

ENTERPRISE AND CULTURE COMMITTEE

Tuesday 5 September 2006

Session 2

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2006.

Applications for reproduction should be made in writing to the Licensing Division,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by Astron.

CONTENTS

Tuesday 5 September 2006

Col.

ST ANDREW'S DAY BANK HOLIDAY (SCOTLAND) BILL: STAGE 1	3173
SUBORDINATE LEGISLATION.....	3191
The Robert Gordon University (Scotland) Order of Council 2006 (SSI 2006/298)	3191
Education (Graduate Endowment, Student Fees and Support) (Scotland) Amendment Regulations 2006 (SSI 2006/323)	3193
Education (Student Loans for Tuition Fees) (Repayment and Allowances) (Scotland) Amendment Regulations 2006 (SSI 2006/326)	3195
Education (Student Loans for Tuition Fees) (Scotland) Regulations 2006 (SSI 2006/333)	3195
WORK PROGRAMME	3197
BUDGET PROCESS 2007-08.....	3209

ENTERPRISE AND CULTURE COMMITTEE

19th Meeting 2006, Session 2

CONVENER

*Alex Neil (Central Scotland) (SNP)

DEPUTY CONVENER

*Christine May (Central Fife) (Lab)

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)
Karen Gillon (Clydesdale) (Lab)
*Michael Matheson (Central Scotland) (SNP)
Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD)

COMMITTEE SUBSTITUTES

Mark Ballard (Lothians) (Green)
Donald Gorrie (Central Scotland) (LD)
Fiona Hyslop (Lothians) (SNP)
Margaret Jamieson (Kilmarnock and Loudoun) (Lab)
David McLetchie (Edinburgh Pentlands) (Con)

*attended

THE FOLLOWING ALSO ATTENDED:

Dennis Canavan (Falkirk West) (Ind)
Stephen Herbert (Scottish Parliament Directorate of Access and Information)
Margaret Jamieson (Kilmarnock and Loudoun) (Lab)

THE FOLLOWING GAVE EVIDENCE:

Laura Barjonas (Scottish Executive Enterprise, Transport and Lifelong Learning Department)
Neil Blake (Experian Business Strategies)
Josephine Burns (Burns Owens Partnership)
Andrew Campbell (Scottish Executive Enterprise, Transport and Lifelong Learning Department)
Natalie Laing (The Robert Gordon University)
Kathleen Robertson (Scottish Executive Enterprise, Transport and Lifelong Learning Department)
Richard Sweetnam (Experian Business Strategies)

CLERK TO THE COMMITTEE

Stephen Imrie

SENIOR ASSISTANT CLERK

Douglas Thornton

ASSISTANT CLERK

Nick Hawthorne

LOCATION

Committee Room 6

Scottish Parliament

Enterprise and Culture Committee

Tuesday 5 September 2006

[THE CONVENER *opened the meeting at 14:01*]

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

The Convener (Alex Neil): As it is now one minute past 2, I welcome everyone to the 19th meeting in 2006 of the Enterprise and Culture Committee. I remind everyone to switch off their mobiles.

We have received three apologies, of which two are for absence. Jamie Stone is unable to join us. Karen Gillon is also unable to join us but we welcome Margaret Jamieson, who is here in her place. Christine May will be slightly late.

I welcome Dennis Canavan, who has joined us for item 1, which is the St Andrew's Day Bank Holiday (Scotland) Bill. Members will recall that, in consultation with the Executive, we commissioned fairly major research into and evaluation of the implications of the bill. The full report has been circulated to members. We have asked the consultants to give us a presentation, at the end of which we will ask questions and, I hope, get some answers. We will not take any decisions today as this is essentially a briefing session for members and for the public.

I ask Richard Sweetnam to introduce his team and to give us a presentation.

Richard Sweetnam (Experian Business Strategies): First, I thank the committee for giving us the opportunity to discuss further our research paper, "Celebrating St Andrew's Day—An Assessment of the Economic, Social and Cultural Costs and Benefits". Representing the research team is Neil Blake, on my right, who is director of economics and forecasting for Experian Business Strategies. He led on the economic analysis in the report. On my left is Josephine Burns, who is a director of Burns Owens Partnership. She assisted on the cultural assessment. I am associate director of Experian Business Strategies and was project manager for the research.

For the next 10 or 15 minutes, I will speak about the research specification, our approach to the research, some of the options for celebrating St Andrew's day and our key findings. We will then break into the question and answer session.

I remind everyone that the St Andrew's Day Bank Holiday (Scotland) Bill was introduced by Dennis Canavan in May 2005. Its objectives are twofold: to establish a bank holiday on St Andrew's day or, if that day falls on a weekend, on the following Monday; and to facilitate the creation of a national day to celebrate Scotland. The bill would amend the Banking and Financial Dealings Act 1971 to provide for a new bank holiday.

The research specification to which we worked was to compile a set of celebration options, to provide information on the economic, social and cultural impacts of each option and to quantify, in monetary terms where possible, the impacts of, and to review relevant research on, how other countries celebrate their national holidays. The purpose of the research was to produce evidence for discussion by the committee.

Our approach revolved around desk-based and primary research and subsequent analysis. The desk-based research concerned how St Andrew's day is celebrated currently, the representations that members have received and comparative research on five celebrations. The comparators were St Patrick's day on 17 March in Ireland, Bastille day on 14 July in France, two examples from America—Independence day on 4 July and Thanksgiving day, which is the fourth Thursday in November—and the recently established national day on 6 June in Sweden.

The primary research focused on our omnibus survey, which discussed how people behaved on a recent May bank holiday, and on questions to local authorities about their willingness to surrender a local holiday for a St Andrew's day holiday, their role in facilitating such a celebration and how to ensure that a St Andrew's day holiday would complement other activity.

We held a series of structured interviews with a range of organisations and umbrella groups, including the Scottish Arts Council, the Association of Scottish Visitor Attractions, EventScotland and the Scottish Council for Voluntary Organisations. The full list is in the report. Other structured interviews were held with VisitScotland, homecoming Scotland, Historic Scotland and private sector operators, when appropriate.

The analysis focused on a synthesis of that information, our economic data and publicly available data on economic output.

Four options were presented during the consultation. The first option was to change the date of an existing bank holiday to that of St Andrew's day, which we interpreted for the purposes of the research as substituting a holiday. The second option was to establish an additional bank holiday on St Andrew's day. We believe that both holiday options would require a form of

national celebration. The third option was to have no bank holiday on St Andrew's day but to hold an event or celebration to mark the day. Similarly, option 4 was to build on existing local practices to celebrate St Andrew's day. The public sector would undoubtedly be involved in all options, but under option 4, local authorities could have a greater role to play.

I move to the key findings. From the comparator evidence, an interesting finding about St Patrick's day in Ireland is that a bespoke unit was established about 10 years ago to develop a week-long programme of activities around 17 March. That is a Government-funded initiative that aims to showcase Ireland for a week at home and abroad, and which culminates in the St Patrick's day parade in Dublin on 17 March.

Similarly, in France, the main focus of national celebration is on the capital. However, that is supported by a network of local activities throughout the country on 14 July and the following weekend. Some research has been done into France giving up a holiday; our review of that research suggested that the 0.45 per cent increase in working time from giving up a holiday did not equate to the same increase in output.

The findings from the United States suggest that holidays are observed on the nearest Mondays, so the intention is to maximise leisure time and minimise disruption to key sectors. We examined 4 July and thanksgiving day. One day is a national holiday about independence, whereas the other is about going home and family celebrations and marks the beginning of the Christmas season. The day after thanksgiving is the busiest retail day in the US calendar. Both holidays are about national values and are an inherent part of the US's social and cultural heritage.

Sweden was added to the comparison because it recently introduced a national holiday on 6 June. Some research suggests that the cost of that additional holiday through lost output is 0.3 per cent of gross domestic product. However, if a holiday were taken in place of another holiday, the impact would be broadly neutral. In terms of the economic analysis—[*Interruption.*]

Sorry—there seems to be a glitch with the PowerPoint presentation, but I will continue. On the economic analysis, we took three overall approaches. The first approach was a cost analysis. We considered the negative impact and the cost of a day of lost output. That analysis does not take any account of positive impacts or gains.

Our second approach was a net analysis. We considered the off-setting costs and benefits and the impact on the economy of a bank holiday. We took cognisance of the fact that not everyone takes a holiday and that those who do might work

harder before and after the holiday to compensate for the day off.

