ENTERPRISE AND LIFELONG LEARNING COMMITTEE

Thursday 6 June 2002 (Afternoon)

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ENTERPRISE AND LIFELONG LEARNING COMMITTEE

17th Meeting 2002, Session 1

CONVENER

*Alex Neil (Central Scotland) (SNP)

DEPUTY CONVENER

Miss Annabel Goldie (West of Scotland) (Con)

COMMITTEE MEMBERS

Rhona Brankin (Midlothian) (Lab)

*Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab)

- *Mr Adam Ingram (South of Scotland) (SNP)
- *Gordon Jackson (Glasgow Govan) (Lab)
- *Marilyn Livingstone (Kirkcaldy) (Lab)
- *Mr Kenneth Macintosh (Eastwood) (Lab)
- *David Mundell (South of Scotland) (Con)
- *Tavish Scott (Shetland) (LD)

Andrew Wilson (Central Scotland) (SNP)

COMMITTEE SUBSTITUTES

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Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP)
John Farquhar Munro (Ross, Skye and Inverness West) (LD)

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Committee Room 3

^{*}attended

Scottish Parliament

Enterprise and Lifelong Learning Committee

Thursday 6 June 2002

(Afternoon)

[THE CONVENER opened the meeting at 13:03]

The Convener (Alex Neil): I open the 17th meeting in 2002 of the Enterprise and Lifelong Learning Committee.

We have received apologies for absence from Annabel Goldie, Rhona Brankin and Andrew Wilson. David Mundell will be late and Tavish Scott, who is en route by air from Shetland, has been delayed, so he will be a bit late as well.

Interests

The Convener: I welcome David Davidson, who is substituting for Annabel Goldie. It is nice to see you, David.

Mr David Davidson (North-East Scotland) (Con): Thank you, convener. I declare an interest in some of today's subject matter, as I am a member of the advisory board of the Scottish centre of tourism at the Robert Gordon University. I add that that is an unpaid post.

Item in Private

The Convener: Under item 1, the committee is asked to consider whether to discuss item 5, on witness expenses, in private. I recommend to the committee that we discuss that item in public, because I see no reason why we should not take a decision on that matter in public. Do members agree?

Members indicated agreement.

Tourism

The Convener: Under item 2, the committee is asked to consider the remit and work programme for our tourism inquiry. A paper has been circulated, which I invite members to discuss.

Marilyn Livingstone (Kirkcaldy) (Lab): I welcome the programme and the proposal to continue our case studies, which we found beneficial.

I am not making a declaration of interests, but I advise the committee that I have a researcher who is a part-time student. He will be leaving my employment on 30 June—when his contract runs out—although he might come back to work for me in September. During the summer recess, he will work for VisitScotland. I thought that I should make the committee aware of that.

The Convener: Before I let David Davidson in, I want to update Tavish Scott and Gordon Jackson, who have just arrived. We have just started an open discussion of item 2 on the remit and work programme for the tourism inquiry.

Mr Davidson: I congratulate whoever produced the paper-no doubt you will take credit for that, convener. The area tourist board network is important. In my capacity as tourism spokesman for the Conservative group in the Parliament, I have had meetings and discussions with ATBs and I do not doubt that the committee will also want to do that. A network of ATB chief executives meets regularly, but I suggest that the committee consider taking evidence directly from the ATBs. I know that some of them are members of the Scottish Tourism Forum, but because both the committee's inquiry and the Minister for Tourism, Culture and Sport's inquiry will be very focused, it will be important that members hear the comments not only of the ATB chief executives, but of the ATB chairmen. I am sure that they will have considered their positions fairly fully. I do not want to pre-empt the committee's work, but I suggest that you might wish to broaden your programme to include the ATB chairmen.

When it comes to case studies and the committee's investigation of e-tourism, I suggest that the committee take evidence from one of the ATBs that has not signed up to eTourism Ltd. That would enable the committee to get a balanced view of those who are for, and those who are against, the Government's programme.

The Convener: I found both David Davidson's suggestions to be acceptable. I also suggest that we include the Convention of Scottish Local Authorities in the list of organisations to be invited to give evidence, given its involvement in tourism. We will come to the recommendations later—this is an open discussion.

Mr Kenneth Macintosh (Eastwood) (Lab): Given the nature of our lifelong learning inquiry, I appreciate the time frame that has been set for the tourism inquiry, and I hope that we will be able to keep to it. Without adding to the length of the inquiry. I would like to do a little work on the economic benefits of tourism. I do not know whether we could do that through a briefing or whether that issue could be covered by one of the specific questions that the committee will ask during the inquiry. Ross Burnside, from the Scottish Parliament information centre, provided a helpful paper that raises a few questions about the economic benefits of tourism in comparison with other industries, and I would like to explore those questions further.

One of the questions that the paper on the proposed remit of our inquiry asks is what the impacts have been of the response to foot-and-mouth and the attacks on the World Trade Center. We have to consider the lessons that we learned about the vulnerability of the tourism industry and the impact that that had on our economy, rather than the impact that the events had on the tourism industry.

Many assertions are bandied about with regard to the size of the tourism business, the number of jobs in it and the trade that is involved. It would be helpful to have more detail about the kind of jobs that we are talking about and whether we are talking about business tourism, casual tourism or tourism that involves visitors from Britain.

I want to address the stability of the industry. Tourism has suffered in the past from not being seen as a real industry. We need to work on that and see what the long-term economic benefits of our tourism strategy are. We might need further briefings on that, rather than making it a focus for the inquiry.

The Convener: Your point about changing the emphasis of the inquiry to consider future responses to events such as the foot-and-mouth crisis and to concentrate on the lessons that we learned for the future, rather than focusing on the past, is helpful.

Tavish Scott (Shetland) (LD): I apologise for being late for the meeting.

I want the committee to examine closely what is happening at the grass roots of the industry. We have finished a long lifelong learning inquiry in which we did nothing but deal with strategy and big issues. The case studies of particular elements were in some ways the most helpful part of the inquiry in terms of analysing problems.

I hope that we will deal with specifics and that we will examine carefully what is happening. I agree with what Ken Macintosh said about the briefing paper from SPICe. I note that on page 9 of

the paper, the Scottish Tourism Forum makes fairly strong statements about what is going on. We need to tease that out and get facts and figures to support it. It is very easy for people to talk about

"the commitment of politicians and the capability of public agencies to take the lead in marketing Scotland".

Let us deal with that.

It is important for us to consider tourist information centres throughout Scotland, because there are many problems with how they are funded and, for customers, when they are open.

It is important for us to take evidence from Highlands and Islands Enterprise and Scottish Enterprise on their economic role. I remember the debate in 1992 or 1993 when the structure of the industry was changed and there was a discussion on where marketing should sit.

The paper on our proposed remit calls for written evidence to be invited in mid-June. Would there be a benefit in calling for evidence later in the summer, when the businesses that are involved could make a better assessment of how the year has gone, particularly in the light of Ken Macintosh's remarks on foot-and-mouth and 11 September? Perhaps we should take evidence in two stages, given that the deadline for submissions is 14 October.

David Mundell (South of Scotland) (Con): Timing is important, because asking organisations—particularly the smaller grass-roots businesses that Tavish Scott mentioned—to submit evidence at the height of the season might not be well received.

Gordon Jackson (Glasgow Govan) (Lab): How do we get evidence from the grass roots? I noticed that the paper proposes that we invite evidence from Historic Scotland, the Scottish Tourism Forum and VisitScotland, which are big players. If we were to spend time talking to a publican who is involved in tourism or to a small hotel owner in Oban, for example, we would find that they generally have an extremely jaundiced view of the big organisations.

13:15

The small hoteliers might be wrong, of course. However they, the public and the people who are involved in tourism at grass-roots level more often than not do not have a good word to say about big organisations with their big offices, whether the organisation is VisitScotland or the Scottish Tourist Board. They are extremely jaundiced. I want their input to our inquiry, but I do not know how to get it. When we invite people to submit written evidence, they are usually too busy to do so. We do not want to knock on the doors of all the

small hotels in Scotland to ask the owners what they think. However, unless we get such input, we will see a one-sided picture of how the tourism industry works. We need to get the views of the small suppliers who think that the set-up does not work.

Marilyn Livingstone: I said earlier that, in our previous inquiries, our case studies got down to the level that Gordon Jackson is talking about. I agree with David Mundell that, during our lifelong learning inquiry, our case studies allowed us to meet students and so on. During our economic development inquiry, our case studies allowed us to meet front-line staff. We could expand that element of our inquiry.

We must remember that we are beginning our inquiry at the start of a busy time for the tourism industry; June, July, August and September is the industry's busiest period. If we want our inquiry to be meaningful—especially with regard to small providers—we should expand the case-study element and visit people who work in the industry. I agree with Gordon Jackson that those are the people to whom we have to speak.

The Convener: There is consensus on those points. Do members agree to put out a call at the end as well as at the beginning of the summer and to consider ways of hearing the front-line view through case studies and other methods?

David Mundell: It might be worth my pointing out that the Rural Development Committee has been conducting an inquiry that has involved a number of open forums. I attended an interesting one in Dalry in Galloway at which people simply turned up and gave their views. I know that one must take what is said at such events with a pinch of salt and that we never know exactly who has decided to attend and so on, but the meeting proved to be effective in terms of allowing unconventional views to be heard. The committee had received formal evidence from the area tourist board, the enterprise agency and so on—the usual suspects-but quite a different picture was given by the ordinary people who turned up, which was telling. Perhaps Simon Watkins could talk to the Rural Development Committee clerks to find out how they arranged that.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): On budget spend, there have in the past couple of weeks been some unusual actors on the Scottish tourism front; it would be difficult to grab a budget line for the Queen. However, there are other bits of budget spend around the country that do not lend themselves to direct comparison with small countries that adjoin us. It would be interesting to get an idea of the activity of the British Tourist Authority. I notice that our papers mention Los Angeles—an area in which I can claim some expertise. That is a distinct bid.

The Convener: You will not have to go, in that case.

Brian Fitzpatrick: Issues such as whether the benefits that we get from the California concordat are being tracked are relevant.

I am sure that there is value in case studies, but I am interested in the opportunities for—for want of a better phrase—new tourism, not least because of the e-tourism platform. It strikes me that—especially before my reduction in salary to become an MSP—I am typical of many people of my generation and income bracket in that I can go somewhere at short notice as long as I can arrange it quickly and do not care where I go.

If I take my kids, I need the added ingredient of there being childminding facilities or a pool and somewhere with a decent restaurant nearby. That market presents Scotland with a real opportunity. If we lose it, people will go to Dublin, Amsterdam, Berlin, Budapest, Prague or wherever. We need to examine that new area of tourism to see how we can best marshal our resources, which might be delivered through the e-platform. It is a hugely useful tool.

We also need to examine what could be called diversification tourism. My constituency is trying to capitalise on investment that has been made in the Forth and Clyde canal. We are trying to get people from Glasgow and Edinburgh to see the canal as a venue for day trips or, for people from slightly further afield, for weekend trips. We want to use the canal as a key ingredient of economic development in the area. With all due respect to other parts of the country—other members will make their own bids—that is an area that we might examine.

Mr Davidson: I will come in on the back of some of the other comments that have been made. Tavish Scott talked about the budget that came through the enterprise network. Last year, Scottish Enterprise spent £22 million. It is important for the committee to get a grasp of all the budget streams. Nobody seems to know how much money is allocated. Questions about that are asked of the Minister for Tourism, