voting for Christmas. There might need to be intervention to make reform happen.

Joe McLean: I agree. Club X does not have a motivation to produce responsible, healthy citizens for the benefit of Scotland, although it would consider that to be a nice by-product if it were to happen. It is concerned with producing football players for its club, but society has to take an overview and say, "What do we want from our young people?" In my submission, I suggest that we should consider the models that have emerged from a number of continental countries, including France, Holland and Germany. In the French and Dutch models, there is a coming together of football and education. The Scottish Parliament and local authorities could reasonably suggest an agenda to bring together the better elements of football clubs and their agendas with what society wants from its citizens. Intellectual and financial investment to bring those two strands together is an aim that is achievable.

I return briefly to the earlier question about facilities. I am working with three well-known football clubs in England, all of which are involved in partnerships with local authorities. One of the ways in which we are trying to bring one of those clubs out of its difficulties is by striking an alliance with the local authority. I cannot mention the club for reasons of confidentiality—I am busy dealing with its financial underperformance—but under the alliance with the local authority the stadium will be open for 20 hours per day, seven days a week. Medical practices are being encouraged to set up their offices and surgeries within the club. A well man clinic is being set up, sports clubs are being encouraged to take part and adult literacy classes will be held. The club is becoming a focal point for the community because the stadium is being used all the time rather than just for football.

If you link that model with my earlier comments about sport and education you can see a link that can be built on. That is the contribution that politicians can make—they can encourage football clubs to make a better contribution to society.

Mr McAveety: That is one of the snippets that are worth exploring. It is about more than just professional clubs. There is a range of opportunities at junior club level in particular, if all the stakeholders get together round the table. There are one or two examples happening already. The idea for the initiative involving Petershill Juniors in Glasgow arose two or three years ago. Sportscotland was responsive, the local authority had some capital and the ground was in a social regeneration area. All those things came together to allow the development of a major new facility that is open to the community. It is a top-quality facility for the junior club and it has pulled together one or two agencies. There are already other similar wee snapshots around Scotland and the benefit of amplifying the issue would be to make it more central to the committee's deliberations. People can point to those areas as positive developments that can make a difference.

Richard Baker: Michael Matheson covered the question that I was going to ask Tom Johnston, and Tom answered it very clearly. As I have said before, I am in favour of more integration in national strategy but, at the same time, the new structure will have to have more consultation of stakeholders if it is to be effective. Tom's answer was therefore quite interesting.

Following on from that, I have two questions for Rod Houston. Joe McLean also referred to the subject in his comparisons with the national youth strategies of other countries. We have great debates about the strategies that should be followed in schools—for example about competitiveness versus skills. For example, where should the decision be taken on whether matches should be 11-a-side or 7-a-side? If we are going to have a national strategy, should such decisions be taken by the SFA, by the new regional associations or by schools? If such decisions are taken by schools, how can there be a national strategy?

Rod Houston: It is the governing body's responsibility to set the tone after consultation. At the moment, the SFA is the governing body.

There is quite a complex debate on trophy-free football and whether there should be competitive games. We are proud of schools football because it teaches our youngsters to win and lose with equanimity. The great example in sport is Mr Nicklaus; you never knew whether he had won the open or lost it because he always conducted himself in a suitable manner. We are keen for youngsters to learn those virtues; it is part of their social development as much as it is about football.

Richard Baker: I agree with that entirely. However, when I met some of the development people at the SFA—Andy Roxburgh, for

example—they said that we should be playing less 11-a-side and more 7-a-side football in schools. He seemed to be saying that the schools were saying that they wanted to continue playing 11-a-side even when the children were aged 11.

Rod Houston: That is not the case. Primary schools football in Scotland is overwhelmingly 7-a-side. There is one pocket of 11-a-side primary schools football, which we are continuing to fail to persuade to change to 7-a-side. An 11-a-side event takes place after Christmas in primary 7 and there is a strong argument that that is the transitional phase before the children start to play in bigger teams at secondary school. Incidentally, one of our most successful events is the 7-a-side competition for secondary 1 boys and S1 and S2 girls. It is important to find the right mix at the right time.

Richard Baker: At the moment, size of teams is not decided by the SFA. It is decided by individual schools.

Rod Houston: Ideally, the schools decide, but the SFA has a major say in it and we support most of the SFA's line in schools.

Richard Baker: I will play devil's advocate here. If we are to have a national strategy, that should be decided by the SFA.

Rod Houston: Only after consultation.

Richard Baker: Okay. We have come back to where we started.

You made some good points about barriers in the curriculum to playing football and other sports. Many parents want to encourage their children to play extra-curricular schools football at weekends. What are the barriers to that? How can we get more of that going on?

Rod Houston: The barrier is simply the need to find enough volunteers to take teams. We have as many teams as we have volunteers available to take and encourage them. Schools that do not take part in Scottish schools events are largely remote and very small and the barrier of distance is horrific. However, there is a good example in the Highlands: the small schools league. The schools come together at central points three or four times a year and play one another. There is some fuzzing of the size of teams and the age rules so that schools can play. That is one way of overcoming the barrier of distance. The main issue is getting enough people to volunteer.

16:00

Richard Baker: How do we get more volunteers? Teachers are obviously willing to volunteer up to a point, but how do we get other people to volunteer?

Rod Houston: Having the active schools co-ordinators has been a big help in identifying volunteers in the community, and that has been successful. That is a young development, and we should give it time to work. More teachers would volunteer, but there are issues to do with their workload and the total time that has to be given to that initiative. The Scottish Schools Football Association would argue that those issues should be looked at by the Scottish Parliament, to see whether we can free up that resource to some extent.

Mr Stone: I was interested to hear what Rod Houston said about the football academy in Dingwall. John F Munro and I went to see it some weeks ago. It is very impressive and I was amazed at the different types of people who are involved—including people like me, which is pretty astonishing. My question is for the whole panel. We have a high-spending time coming up—I refer to the Olympics and, possibly, the Commonwealth games. Has any thought been given to how the Olympics—securing which is an amazing achievement for London—could be turned into a roll-out of capital spend or the promotion of football in some way?

Joe McLean: The question that was asked before is linked to that question. Who is going to kick-start that? In my view, the football authorities will not show the leadership that is required, as they will look at the game per se and not at society receiving a benefit from the game. I do not think that the architects of France's rise in world football went looking for volunteers, yet we are asking who is going to volunteer to look after children as they take part in extra-curricular activities. There has to be a co-ordinated and concerted investment in that, which must be deeply thought out and implemented. It will be expensive but, if we do not approach it in that way, we will leave it all to chance.

The UK Government is to release funds, through Sport England and other bodies, for investment in sports such as squash and badminton. Those sports will also get a fair crack of the whip in investment terms. However, the Football Association in England will not be expected to kick-start a new development for the football team; that will come from central Government and local authorities.

The Convener: I have a final question. In his evidence, Lex Gold pointed out that he had written to the Chancellor of the Exchequer on 24 February 2004, making several suggestions about football benefiting financially from the Treasury through such things as capital allowances and the extension of the gift aid scheme. Have any of your associations been informed about that campaign by the SPL, or have you been involved in any

campaign to secure that kind of financial support from the Treasury? Or is that news to you?

James Proctor: We heard about the campaign only through the press and Lex Gold's submission. However, the supporters trust movement, which is made up of not-for-profit, co-operative and mutual organisations, has the capacity to bring new capital into the football industry. We hope that the football clubs out there will take the opportunity to work with such groups of people who want to bring new finance in. Frank McAveety mentioned the co-operative development agency. We are looking around for a social venture capital fund that we could use, through our organisations, to influence Scottish football and bring to bear our style of community club.

The Convener: I will let Frank McAveety respond to that. The introduction of some kind of development fund or tax break may be a way of securing the funding without always having to go to the Scottish Executive with a begging bowl.

Mr McAveety: Lex Gold's submission was in response to pressure from clubs, and could be viewed as a deflected shot in the debate. With the development of the CDA and the emergence of supporters trusts, there is a way to come in. I have had lots of discussions with significant big clubs about Supporters Direct. Initial discussions were negative. Clubs always gave the line that trusts could not bring in the capital that a major individual could and that they need to find a sugar daddy—or sugar woman, if we are to be equitable—who is prepared to take the hit.

Given the nature of the clubs, it might be worth exploring the idea of equity capital and the injection of new investment, but that should be geared towards public outcomes. One criticism that most individuals in Scotland have of clubs is that unless they have major benefactors, who speaks on behalf of a club? Clubs are bigger than one dominant personality. It should be about the community, whether it is a senior club, a junior club or one of the very good amateur clubs. It is about finding an imaginative way in, which might be within the remit of the Scottish Parliament, rather than just the Exchequer.

The Convener: That has been extremely helpful. A lot of good suggestions were made, and that has helped to focus our own discussions. I thank Frank McAveety and the rest of the panel, and John Swinburne for his contribution.

Business Growth Inquiry

16:06

The Convener: Item 4 is our business growth inquiry. The committee will review the progress of its inquiry, following the business in the Parliament conference 2005. The point of this item is to have a debriefing on the conference while it is fresh in our minds—how we think the conference went and what lessons the committee can learn for our inquiry. On the first point, I wrote to Stephen Imrie and his team, the civil service team and Ann Stark—the event organiser—to congratulate them on the extremely professional organisation and presentation of the conference. The event showed the clerks, the civil service and the event organiser at their best: it was excellent, and the feedback that I received from participants was very good.

I will not comment on the substance of the conference until others have had the chance to do so. I will go round the table to see what members thought of the event and whether it was productive.

Susan Deacon: I thought that this year's event was much better than last year's. I know that there will be structured feedback, but all the feedback and chat that I picked up from people who had been to both events was that it was better than last year. It is important to record that point, given the amount of time, energy and effort that went into developing the event. There are areas for improvement, which I will touch on in a second.

Generally, the level of dialogue was good, and a constructive discussion took place. For that matter, constructive criticism was aired. To that extent, I was disappointed, although not surprised, that some of the media coverage focused on the criticisms, as distinct from seeing the event in the round. It is important that we create a space where people can have honest and open discussions about what is and what is not working, and both views were drawn out of the discussions.

I have a couple of points on process and design. We created a bit of a false environment when we said that we were there as politicians in listening mode, when we were also there in formal response mode. The next stage of developing the event would be to create more opportunities for dialogue. That was what people wanted in the workshop sessions, at which the politicians started to participate more. If I have a criticism around that, it is that the questions that were posed for the workshops, which many of the workshops flung out, were too limiting. They did not allow for the more searching dialogue and exchange of ideas that people wanted. Instead, people were restricted to saying what the Executive should do about X.

Several issues of substance, which the committee will need to consider, arose as major themes. First, the planning system was referred to time and again. As so many people said, the forthcoming legislation will allow us a once-in-a-lifetime opportunity to make meaningful improvements to the planning system by making it more streamlined, not just for businesses but for all who engage with the system. I believe that it is perfectly possible to strike a balance between making those improvements and ensuring that communities are more engaged in the process. If members ever had any doubts that the Enterprise and Culture Committee should be actively involved in that debate, those should have been dispelled last Friday.

Secondly, the perennial issue of water and sewerage infrastructure development was highlighted. Somehow we need to break that logjam and stop the endlessly pointing fingers. I will not even begin to engage in the substance of the matter just now, but we all know about the problem and how it manifests itself. Our committee could contribute by edging towards providing solutions.

Thirdly, the need to take decisions on major transport infrastructure projects was highlighted. As a Parliament, we should and could—as I have argued before in the chamber—do something about that here and now. The message that came across loud and clear from the conference was that we need to get better and faster at taking those decisions. I know that the Executive is proposing a transport and works act, but we will need to keep a close watch over whether that will actually get us there. I am sure that the Parliament could do some things at its own hand.

Fourthly, the issue of public sector procurement was raised. That is not a new issue, but it strikes me that something quite deep-rooted in the machinery of Government is proving stubbornly resistant to making improvements in that area. Nicol Stephen's closing remarks were helpful in that he engaged with people on that.

My final, overarching point—I apologise for going on so long but if I had been last instead of first, I would have probably run out points to make—is that our report of our inquiry into business growth must, as I have said before, factor in the wider issues about the context in which debate, discussion and policy making take place in Scotland. Friday showed us in microcosm how limited our ability is to have an open and honest debate in Scotland about what works and what does not work without our debate being reduced to some fairly simple terms by people outside. As well as leading by example in our willingness to have such debates, the committee needs to weave some of that thinking into our

report. Given that whatever we recommend cannot exist in a vacuum, the tone and tenor that we create will be absolutely relevant for the country as a whole. There was more of that openness in the chamber than outside it, perhaps because the event allowed people to get a little look-in on what goes on.

Members will be pleased to know that I will end there.

The Convener: That was very helpful.

I think that Richard Baker was otherwise engaged last Friday.

Richard Baker: I was, but I am glad that the event went well.

The Convener: You missed yourself.

Shiona Baird: Yes, he missed an extremely valuable event.

It has been recognised that there was a real buzz about the day and a feeling of positiveness about the committee's willingness to engage with the business community. The onus is now on us not only to listen to the business community's comments on the issues, such as public procurement, that Susan Deacon highlighted, but to take action. If we want to keep the business community moving with us, it is vital that we be seen to do more than just listen; we need to take concrete action on some of the proposals.

I was disappointed that the summing up of my group's discussion—I was on the group that dealt with infrastructure—made only small mention of flexible working and working from home, which we had in fact spent quite a considerable amount of time discussing.

We combined the two aspects of infrastructure—transport and broadband—that were on the agenda and discussed how they could be brought together to reduce congestion. It was an illuminating session. I was disappointed that we had only one session and that we could not take part in one of the other sessions. The workshop gave people a really useful and valuable opportunity to engage round the table openly and freely. The onus is on us to prove that we were listening.

16:15

Murdo Fraser: I agree with everything that has been said. This year's event was much better than the previous event, and the mix of participants was much better. People from many different business backgrounds and perspectives attended, which was helpful.

I agree with Shiona Baird that the workshops were interesting. It would have been helpful to find

out what was going on in the other workshops, and not just in the very formal feedback session. I am not sure how that problem could be solved. Several people that I spoke to said that they would have preferred to go to two workshops rather than just one; for example, they would have liked to go to one in the morning and one in the afternoon. That would have allowed them another perspective.

The participants were sent a booklet of Executive responses to the comments that came out of the previous conference. I had a look at it and found its tone very defensive. Perhaps that was because the Executive did not particularly want to hear some of the messages that came out. If the exercise were to be repeated for the recent conference, the Executive should be able to respond a little more positively to what was said.

I am sorry that I missed Nicol Stephen's summing-up, as I had to attend another event. However, I understand that it went down very well.

Michael Matheson: I agree with most of what has been said. The feedback that I received has been very positive. I was not at last year's conference, so I cannot comment on the improvements that have been made in organisation since then. However, I detected from some who had attended the first event that the conference's credibility, and its long-term viability, depends on feedback and on people being given responses to the issues raised. Most of the businesspeople to whom I spoke were perhaps slightly cynical about whether politicians were genuinely listening. They welcomed the opportunity to make their views known, but they wanted to see what action would be taken in response to the issues that they raised.

I thought that the four speakers on Friday morning were excellent and well chosen. However, I am not sure whether the workshop approach is entirely satisfactory. I was in the workshop on promoting Scotland internationally. Although there were four topics, I thought that it lacked focus. I was not entirely sure that those attending the workshop were clear about its purpose. It drifted far from many of the issues that we were meant to consider under the four topics set by the committee.