Thirdly, we undertook a positive analysis of the impact and considered actual spending behaviour on two holidays. The problem with such an approach lies in distinguishing between normal movements in output and those on a bank holiday. To do that, we examined two bank holidays that move. In considering March and April, we compared months with an Easter to those without. We also examined the Queen's jubilee holiday in 2002. We acknowledge that a St Andrew's day bank holiday is not directly comparable, but the analysis indicated the magnitude and the potential direction of movements.

What can we conclude? There is a table in the report that summarises the fact that Easter is good for retailing and the jubilee weekend was bad, whereas both holidays were good for hotels and catering. Easter has no lasting effect on manufacturing because losses are made up elsewhere in the month, before and after the holiday. On the Queen's jubilee holiday, drops in value added might show that the time of year was significant. For example, the retail sector might suffer more in warmer months than in colder months, given a lack of real alternatives for our leisure time.

The Convener: I am sorry to interrupt you, Richard, but should we suspend the meeting for a few minutes to give you time to sort out your PowerPoint presentation?

Richard Sweetnam: Whatever the committee feels. I am happy to plough on.

The Convener: You have taken a lot of time to prepare your presentation, so it would be a shame if we did not see it. I suspend the meeting for a couple of minutes.

14:13

Meeting suspended.

14:16

On resuming—

The Convener: Okay, we are back on course, so I reconvene the meeting. I hope that this time the technology is working. Over to you again, Richard.

Richard Sweetnam: Thanks.

Of the three approaches that I outlined, I refer particularly to the offsetting approach, which involves examining the actual behaviour of the economy on two bank holidays: the Queen's jubilee and the Easter holiday. What can we conclude? The Easter holiday was good for

retailing, but the jubilee weekend was bad for that sector. However, both holidays were good for the hotel and catering sectors. The Easter holiday had no lasting effect on manufacturing, as losses were made up elsewhere, either before or after the month of the holiday.

On the jubilee holiday, drops in value added may be because of the time of year. For example, retailing may suffer more in warmer months than in colder months, when there may be a lack of real alternatives for leisure time. Obviously, St Andrew's day has a greater affinity with Easter. Our research discounted the jubilee holiday for two crucial reasons. One was the time of year—it was June of 2002—but there was also the complicating factor of the jubilee coinciding with the 2002 world cup.

On the net analysis, the impact of Easter at both United Kingdom and Scotland levels—as adjusted—is an increase in gross value added of £61 million and £4.6 million respectively for the UK and Scotland. On retail sales, the analysis indicates an increase of £107 million and £9.5 million, respectively. On the tourism impact, which was done on the basis that we travel and spend more at Easter, there was a net cost to Scotland of some £14 million.

I referred before the technical glitch to the cost analysis, which entails looking at the actual cost of output. By way of an alternative method, we valued output on a productive day, made assumptions about which industrial sectors would be most affected and came up with a cost—or a loss—of £135 million. However, I stress that that does not account for any productivity gains that are accounted for in the previous method.

On the cultural impacts in the findings, we were striving to present to the committee evidence on ideas rather than give recommendations about how Scottish residents should celebrate St Andrew's day. Overall, if there was a bank holiday for St Andrew's day, we would need a mechanism to celebrate it and to ensure that Scotland fully benefited culturally. As options 1 and 2 would involve a bank holiday, there would be more scope to develop an integrated programme of activities around a national celebration. That scope would be reduced somewhat under options 3 and 4, which would not provide a day off. There would be less time, and the time of year and climate would perhaps restrict some night-time activities. Given how option 4 could be developed, there would inevitably be a greater localised impact in the short term.

For the social analysis, we drew on the online omnibus survey and asked respondents at UK level how they spent their time on a recent May bank holiday. The results indicated that a higher proportion of people in Scotland than elsewhere

worked on that bank holiday, which may be indicative of our culture of observing local holidays. Of those who did not work, 46 per cent stayed at home, 21 per cent visited friends and relatives and 12 per cent participated in short breaks.

We used the United Kingdom time-use survey as another indicator of how people could spend additional free time. Again, that indicated that in our spare time we tend to participate in sports, hobbies and cultural pursuits. We also quantified the number of Scottish residents who could benefit from a day off in relation to how economically active they are and the sectors of the economy in which they work. Based on there being some 2.3 million people in employment, we came up with the figure that about 17 per cent of Scottish residents—about 800,000 people—could benefit from a day off.

Our social analysis also considered the concept of willingness to pay. Essentially, it is a method of valuing intangible impacts, such as the so-called feel-good factor from an intervention, and it is common in health and environmental economics. If we assume that St Andrew's day would have similar effects to those that were quoted in research on the London 2012 Olympics—the benefits of national pride, uniting people and increased participation—and a willingness among Glaswegians to pay about £12, we can monetise the benefit at some £27 million per annum.

We also estimated which sectors could operate in the event of a holiday. We did that to assess the number of beneficiaries. Based on data from the Office for National Statistics on employment across key sectors of the Scottish economy, and on assumptions on whether those sectors would be open, closed or mixed, we came up with the estimates that are shown on page 46 of our report.

There are some key points in our conclusions. Research suggests that we need to clarify what it is about St Andrew's day that Scottish residents identify with. If there was a holiday around St Andrew's day, it would need to be distinct from other bank holidays and to integrate with what is already a busy period in the Scottish events calendar. Research also suggests that there would be a five to 10-year gestation period in the deliverability and branding of a national holiday. That would inevitably require financial support.

How to celebrate St Andrew's day depends on two things: first, whether we have a bank holiday; and secondly, if we do, the day on which we choose to celebrate it. Would it be fixed to 30 November, or would it be celebrated on the nearest weekend day?

Options 3 and 4 are generally more popular with the private sector, but they would perhaps dilute

the cultural impacts. Option 1—substitution—is generally favoured as it would mitigate the perceived disruption or losses to the economy, but there may be a reluctance to surrender an existing bank holiday.

The Convener: Thank you—that was very helpful. Before we move to questions, I remind committee members and people in the public gallery that the committee has been given two remits by Parliament: one is to consider the bill and the other is to consider other ideas for celebrating St Andrew's day. There might be a tendency for us to concentrate on the bill but we should bear in mind our dual remit. We should cover both sides.

Dennis Canavan (Falkirk West) (Ind): First, I would like to thank Richard Sweetnam and his colleagues for a helpful and interesting presentation.

A criticism has been that the bill would not in itself achieve the objective of a national celebration of St Andrew's day, so other measures would be required. Your international comparison seems to indicate that considerable social, economic and cultural benefits could arise from a national holiday on St Andrew's day. Can we learn from other countries how to celebrate the day and make it a day of national celebration?

Richard Sweetnam: The crucial point is that there will be a day off in order to celebrate. We therefore need to develop something unique to St Andrew's day. Our research across all countries might provide innovative ways of how the idea might be delivered, and might suggest ways in which central Government and local authorities could join in or lead national celebrations.

Ireland is an obvious example of where there has been a specific intervention from a unit that develops activities and celebrations not only in Ireland but round the world. There is good practice to learn from.

I suspect that we have to come back to how Scottish residents want to recognise St Andrew's day and celebrate it. If the bill unlocks a bank holiday, we will have to do something to celebrate it.

Dennis Canavan: Your paper refers to consultations of local authorities. You may have seen the document that summarises the responses to my consultation on the bill proposal. The document says:

"The vast majority of elected politicians who responded expressed support"

for the proposed bill, and

"a majority of local authority responses were in favour".

Can you confirm that the responses that you received from local authorities were, in general, from local authority officials such as chief executives and heads of human resources departments? There was virtually no consultation of elected representatives in local councils because of time constraints—some of the responses refer to that.

Richard Sweetnam: I confirm that there was no formal approach to elected representatives. However, within the time constraints to which you referred, we spoke to people in chief executives' offices.

In general, across the sectors, there is support in principle for a St Andrew's day celebration. Our consultation shows that. Among other things, we asked local authorities—with the caveat that that means chief executives' offices—about the propensity to surrender a local holiday. We were trying to home in on issues to do with option 4.

14:30

Dennis Canavan: My final question of clarification concerns the possible uptake and observance of the holiday. This morning, an organisation called icScotland.co.uk reported:

"Fewer than one in five Scots would get a day off work if St Andrew's Day became a"

public

"holiday, a report before MSPs has said".

That is a clear reference to your report. Do you accept that that distorts its findings somewhat? On page 46, the report says:

"We ... estimate that up to 36% of Scotland's jobs are in sectors that are likely to operate on a Bank Holiday."

I therefore assume that, in your estimation, 64 per cent of workers would work on the bank holiday. How did you arrive at those figures?

Moreover, 64 per cent of Scotland's 2.3 million workforce equates to 1.5 million people working on the holiday. If we assume that the bank holiday is also a school holiday, that means that 3.5 million people will not work. As a result, approximately 70 per cent of people will observe it.

Richard Sweetnam: This comes back to our assumptions about how people in each sector might react. The fact that the report covers a range of potential beneficiaries might address your point.

The estimate in question is based on our views on how sectors might react, which have been informed by our consultations. For example, the Scottish banking sector would mostly stay open; however, employers in various sectors are moving towards offering flexibility. As a result, the one in

five figure to which Dennis Canavan referred might well be a distortion in that it is a specific figure. After carrying out the research, we do not know how people might behave. I should point out that there is no correlation between our omnibus survey on people's behaviour on bank holidays and the figure; we simply came up with an indication of the number of beneficiaries—that is, workers—and the time that they might get off.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): Thank you for a very interesting report and presentation. Following from Dennis Canavan's question, I am interested in—and concerned about—not so much the desirability of having this national holiday as its deliverability. Given your research, are you able to elaborate on how we can make it happen?

Although the full report provides quite a bit of information on them, you have not said too much about the legislative frameworks in other countries. I wonder whether you can summarise the features and effects of the frameworks elsewhere. How important has legislation been in driving and delivering such changes? Does it, in fact, come later and reflect what has already happened in practice?

As far as delivering change is concerned, at earlier stages of considering the bill, I have asked about schools. Dennis Canavan, in passing, asked us to assume that the holiday would also be a school holiday. I do not like to make any assumptions, and experience suggests that we cannot assume that school holidays are necessarily aligned with holidays that business takes. Of course, that creates all kinds of issues for individuals and families throughout the land.

Richard Sweetnam: The two crucial issues are the deliverability and the legislative framework. In some cases, holidays are apparent and we have inherited them. The legislative framework is important, in the sense that it protects the work-free days in the comparator countries. Certainly in Ireland and France and, I suspect, in Sweden, they are a legal right of employees and employees who work on public holidays are entitled to compensation of the equivalent time off work. In that sense, the legislative framework protects the workers and is important to delivering and sustaining bank holidays.

If your question related to the deliverability of holidays for celebrations, that depends on what kind of celebrations Scotland has in mind for St Andrew's day. My colleague Josephine Burns may be able to comment on that.

On schoolchildren, research should reflect on the social element about logistics and managing children and work, particularly on bank holidays.

Josephine Burns (Burns Owens Partnership): The heart of the question that Susan Deacon posed is whether legislation drives change and creates a signal to which the population responds or whether it reflects the public will, which in this case is the desire to celebrate and understand the national identity in a particular way and at a particular time and place. I stress that our research was limited and that the work that you asked us to do concentrated very much on the economic aspect. My caveat is that we did not consider every celebration, but only those that are mentioned in the report that is before you. On balance, we see a legal desire to reflect grass-roots celebrations. That is certainly the case with St Patrick's day. [*Interruption.*]

The Convener: That is the fire alert. We are to remain in the building, so we will carry on in the meantime, but if we get another alert, I will have to suspend the meeting.

Josephine Burns: I hope that what I said did not cause that. [*Interruption.*]

The Convener: The alerts may continue for a fair period, if 9 o'clock on a Wednesday morning is anything to go by. I am sorry, but we will try to carry on as if nothing is happening until we hear something serious. [*Interruption.*] I think that we had better suspend the meeting until further notice. It would be unfair to the witnesses not to suspend until the situation is resolved.

14:39

Meeting suspended.

14:49

On resuming—

The Convener: I think that we can reconvene. The fire alert message has stopped, but that does not mean that the mini-crisis is over; we may still have to vacate the building. At least we can continue without the background music.

Jo Burns was in the middle of her answer to Susan Deacon's question. It is probably best if you start again.

Josephine Burns: Okay. The two issues that Susan Deacon asked about were deliverability and legislative consequences or legislative importance. As you will see from our report, there is no clear answer to the question whether the legislation makes the day. As Richard Sweetnam has described, it protects the day—it enshrines it—but does it make it a cultural celebration? Does it reach into people's hearts and into the heart of the culture of a place? No, legislation probably does not do that.

We must, therefore, consider the question slightly differently and say that, on the basis of our limited research—this is not the principal area of benefit that you asked us to look at—which included an interesting interview with Calum Iain MacLeod, the chief executive of An Comunn Gàidhealach, which organises the Mòd, it is clear that a desire is emerging to celebrate Scotland's culture within a European and international context. Although there are many different small, medium-sized and even large celebrations, none of them coalesces into something in which each kind of celebration comes together to celebrate the thing called Scotland. There are the highland games, the common ridings, the Mòd and a range of evidence of culture and cultural celebration—not forgetting sport.

Deliverability and legislative importance are linked. Deliverability depends on structures that can be harnessed to make something happen. Action from the top down—the Parliament and the Executive deciding that you want to have this day and, let us say, hold a ceilidh in Edinburgh castle—is not the thing that will make St Andrew's day a real celebration as the bill wishes.

As our report suggests, there would have to be a gestation period in which we could examine and try to build capacity—that is consultantspeak. We need to build the extent to which existing structures or, indeed, new structures that might come through can develop local community celebrations that will somehow relate—inevitably and quite properly—to the big initiatives that the Parliament may wish to take, which might include a firework display at the castle or whatever. In our report, we have hazarded a few guesses at some of the things that might be involved in creating deliverability. In section 5.3.1 we give a brief and not comprehensive—nor thoroughly researched—list of ideas of what the thing might look like.

I hope that I have responded adequately to the question.

Susan Deacon: Yes. Thank you for both answers, which were very informative.

I want to clarify two factual points. The first goes back to something Richard Sweetnam said. You talked about how legislation in other countries protects the day and said that it ensures that, when employees work on the day, they are entitled to an alternative day off. Does the legislation protect the day in a quantitative sense—the number of days for which people are entitled to be off work—or the date?

Richard Sweetnam: The United States has a slightly different legislative framework, but I suspect that the legislation protects both the date and the time, as happens in Ireland and Sweden.

Susan Deacon: Thank you.

My second question goes back to my chicken-and-egg, cause-and-effect question. Did you come across any examples of legislation being used as a catalyst to bring about a holiday? We know that the dates exist as significant dates in the calendar. Has legislation elsewhere been used as a catalyst in that way or, more than that, as a means of forcing businesses or schools to close on a particular day?

Richard Sweetnam: I would be reluctant to answer that question in relation to holidays that have been established for a long time, such as St Patrick's day, or Bastille day in France.

This is not a direct comparison, but in Sweden the catalyst was the desire for a national day. A way had to be found to deliver that within the existing calendar of public or bank holidays in that country. In terms of cause and effect, the legislation delivered the desire for the national holiday. I may need to defer on other evidence from Canada. It was not formally assessed as part of our comparator research, but it is an example of a relatively recent legislative change in delivering public holidays.

Susan Deacon: My final point may be outwith the scope of your remit. It is naughty of me to ask you to take a broad-brush view of this, but in general would you say that the other legislative frameworks that you have examined are comparable in terms of the number of teeth that they have? Are we comparing like with like when we are considering the bill, the powers that we have and the legislative frameworks that exist elsewhere?

Richard Sweetnam: I would need to give further consideration to the legislative comparability across countries, nations and Parliaments. National holidays such as St Patrick's day are not specifically enshrined in legislative frameworks, but there are a number of bank holidays and public holidays that are delivered by legislation. We will have to examine specific legislation in relation to the more recent holidays, such as those in Sweden and Canada.

Murdo Fraser (Mid Scotland and Fife) (Con): I am interested in what you call option 1: the idea of creating a new holiday, but in substitution for another holiday at a different time of year. The research that you did on Sweden was interesting, because if I read your submission correctly that is exactly what was done there. In 2005, the first year after the creation of the new national day holiday on 6 June, an existing holiday, Whit Monday, was effectively removed from the list of holidays. I understand that the information that you have on Sweden in the report is comparatively limited, but I wonder whether you can add anything to what has been said about the public reaction in Sweden to the idea of creating a

national day holiday at the expense of another holiday. How was that received by the public? Was there any resistance to the idea?

Richard Sweetnam: Not that we have come across. The Swedish comparator was unearthed during our research. We were reacting to something we found. Uniquely, some research had been done on the economic costs of a public holiday. That was the trigger for us to look at Sweden. Our focus was specifically on that research. That said, nothing emerged during our research that indicated support or lack of support for a substitution.

Neil Blake (Experian Business Strategies): Richard Sweetnam will correct me if I am wrong, but the move from Whitsuntide to 6 June is not particularly significant in terms of time—it is a change in the purpose of the holiday—but moving from Whitsuntide to November could have a different effect.

Murdo Fraser: I understand that. If I read your report correctly, I think you are saying that there was no negative economic impact of moving the holiday and that the general effect was relatively neutral.

Richard Sweetnam *indicated agreement.*

Murdo Fraser: It may be too early to say because the national day holiday in Sweden was introduced only in 2005 and you may not have information about it, but I would like to know the extent of take-up of national day celebrations and how they have been aided by the fact that the national day is now a holiday whereas it was not previously.

15:00

Richard Sweetnam: That too would warrant additional research by us. As I have said, the Swedish comparator came to us late when we were carrying out our case studies. However, you are right: it may be too early to assess the impact.

Murdo Fraser: Okay. Thank you.

Shiona Baird (North East Scotland) (Green): It is important to point out that Sweden has 11 public holidays and that it could replace one holiday with another holiday. Perhaps that makes a difference to the options for Scotland, which has fewer bank holidays.

I found your report positive, particularly on how important national holidays can be and their various cultural and social benefits. We should consider what happens on thanksgiving day in America against the concerns that have been expressed about the proposed St Andrew's day holiday being at the end of the year, when the weather is not good. As your report points out, the

experience from America is positive—thanksgiving day is used to visit family and friends and is a national day of celebration.

I have a concern. Such holidays are well established in other countries and their social and cultural impacts have been seen to far outweigh their impact on the economies of those countries. Social and cultural impacts are seen as much more important than any economic downturn that may result. However, with the new holiday in Sweden, there has been an immediate assumption that GDP matters and is more important than social and cultural impacts. Do you think that the cultural and social importance of recognising a national day far outweighs the importance of there being a slightly negative impact on the economy, which is possible? Am I putting words into your mouth?

Richard Sweetnam: I suspect that the cultural and social momentum in those countries has gathered over many years. There has never been a need to quantify the economic impact on some of our comparators. There has been academic research on the economic costs of the bank holiday in Sweden, but that does not mean that economic costs are more important than cultural and social benefits. That is my initial reaction.

I want to clarify something. Any negativity that I conveyed when I compared St Andrew's day with other days arose from comparing it with the Queen's jubilee holiday and a June holiday. St Andrew's day is, of course, in November, at the same time as thanksgiving, as has been pointed out.

Josephine Burns: It might be dangerous to say that our report absolutely and conclusively proves that the cultural and social benefits would outweigh any marginal or greater economic loss. I do not think that we can prove that they would, partly because it is extremely difficult to compare people's evaluation of cultural or social benefits with their evaluation of economic factors, as we found in undertaking the work. It depends on what a person feels and what their values are, which is both a collective and an individual matter. Having a St Andrew's day bank holiday is a collective matter in respect of whatever decisions the Parliament might make and an individual matter in respect of how the person on the Musselburgh omnibus might feel about it.

I should perhaps point out that my taxi driver on the way here was very keen on having a St Andrew's day bank holiday. However, what taxi drivers think is not necessarily the litmus test.

Shiona Baird: Both the presentation and the report say that 30 November is a busy time of year. For the life of me I cannot think what is being referred to, apart from the run-up to Christmas, as

there are no bank holidays from August onwards—

Christine May (Central Fife) (Lab): The run-up to Christmas is what is being referred to.

Richard Sweetnam: In addition to the run-up to Christmas, some activity already takes place around St Andrew's day and there are winter festivals in places such as Edinburgh. After Christmas, we start to get into Burns territory. In the calendar of Scottish events, the end of November is a relatively busy period.

The Convener: An interesting point that is highlighted in the report is that St Andrew's day is celebrated more in the town of St Andrews than anywhere else. In that area, the deliberate strategy has been to use St Andrews day as the beginning of a six-week festival running through Christmas and new year and right into Burns day—in fact, that is eight weeks—which is at the end of January. One issue is the degree to which St Andrew's day can give energy to the run-up to Christmas and hogmanay celebrations, which could finish off with the Burns thing.

Shiona Baird: From the report, it is clear that thanksgiving day has a significant impact on that period. I will leave the issue at that.

Christine May: I remember when Fife Council, of which I was then leader, picked up the St Andrews celebrations of St Andrew's day and began to develop them into a week of celebration and activities. The success of hogmanay over the past five to 10 years demonstrates that it is possible to generate sufficient interest and public support around a day or date in the calendar without legislative designation for it. After hearing the responses that we have been given today, I am coming to the view that we may need simply to hold our noses and jump one way or the other—there seems to be no definitive evidence either way.

I have one question about the slide in the presentation that referred to the need for support. It was suggested that if we are serious about promoting St Andrew's day as a national day of celebration or as a day that, as Alex Neil suggested, kicks off eight weeks of celebration that end with Burns night, we would need to provide public support. Demands for additional public sector support have also been made for the Edinburgh festival and for hogmanay. Is there any evidence to quantify how much support would be required over five to 10 years? Is there evidence from Ireland—where what was already, by and large, an established church holiday was moved into a week of celebrations—or Sweden, where I presume some funding had to be put in place?

Richard Sweetnam: In our research, we were reluctant to attribute a cost to celebrating

something when we did not know the form of celebration. On that basis, we did not come up with an attributable cost. However, developing St Andrew's day as part of a bigger offer to get more people into Scotland would involve costs for marketing and so on.

By way of evidence—the caveat is that we are not comparing like with like—the Irish Government's most recent contribution to support St Patrick's day celebrations amounted to £690,000. However, it would not be correct to assume that Scotland would face similar costs; the cost would depend on what we were trying to deliver and what we were trying to achieve.

Christine May: Are any figures available for Sweden?

Richard Sweetnam: Our research did not uncover any.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): I want to ask about the practicalities. I note that you conducted primary research through local authorities, the Convention of Scottish Local Authorities and the Scottish Trades Union Congress. Did they express a view on the practical application of the four options? In the public sector, a significant number of people have reduced their public holidays from 10 to five fixed holidays and five floating holidays. Local authority staff say that they will move some holidays so that they can have a Christmas closedown. Were the practicalities discussed with the Executive, particularly the Health Department, and with the STUC, COSLA and local authorities?

Richard Sweetnam: Yes. All the interviews were structured and all interviewees were presented with the different options. Our research flagged up the shift, among some local authorities in particular, to allowing employees the flexibility of so-called banking bank holidays—staff having an aggregate number of days and choosing how to spend them.

Margaret Jamieson: Did that not influence those who were involved in your research to say that one of the four options was a better fit for them?

Richard Sweetnam: We presented evidence around the options without articulating the preferences of individual consultees. Across sectors there is broad consensus about celebrating Scotland in some form. The no holiday option was a better fit for the private sector. All public sector and local authority consultations fed back the need for flexibility. The proof of the pudding is in the eating. In general, the respondents said that they would need a lot more information before they could commit to saying how they might behave.

The Convener: I have a couple of questions about how to generate the celebration of St Andrew's day both inside and outside Scotland. Two things struck me. The first is that there is a dedicated unit in the Irish Government to co-ordinate St Patrick's day activities. I suppose that EventScotland could take responsibility for organising St Andrew's day activities; otherwise, we could simply have a dedicated unit. How important would that be in making a success of the celebrations?

Secondly, what kind of celebrations have the most impact domestically and internationally? In Boston, at least, where I lived, St Patrick's day is almost as important as thanksgiving and independence day, because of the Irish community there. What kind of celebrations are most effective for getting the message across?

Richard Sweetnam: You asked about a dedicated unit, or some other intervention to deliver a successful celebration. The unit in Ireland is a relatively recent important intervention to rejuvenate the flagging brand of St Patrick's day, which you are right to say has always been a major event in America.

A parade-driven event, with a series of satellite parades or events, that is focused around a capital or major city seems to be one common denominator in the events that have the most national and international impact. It would be interesting to know whether that is a legacy of the history of national days.

15:15

Josephine Burns: It is quite hard to quantify success. There is something about the large, civic public display that is extremely important. It is the big signal, but that must not be all there is. The most successful days seem to be those in which such displays are linked to and somehow in relationship with a local community engagement that involves family or other structures.

Thanksgiving day has been mentioned. On thanksgiving day, the community is the family; people stay at home to be with, and eat with, their families. You must signal the flavour of St Andrew's day—the kind of day you want it to be—and there will need to be a lot of engagement with the local community to define what it might be and might become over the years.

The Convener: That was an extremely helpful evidence-taking session. I thank the consultants very much for a helpful and well-researched piece of work. We will schedule for next week a discussion on the committee's attitude to the bill and other ideas on the celebration of St Andrew's day and will discuss a draft report on 19 September. We are working to a fairly tight

timetable, which has been set by the Parliamentary Bureau, but on that schedule we should be able to complete our consideration in time for the stage 1 debate, which is scheduled for 29 September.

As we have had two suspensions, I am inclined to move straight to item 2.

Subordinate Legislation

The Robert Gordon University (Scotland) Order of Council 2006 (SSI 2006/298)

15:16

The Convener: We have four items of subordinate legislation to consider, all of which are negative instruments, which means that we just need to report to the Parliament any comments that we have. I have asked that, for each instrument, we have representatives from the Scottish Executive to answer any questions that members might have. I hope that we have not delayed them too long.

The first instrument is the Robert Gordon University (Scotland) Order of Council 2006 (SSI 2006/298). We have with us Louise Sutherland and Andrew Campbell from the Executive and Natalie Laing from Robert Gordon University in Aberdeen. Natalie Laing will give us a brief introduction and then I will ask whether there are any questions about the order.

Natalie Laing (The Robert Gordon University): We are happy to have the opportunity to outline to the committee the background to making the order. The provisions for the governance of the university were contained in the Robert Gordon University (Scotland) Order of Council 1993 (SI 1993/1157). In early 2004, the university began a fairly significant review of its governance structure and, as part of that evaluation, a review of the university's constitution was undertaken.

A number of significant issues arose from that review and certain key areas that required to be addressed were identified. In particular, the university wished to ensure that it was working within a governance structure that would ensure that it would fulfil its ambitious development plans well into the future. It sought to ensure that its constitution supported all the needs of a modern institution that now works in an international arena.

The overall feel of the new order of council is more modern and lean in both substance and language than the 1993 order. Rather than amend the 1993 order, there has been an almost complete reworking of the existing order. The result is a document that I think you will find much more user friendly and functional. It is also more accessible to anyone who chooses to access it.

Although it is a completely new order, the principles of control and accountability that existed within the 1993 order are still entrenched within the 2006 order. In conducting the review of the university's constitutional arrangements in 2004, it became clear that the university was in a slightly

unusual position because, arguably, two legal entities were co-existing. One was the governors of the Robert Gordon University, which was effectively the governing body or the board. The other was the institution itself, the Robert Gordon University. In the 1993 order of council, the body corporate was identified as the governors of the Robert Gordon University and the university holds its properties in that name. However, in all other respects, including all primary and secondary legislation in which the university appeared, it was referred to as the Robert Gordon University. In order to make the university itself the body corporate and to sweep away the anomaly, it has been necessary to establish a new Robert Gordon University. The constitution, functions and powers of the new university are set out in the new order of council. The original university will be closed and all property, staff, rights and liabilities will transfer to the new institution. It is proposed that that will take place on 4 October.

The Convener: Thank you. That was very helpful.

I draw the committee's attention to the cover note on the order of council, which points out that the Subordinate Legislation Committee considered it on 13 June 2006 and agreed to raise various points with the Scottish Executive. I believe that the Subordinate Legislation Committee and the Scottish Executive have now resolved those issues. As a result, an amending order has been laid and will need to be considered by this committee at a subsequent meeting, but we are still required to consider this order. Does anyone have any questions for the panel?

Susan Deacon: This is not a question for the panel, but one about the procedural issue that you have highlighted. The covering note raised a question in my mind about why we are in this situation. Instinctively, I feel that we ought to be able to look at such matters in the round. Is there a wider procedural point that we should raise within the Parliament? I do not think that such a situation normally occurs.

The Convener: I ask the clerk to comment.

Stephen Imrie (Clerk): It is not a normal occurrence, although it is not unusual for an amending order to be laid. Our original intention and desire was to deal with both SSI 2006/298 and the Robert Gordon University (Scotland) Amendment Order of Council 2006 (SSI 2006/404) at the same committee meeting, so that we could consider them in the round. Unfortunately, the 40-day rule in standing orders requires us to consider SSI 2006/298 before 11 September, which means that we had to do so at this committee meeting. We could not also deal with SSI 2006/404 today because the Subordinate Legislation Committee has not completed its consideration of that

instrument. We usually deal with an instrument after the Subordinate Legislation Committee has done so, in case it wants to bring any points to our attention. We checked during the summer recess to see whether there was any way round the problem, but there was not. If the committee is so minded, I am happy to take up the issue with both the Subordinate Legislation Committee and the Procedures Committee to see whether anything can be done in the future to avoid this situation.

The Convener: Everyone is nodding. We should draw the matter to the attention of those committees, because the situation is a bit daft.

Christine May: For my own curiosity, can the officials give us a flavour of the issues that have been the subject of the amendment?

Natalie Laing: Yes. If it is all right, I can tell you that. It is straightforward. Basically, the phrase "or elected" was missed out twice in the order and it has been inserted in the amendment order. You will twice find reference to "appointment" in the order when it should say "be appointed or elected".

Christine May: I thank Natalie Laing for that information; it gives some weight to the points that we want to make. We are stuck with the legislative framework as it is currently constituted. I know that the Subordinate Legislation Committee has been putting a lot of effort into considering what it does, including the procedures and the 40-day rule. I am sure that our comments will lend weight to its considerations.

The Convener: Do we agree to draw our concerns to the attention of the Procedures Committee and the Subordinate Legislation Committee?

Members indicated agreement.

The Convener: We have no further questions. The order is a negative instrument so we do not have to agree to it. We just report back.

I thank the panel. I think that Andrew Campbell is staying on for the next instrument. In fact, it is his lucky day as he is staying for all four.

Education (Graduate Endowment, Student Fees and Support) (Scotland) Amendment Regulations 2006 (SSI 2006/323)

The Convener: For the second SSI I welcome, as well as Andrew Campbell, Kathleen Robertson from the Scottish Executive. I invite her to say a word or two about the regulations.

Kathleen Robertson (Scottish Executive Enterprise, Transport and Lifelong Learning Department): I do not have anything to add to the Executive note, but I can summarise briefly what is in the note, if that would be helpful.

The Convener: Very quickly.

Kathleen Robertson: The first reason for the amendment regulations is to implement a Council of the European Union directive on the rights of European Community nationals and their family members to move and reside freely among the territory of the member states. In relation to student support, the directive broadly ensures that those who have acquired a right of permanent residence under the directive have a right to equal treatment in relation to maintenance support, but that other, non-economically active EC nationals and their family members who reside in the UK have a right only to equal treatment in relation to tuition fee support.

The second purpose of the amendment regulations is to remove the requirement for three years of ordinary residence in the UK and the islands as it applies to people who have been refused refugee status but given another form of leave to enter or remain. In short, the regulations bring them into line with refugees as they are currently treated.

The Convener: Thank you. I draw the committee's attention to the cover note to the regulations, which states:

"The Subordinate Legislation Committee ... considered the instrument on 13 June 2006 and agreed to raise various points (mainly defective drafting) with the Scottish Executive. The Executive has responded on these points. The SLC has drawn these points to the attention of the Committee."

I asked Stephen Imrie yesterday to give me some detail on those points. We can circulate that information, but there appear to be three fairly minor drafting problems. The first problem will be corrected by means of a correction slip. I have not heard of a correction slip since I worked at the Digital Equipment Corporation. What is a correction slip?

Andrew Campbell (Scottish Executive Enterprise, Transport and Lifelong Learning Department): My understanding is that a correction slip is used to correct typos.

The Convener: Does it come to us?

Andrew Campbell: No, on the basis that, in effect, there has been a typing error in the process of putting the SSI together. If it was a substantive point, it would go through by way of an amending instrument.

The Convener: So, if a student looks at the statute book next year, the correction slip will have corrected the problem.

Andrew Campbell: Yes.

The Convener: The second point will be corrected in a forthcoming consolidation.

Kathleen Robertson: Yes. All the other drafting errors will be corrected by our next action, which will be the overdue consolidation of the student support regulations. The amendment regulations that you are considering consolidate a large part of the regulations in terms of the two schedules that set out the residence criteria, but we have the remaining stuff to do. It is due to be laid in January.

The Convener: Okay. It would appear that we have no worries.

Christine May: I have a question. I recall the process starting when I was on the Subordinate Legislation Committee. Can you confirm that, with the amendment regulations, we are in line with European human rights legislation and all the other statutes?

Kathleen Robertson: To date, yes.

The Convener: Are there any further questions or points?

Members: No.

Education (Student Loans for Tuition Fees) (Repayment and Allowances) (Scotland) Amendment Regulations 2006 (SSI 2006/326)

The Convener: For consideration of the third instrument, I welcome, as well as Andrew Campbell, Laura Barjonas and Tom Kelly from the Scottish Executive. I invite Laura to say a word or two.

15:30

Laura Barjonas (Scottish Executive Enterprise, Transport and Lifelong Learning Department): The key points are covered in the Executive note, but essentially, the regulations are being introduced to enable Scottish students who study elsewhere in the UK to have access to a new means of fee support to cover the costs of the new variable fees that are being applied elsewhere in the UK for the current academic session. The repayment amendments are to bring into line the repayment arrangements for loans for fees as well as loans for living costs.

The Convener: I am glad to see that the Subordinate Legislation Committee found no problems with the regulations. As no member has any question or comment, we thank you.

Education (Student Loans for Tuition Fees) (Scotland) Regulations 2006 (SSI 2006/333)

The Convener: Andrew Campbell, Laura Barjonas and Tom Kelly will speak about the final

instrument under consideration today. Will Laura give us an introduction to the regulations?

Laura Barjonas: They cover the same element as the previous regulations. They relate to the same purpose, but they are to ensure that the repayment requirements of students are consistent with the existing repayment arrangements.

The Convener: As no member has any question or comment, we thank you for that—you were very helpful.

Work Programme

15:31

The Convener: Item 3 is our future work programme. A number of papers have been circulated by the clerk, Stephen Imrie: a cover note that gives us an overview of what we are currently committed to, a scoping paper on options for a committee inquiry on sport, one on creative industries and one on European structural funds evaluation.

I offer a general comment. We need to focus on two matters. One is whether we should undertake another inquiry before the committee finishes at the end of February or beginning of March, and if so, what that inquiry should be, or whether we forgo having any inquiry, but perhaps add hearings on particular subjects along the lines of what we did previously on broadcasting. We must take a basic decision about the areas that we want to examine—if any—that are not currently in the work programme, and if we do, we need to identify what those are.

The second matter is that between now and October, our time is pretty much committed because we have to consider the Bankruptcy and Diligence etc (Scotland) Bill, the Tourist Boards (Scotland) Bill, the St Andrew's Day Bank Holiday (Scotland) Bill and the beginnings of the budget work. After the October recess, we will also have the proposed national register of tartans bill and the legacy paper at some point in the new year. The truth of the matter is that we would only be able to undertake any inquiry or hearings some time after the October recess. I think that we have about eight meetings between the October and Christmas recesses and then we have January and February before the run-up to the elections. It is sometimes difficult to get committee unanimity in those circumstances, even on a subject such as sport.

It might be that people are thinking along the same lines, in which case we can reach a fairly quick decision. However, in reality, we will not be able to do much on either an inquiry or hearings prior to the October recess because we are pretty bogged down with legislation. It is a case of what we can fit in. Whatever we agree to do, the remit has to be reasonably tight because there is no point in our trying to bite off more than we can chew or trying to do a piece of work that ends up half done because we run out of time.

I will go round the table and get people's comments, starting with Murdo Fraser.

Murdo Fraser: I am inclined to agree with the direction in which the convener is trying to lead us because of the shortage of time, especially before

the end of this calendar year. We would have difficulties undertaking a large body of work and trying to complete it in January and February next year.

During the three and a half years over which we have met we have not delved into sport in depth, with the exception of the paper that Richard Baker did on football. That is an omission on the part of the committee. If we were to agree to undertake a further piece of work, I think that it should be on sport—albeit that we would have to choose a tightly focused topic that was non-controversial and non-partisan because, as the convener said, it might be impossible to get agreement on a controversial issue two months before an election.

The Convener: We might have to do an inquiry on shinty.

Susan Deacon: I am strongly against our doing a full-blown inquiry, regardless of the subject matter. That is partly because of the pressure on time. If we do something, we want to do it well. There will be all sorts of pressures on us as we move into the new year, including the more general pressure of the Parliament's legislative programme. Although that might not have a direct impact on the committee's timetable, it will affect members' time and energy.

In addition, I am increasingly concerned about the shape and form that some committee inquiries take. I am not sure that more is better. Full-scale inquiries can become quite plodding and can lose a lot of momentum along the way. There are other ways in which we could add value in the suggested subject areas, which could have just as much of an impact as a full inquiry. Self-evidently, the dreadful business of party politics will come to the fore to a greater extent and sport is an area that offers enormous potential for the committee to fracture along party lines.

I have two specific suggestions. We could give quite a good airing to the subject of the creative industries in the form of a hearing—or whatever label we want to use—that consisted of just two evidence sessions. The scoping paper sets out quite neatly some of the key developments that are taking place in that field. The establishment of creative Scotland will be an important milestone. I am not sure when would be the right time to do that work, but if we agreed to the general principle of doing it, I am sure that the optimal time at which to do it could be identified. The chair of creative Scotland has been advertised. Perhaps that appointment would give us a chance to discuss publicly that organisation's stage of development and to raise some issues that might help to shape its work.

It might seem premature to talk about our legacy paper, but I hope that we will leave plenty of

quality time in the spring not just to produce the paper, but to reflect on what members of the committee have learned individually and collectively and on what we might want to suggest to our successors. There has been considerable continuity on the committee for some time. Some folk have even come back to it because they liked it so much the first time. I hope that we will leave sufficient time to reflect on the past and to think about the future.

Michael Matheson (Central Scotland) (SNP): I will deal with the three different inquiry options that the clerks have suggested. I think that our time is too limited to be able to undertake an inquiry on European structural funds, which would be a detailed piece of work.

There is reasonable scope to conduct an inquiry into the creative industries and Scottish Screen, but given that creative Scotland is only just being set up, it would be too early to do that work now. Even by late autumn, when we would be in a position to take evidence, creative Scotland's chair will have just got their feet under the desk and will be attempting to evaluate where the organisation is going. I suspect that that inquiry is better suited to the spring of next year. The problem is that we will not have time to conduct it. It should be considered, because there is concern in the creative industries about the establishment of creative Scotland and the merger between the Scottish Arts Council and Scottish Screen. However, until creative Scotland has been established as an organisation and its chair is in place, it will be difficult for it to provide us with the detailed evidence that we would need to carry out a full inquiry.

I have said before that I am in favour of conducting some form of inquiry into sport. With the exception of the football inquiry, the committee has failed to cover that area. The football inquiry was undertaken by a reporter, who produced a report for the committee, and it dragged on for some time. The sporting community in Scotland would welcome investigation of some aspects of Scottish sport by the committee.

I notice that the paper puts forward four scrutiny options. The first concerns the funding of sports policy. That could be a political football—

Members: Aw!

Michael Matheson: I am taking after Alex Neil with my puns. However, I suspect that in the run-up to the elections an inquiry that was limited to funding issues could become political.

The second option concerns the structure of sports policy. That would be a very detailed inquiry, given the range of governing bodies that exist. Those bodies have so many different views on what the structure should be that a

considerable amount of detailed work would be needed.

The third option is to look at major events. There is scope for us to consider not just major sporting events, but major events in general. How we seek to attract major events could merit an inquiry.

Option 4 is the best option, as it proposes a limited inquiry. The review of sport 21 is taking place now and is due to be published in the next month or two. There will have to be a strategy off the back of that to address some of the issues that were not addressed by sport 21 the first time round. There is an option to consider what lessons have been learned and the new strategy that is to be put in place, and to take evidence from some organisations on how they think that the new strategy will address the deficiencies in the first one. A tightly focused inquiry into the review of sport 21 and the strategy that will be developed from it would fit in very well with our timescale and workload.

Christine May: I interpreted the paper as setting out two proposals for an inquiry and my proposal for a minor piece of research evaluating the impact of European structural funds. I intend to proceed on that basis, as there is merit in seeking the piece of research work that has been suggested.

I agree with Michael Matheson's comments on the proposed inquiry into the creative industries. Unfortunately, the optimum time to conduct such an inquiry is so close to the election that we would never get agreement on it, although it would be a good inquiry to pursue.

The fourth option for an inquiry into sport is almost the equivalent for sports policy of the inquiry that we would like to conduct into the creative industries. I am not sure that we should carry out a full-blown inquiry into the issue. We may want to schedule a couple of evidence sessions and some desk research, seeking the initial view of the major organisations concerned on the outcome of the review of sport 21, what issues have been dealt with, how well they have been dealt with and what is still to be done.

I am keen to pursue an evaluation of the impact of European funding, because there is still a story to be found and told about individual projects and investments from this round and previous rounds of European funding. There is evidence that that funding has provided the catalyst for on-going development. The examples of which I can think most easily are from my area.

15:45

For example, there was European regional development funding and funding under the European environmental stream for cleaning up

contamination at Rosyth. There is now a legacy of a booming inward investment and economic development area. The other example is Methil energy park, where I was this morning. There is a similar type of investment there. However, I suspect that there are such examples throughout the country, including evidence from European social fund projects, ERDF projects and the other horizontal strand projects.

We could have a tightly focused piece of research, picking out perhaps three examples from each of the funds, and their accompanying horizontal themes. Such a piece of research could be conducted by the Scottish Parliament information centre, in conjunction with the programme planning partnerships and the European partnerships of the east of Scotland, the west of Scotland, the Highlands and Islands, and the south of Scotland. That could be done relatively easily and not at huge expense, and would provide us with some sort of economic measure by which we could consider the issues that are coming up for the next round of funding.

Richard Baker (North East Scotland) (Lab): Concern has been expressed that, because of time pressures and the political cycle, it will be difficult for us to launch into a major inquiry at this point. I share that concern, but if we are going to focus on one issue there is a clear argument for sport because we have not invested as much time in that area as we have in others. The sport 21 review would be worth considering, but I am a bit sceptical about whether we could have a tight and focused inquiry into such a huge area of policy.

Our evidence sessions and hearings—we have heard lots of evidence on certain issues—have worked well for the committee. There is no reason why we should not deploy that kind of approach again. We could have not just evidence sessions but round-table discussions and the like on certain issues.

Looking at our legacy paper, it might be useful to engage organisations in that sort of work. If our approach is not to consider one issue in too much detail, it would open doors for us to consider other, smaller issues, or big issues that we might not otherwise be able to touch on. There are issues such as the development of the employability strategy—we could even have a couple of evidence sessions on that. We would not be able to go into it in depth, but it would be useful to get an idea of what progress has been made on that, given that it took so long to come out in the first place. I would rather have that kind of approach, which is focused on those kinds of issues, than have a major inquiry into any particular subject.

Shiona Baird: I missed the meeting at which the discussion on the options took place, but I picked up from the meeting that one of the options

had been to consider those young people who are not in employment, education or training. I wondered why that option had been dropped.

The Convener: We had agreed that we should wait until the Executive had published its two strategies before deciding what, if anything, we would do. At the time, the Executive had not produced those strategies but it has now done so. We were not robbed; we just decided not to pursue the issue at the time. The Executive had hoped to produce its strategy much earlier.

Shiona Baird: So that is really off the agenda.

The Convener: No, not necessarily. It is up to you.

Shiona Baird: That is Richard Baker's employability strategy.

Richard Baker: That is what I was saying. We cannot go into it in the depth that might be required, but we can at least touch on it.

Shiona Baird: As that appeared not to be in our scope, I looked at what the other options were. I wondered about the creative industries and whether there was an opportunity there. I gather that a culture bill is proposed for the next session. Is that right?

The Convener: That will be after the election.

Shiona Baird: Yes. There is a possibility that a short inquiry could give direction to that culture bill. I wondered whether that would be an option, but at the end of the day I feel that an inquiry into European funding would provide the most benefit.

The Convener: I invite Stephen Herbert to comment, as he produced the papers. He can answer any questions that members have on them.

Stephen Herbert (Scottish Parliament Directorate of Access and Information): One point that all members have mentioned is the degree of change that exists in all the areas—to a greater or lesser extent—at the moment. A bill is in the process of being developed in relation to the creative industries, so I feel that more significant change is taking place in that area than is the case with sport, given that the sport 21 strategy has been in place for some time.

On structural funds, I acknowledge Christine May's point about a range of options, but her idea about highlighting a few projects is the sort of activity that the programme management executives and the European Commission undertake—the Commission finances on-going evaluations.

Those are some general comments regarding the options. I do not want to make any specific comments.

Christine May: The problem is that the evaluation work that the PME's and the Executive do comes at the end of the structural funds round, so it tends to look back at projects that have been concluded for years. I am talking about considering situations in which there is an on-going economic impact, or not, as a result of European funding. The PME evaluation, the mid-term evaluation and the Executive's work do not do that.

Stephen Herbert: The present programmes run until the end of 2006 and it will take two or three years for the economic impact to come through. However, the evaluations of the previous programming round programmes have been produced. There is an on-going process in which we have to wait almost three years.

Christine May: We are talking about two entirely different things.

The Convener: Let us try to wade our way through the matter. I will deal first with the suggestion on the European evaluation, which is different from the other issues that we are talking about in that it is about commissioning a piece of professional research. The results of that research would be of major interest, not only to this committee, with its enterprise and lifelong learning hat, but to the Local Government and Transport Committee, the European and External Relations Committee and potentially others. I therefore suggest that we treat that as a separate issue and agree in principle to commission a discrete piece of research on it, although we would need to agree the detailed remit at a future date.

The research may or may not be completed early next year but, either way, it would be of benefit and whatever is done with it, it would be built into the committee's legacy as an issue that our successor committee should address. In the meantime, let us get the research done. Other committees may want to address other aspects of the issue. We will agree a remit and then go through the necessary channels to get agreement for the research to be done. I presume that that would be managed by SPICe, but perhaps with external assistance. We can do that without interfering with our work programme. Do members agree to that suggestion?

Members indicated agreement.

The Convener: Now that we have put that issue aside, we have three subjects in which members have expressed an interest—sport, creative industries and the employability strategy. There is also the allied issue of the modus operandi of our work, such as whether it will involve hearings or an inquiry.

I think that what I am hearing is a majority of members suggesting that we should do something

on sport, on the grounds that it is an important sector and because, with the exception of the football inquiry and the rugby hearings, we have not done a great deal across the board on sport. We need to discuss whether a full-blown inquiry is possible within a realistic timescale, but there certainly seems to be a feeling in the committee that we have neglected sport rather more than we should have done.

I agree that there is a major piece of work to be done on creative industries, which has such a wide definition that it could cover broadcasting, independent production and a range of other activities. Of course, in a sense, it covers both the enterprise remit and the culture remit. It seems to me that the creative industries issue needs a lot more work over a longer period of time than we can perhaps give it. Having said that, the committee could hold hearings to try to identify the main strands of the issues that need to be addressed, and perhaps to provide some focus, particularly to feed into the legacy paper, on the work that needs to be done at parliamentary level.

The employability strategy is a high priority, but I suggest that, because it has just been published, we need to give it some time to bed in before we could add value to it. Obviously, we could undertake an exercise and second guess the strategy and say where we think it might be wrong. That is a possibility, but it seems to be a very wide area and one that will need a fair amount of intensive work. My own inclination is to say that the time to do that will be in about a year from now, by which time the strategy should be starting to produce some results on the ground. In my view, that will be the time for a committee inquiry into the employability strategy.

Susan Deacon: I would like to develop some variations on a theme. I sense that there are no huge disagreements in principle around the table, but that it is simply a question of how we make it all hang together. On the European structural funds, I certainly think that the proposal to commission research is a good one, but I would like to suggest a slightly different tack for the three other topics.

My own view—and I did not detect anybody round the table who was not arguing for this—is that we should not embark on an inquiry into the creative industries. There is a specific issue about the creation of creative Scotland, and I apologise if I have confused the issue by using the wrong terminology. The board for creative Scotland will be set up by the end of this year. That is the current stated position, as captured in Stephen Herbert's paper. Primary legislation will be required, and I understand that the publication of the draft culture bill is expected this year, although—

Stephen Herbert: It will not be laid formally this year.

16:00

Susan Deacon: That is right. It will not be taken forward until the new parliamentary session.

I remain of the view that there is something—I do not want to be too pushy or prescriptive about what that thing might be—that the committee needs to consider at some point in this parliamentary session, specifically in connection with the creation of creative Scotland as a body, particularly if the draft bill is about to be published and if, de facto, the body has been set up, even if it is not yet enshrined in primary legislation. I absolutely do not think that that work should take the form of what we would recognise as an inquiry. It should be something that literally provides a hearing of the issues and the situation. We can then provide a platform in the Parliament to help the wider public to understand the stage that that significant structural development has reached.

I would treat employability in a similar vein. Richard Baker is right to remind us—I had certainly forgotten—about the previous commitments and our intent. I agree with the convener that we could not possibly do justice to the subject in this session and that we should allow the strategy to bed in, but having one meeting at which we took evidence from the minister and heard an update would be useful. If I remember rightly, the last parliamentary debate on employability took place before the strategy was published. We could make a contribution on that.

All that I will say about sport is that I am with Richard Baker: my mental jury is still out on whether it is possible to undertake a focused piece of work on sport. We cannot separate the in-principle decision from the methodology question, because we need to see that we can make all that knit together in the time that is available, which is a pre-election period.

The Convener: Do members agree to having one or, at the most, two hearings on creative Scotland, probably early in the new year? That would probably be the right timing, rather than before the end of the year. We could also cover the employability strategy in one or two meetings at which we would hear from the minister and others. That would help to inform the legacy paper on work for the successor committee. Do we agree initially to hold one hearing on the employability strategy, with the potential for a second hearing before Christmas, and to deal with creative Scotland just after the Christmas recess, given that creative Scotland's chairman and board have still to be put in place?

Christine May: When did you say that we would cover the employability strategy?

The Convener: I suggested doing it before Christmas, because that strategy has been published.

Susan Deacon: Do we need to decide today?

The Convener: No.

Susan Deacon: Could the clerks develop some of the thoughts that we have shared and produce a further paper?

The Convener: We can reconsider the matter, but if we agree in principle that we want those two sets of hearings, that will leave us to agree what we want to do on sport. Do most people agree to have hearings on employability and creative Scotland?

Christine May: I will chuck in a couple of wee points about employability. A couple of important issues that are not directly the Parliament's responsibility affect employability. I would not mind examining aspects of reducing the number of people who receive incapacity benefit, what that does for the employability strategy and how that is built in. I will leave it at that.

The Convener: On the employability strategy and creative Scotland, the clerks will produce an outline of what we are trying to achieve and who we will invite. We will revise the work programme to reflect the timescale.

Shiona Baird: I have been talking to members of the Scottish Youth Parliament—as members know, they match our committees. I feel that we do not engage with, encourage or listen to the Scottish Youth Parliament enough. I do not know whether it is possible, but will an opportunity exist for Scottish Youth Parliament members to give their view on the problems of the young unemployed?

The Convener: I see no reason why not.

Michael Matheson: I want to check what will happen—

The Convener: We will come back to sport.

Michael Matheson: I presume that the time that will be required for the employability and creative Scotland stuff will be scoped. That will give us a clear idea of the time that is left for any further inquiry or any work on sport.

The Convener: I am just coming to that.

Does everybody agree that it is sensible to invite members of the Scottish Youth Parliament to talk to us about employability? Are members happy with that?

Members indicated agreement.

The Convener: Do we agree to commission research on the European stuff—that will be an

evaluation, not stuff—and to have hearings on the employability strategy and creative Scotland, on which the clerks will prepare a draft proposal in detail?

Members indicated agreement.

The Convener: That leaves us with sport. Is there general agreement that, of the four options in the scoping paper, doing something on sport 21 is the most logical? That would give us an overview of the situation rather than concentrate on a specific aspect.

Richard Baker: I am trying to marry up that idea of having a broad overview with the time that we have available. That is my only concern.

The Convener: I am coming to my point. To have a full-scale inquiry into the sport 21 strategy would be far too big. Should we conduct hearings on sport 21 along the lines that we have just talked about, because we are not absolutely clear when the strategy will be published?

Michael Matheson: Would it be easier to decide if we knew our timescale for looking at the sport side? We will know that once we have scoped up the time that is necessary for the employability and creative Scotland work.

The Convener: We could find out when the strategy is going to be published.

Michael Matheson: Yes. That would give us a better idea of how much time we have, so we could make an informed decision about how detailed to be.

Christine May: The strategy is the only document that we are going to have. Otherwise, sport could cover everything from rollerblading to horse riding.

The Convener: Should we ask the clerks to return next week with a paper reflecting the discussion and the agreement on what we are doing? They now have a better idea of what we think that we should be doing.

Members indicated agreement.

Shiona Baird: In an inquiry into sport 21, would there be any way of focusing on the cross-cutting issue of obesity? It is in the press so often at the moment, so could it tie in? Is the Health Committee considering that as well?

The Convener: I suggest that the clerks consider that as part of their paper and that we discuss it next week. Is that agreeable?

Members indicated agreement.

The Convener: My final point is to say that I agree with Susan Deacon. The legacy paper should not be just a mechanical exercise that we produce just because we have to produce one.

We should give some real thought to it. We should also bear in mind that there is no guarantee that there will be an Enterprise and Culture Committee in the next session of Parliament. We have broadly five portfolio responsibilities: enterprise, lifelong learning, sport, tourism and culture. Who knows what committee structure there will be, but the legacy paper should obviously try to cover all five areas. They are the core of our remit.

I also agree with Susan Deacon that we need to leave enough time in January, February and March to produce a legacy paper that is worthy of the name. By that time, we should have all the other work done and dusted. Is everyone happy with that?

Susan Deacon: Would it be possible for the clerks to extend the timetable and take it through into the spring?

The Convener: I think that, when we finalise the work programme—ideally next week—we will want to have a clear idea of what we are doing, and roughly when, from now until the end of March. Is everybody happy with that?

Members indicated agreement.

The Convener: Thank you very much indeed. I look forward to seeing you all next week. *[Interruption.]* Sorry, I thought that we had finished.

Budget Process 2007-08

16:08

The Convener: A paper has been circulated on the proposed approach to budget scrutiny and suggestions have been made. The paper is based on previous discussions by the committee, and perhaps the clerk to the committee, Stephen Imrie, can give us an update. Today, I gave him a response from sportscotland that was not easily forthcoming, in that we had to persuade it to give us some information. Frankly, some of the responses are not acceptable, and neither is the lack of other responses. We should write to the bodies to say that we expect a reasonable, timely and detailed response from them. Do members agree to do that?

Members indicated agreement.

The Convener: Are members happy with the recommendations in the paper?

Members indicated agreement.

The Convener: Does anyone want to raise any issues?

Christine May: There was a request that we select the non-departmental public bodies that we want to give evidence from the national collections. I would rather see what they submit to us before taking any decision.

The Convener: Yes, because otherwise we would be operating in a vacuum. We will revisit the paper next week.

Christine May: I suppose that we could threaten them by saying that if they do not give us a good answer, they will all be asked in.

The Convener: Absolutely.

Stephen Imrie: To update the committee, I should say that the paper was done at a particular moment in time and that the Royal Commission on the Ancient and Historical Monuments of Scotland has now submitted its information, as has sportscotland, which was fairly forthcoming with information. Others have mentioned the problem that we do not yet have the Executive's 2007-08 budget, which is one reason why a few of them waited to respond. I am happy to go back and tell them that the committee is looking for the information.

The Convener: We will build the update on that into the work programme paper for next week. That will make sense, as it will mean that we will be looking at the total work programme, rather than bits and pieces.

Thank you all very much. I am glad that there has been no fire.

Meeting closed at 16:11.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, Scottish Parliament, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Friday 15 September 2006

PRICES AND SUBSCRIPTION RATES

OFFICIAL REPORT daily editions

Single copies: £5.00

Meetings of the Parliament annual subscriptions: £350.00

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at Document Supply.

Published in Edinburgh by Astron and available from:

Blackwell's Bookshop
53 South Bridge
Edinburgh EH1 1YS
0131 622 8222

Blackwell's Bookshops:
243-244 High Holborn
London WC1 7DZ
Tel 020 7831 9501

All trade orders for Scottish Parliament documents should be placed through Blackwell's Edinburgh

Blackwell's Scottish Parliament Documentation
Helpline may be able to assist with additional information on publications of or about the Scottish Parliament, their availability and cost:

Telephone orders and inquiries
0131 622 8283 or
0131 622 8258

Fax orders
0131 557 8149

E-mail orders
business.edinburgh@blackwell.co.uk

Subscriptions & Standing Orders
business.edinburgh@blackwell.co.uk

RNID Typetalk calls welcome on
18001 0131 348 5412
Textphone 0845 270 0152

sp.info@scottish.parliament.uk

All documents are available on the Scottish Parliament website at:

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers

Printed in Scotland by Astron