There is a need to consider how the workshop approach is developed. Several participants told me that the workshop had taught them nothing that they did not already know; that it was all common-sense stuff; and that they did not know what the workshop was trying to achieve. Perhaps we should reflect on the workshop approach to make it more dynamic and focused. We should ensure that the participants are clear about a workshop's objectives.

Christine May: Like other members, I thought that this year's conference was much better than last year's. I have one or two odd wee housekeeping matters that I am happy to feed back to the clerks.

We should start planning now for next year's conference. What I thought were the key issues could form the basis for some work either with the participants or with others on their behalf. For example, one major issue that emerged from the conference was planning. As the planning (Scotland) bill is about to be introduced and as there will be public discussion on the matter, I wonder whether we should facilitate some workshops to ensure that, by next year's conference, people know what has been done. After all, Susan Deacon's points about the water and sewerage infrastructure and about decisions on major transport infrastructure all come down to planning and the question whether such decision-making should be made nationally or devolved to local areas. The same point applies to private bills.

We have not yet mentioned issues such as regulation and skills. I believe that the Subordinate Legislation Committee is about to propose a committee bill on regulation. We think that we widely promote all our consultations; however, I do not think that anyone in the chamber or in the committee rooms on Friday knew about that committee's proposal. It is clear that we have to feed back what we are doing.

We could also promote some discussion about skills. Indeed, this morning, Jamie Stone, Murdo Fraser and I attended an event at which industry began by lambasting Government but in the end accepted that it should take back responsibility for skills. I very much welcomed that approach.

I also feel that the committee could seriously promote a dialogue on public sector procurement, because the issue cannot be addressed simply by reserving some contracts for local firms or saying that a percentage of the available money should be put into them. After all, how do we define "local"? The issue is about financial institutions having confidence in young firms that do not have a track record. I want to have a debate that would involve the committee, those who have raised the matter, the civil service and the Executive. It is not as if the Executive does not want such a dialogue, and we need to discuss how to use public funds, how we get best value for the bucks that the public sector puts in and how we keep local jobs where possible.

Mr Stone: The conference was a great success. There is no doubt that it was a big improvement on last year, partly because of the wonderful building that it was held in—I should say that I am being facetious. I have a couple of tiny niggles about the way in which things were done, but I will communicate those to the clerks at another time.

This year, I noticed a certain amount of good will from some pretty big hitters in the Scottish business community. I have to say that that was not much in evidence last year, and it was most encouraging to find it. I endorse the comment that we have to deliver all these things—or at least make a valid attempt at delivering them—and the same applies to the Executive. If we get that right, we will build something quite fine in years to come.

The Convener: I echo members' comments that, although the conference was a big improvement on last year's, some areas could be improved. The Thursday night event went extremely well, but it was too short. Quite frankly, that was because Adam Crozier's attendance depended on his being able to leave the building at 7.15pm so that he could fly back to London on business. That said, his attendance was still worth while; he was excellent, as was Willie Haughey and the chairman, Alf Young. I felt that the event could have gone on for another 45 minutes, because people were just getting into the swing of things. It was a good warm-up for the conference on Friday—as was the reception afterwards.

As for Friday, I feel that we could have cut short the afternoon session. It had the potential to develop into a moaning session about fairly minor matters, with the Minister for Enterprise and Lifelong Learning being asked whether he would visit some important event in Auchtermuchty. It was not meant to be like that. The next time, we should follow Murdo Fraser's suggestion and have workshops in the morning and the afternoon. That would give people the chance to participate in more than one workshop. Michael Matheson is right to point out that the workshops worked well when the questions were focused and people wanted to dwell on them. In one or two cases, we will need to think out the remit and be clearer about what we want from the workshops.

On feedback from the workshops, I emphasise that we will get written feedback in much more detail than was given on Friday and that that feedback will formally be part of the business growth inquiry.

I think that we cover all the angles in our business growth inquiry. We have covered skills and the international dimension and we have a round-table discussion lined up on finance, intermediary technology institutes and infrastructure. The one matter on which there is not a session is public procurement. Christine May is right that if we can build it in to the programme before we have to write the report, it would be worth while to have a round-table discussion on that area and invite the speakers at last week's event and any others who feel strongly about it to participate.

Like other members, the feedback that I got from the businesspeople who attended was very good.

However, a number of people left after lunch on Friday; perhaps having workshops on the Friday afternoon would go some way towards keeping people there. We ended up with overrepresentation of some groups and underrepresentation of other subsections of the business community, which perhaps skewed the Friday afternoon discussions a wee bit. The feedback from a number of ministers was that from the Executive's point of view a Monday would be a better day than a Friday. Early on in the planning of the event we had a debate about whether to hold it on a Monday or a Friday, given that on Tuesdays, Wednesdays and Thursdays either we cannot use the chamber or other things are on in the Parliament. We perhaps need to talk to the Executive again about the issue prior to the next conference.

I think that the event was successful. It is interesting that not only the businesspeople but the serious business journalists who were there felt that it was worth while. I read a speech by the chief executive of Glasgow Chamber of Commerce a few weeks ago in which she stated that Parliament does not engage with business. All I can say is that she does not know what is going on. The Parliament has engaged with business not only through last week's conference but in several other ways. Particularly after the success of last week's event, nobody can now accuse the Parliament or the committee of failing to engage with business. If we take up the follow-up suggestions that Christine May and others have made plus the follow-up work that is planned anyway with the Executive—there will be full feedback to all the participants, feedback in our report and feedback in the Executive's response—we will have an iterative process from now on with those who participated. It is not the case that people who participated will not hear from us until they get an invitation to next year's conference. They will hear constantly from us. That is the way to build the event up for next year.

Susan Deacon: I make a plea that that iterative process should not be dependent on an exchange of paper-based information. Christine May made a good point about, for example, facilitating workshops and dialogue on the issue of planning. The conference does not have to be a one-off event. I am not suggesting that we host an event on that scale every week, but we can build on the conference by facilitating discussion to take the issues forward.

I will pick up on another comment made by Christine May. I am not surprised that a host of individuals and organisations do not know about all the Parliament's consultations and so on, because we churn out documentation rather than have conversations. In a small country such as Scotland, that is where the real potential exists.

We should strike while the iron is hot and capture some of the good will and momentum that were evident last week. We should consider how, on a smaller scale, we can bring together cross-sections of people to take forward some problem-solving work.

The Convener: The planning legislation is a good example. Although we do not have any formal role in that legislation, there is nothing to stop the committee—with or without Nicol Stephen and the Scottish Executive Enterprise, Transport and Lifelong Learning Department—co-sponsoring a day's seminar on its implications for the business community. Indeed, there is nothing to stop us having a seminar on infrastructure legislation, looking at whether, for example, we must always use primary legislation when secondary legislation would perhaps speed up the process.

I will have one of my regular minister-to-convener meetings with Nicol Stephen tomorrow. I am happy to suggest to him that, as part of the follow-up over the next 12 months, we should perhaps pick a couple of subjects such as planning and infrastructure and co-sponsor a one-day session. As Susan Deacon says, such a seminar might not be on the same scale as last week's event. Perhaps a morning session or an afternoon session would be enough on those issues. We would want the discussion to be free-flowing in the way that it was on Friday. Are members happy with that suggestion?

Members indicated agreement.

The Convener: I thought that Nicol Stephen's comments and how he handled the discussion—such as his offer to crash his diary—were exactly what people wanted to hear. They wanted assurances that they were being taken seriously and that we would not walk out of the room and ignore or forget what they had said. The promise that he made has gone down exceptionally well with the people to whom I have talked.

16:30

Meeting continued in private until 16:51.

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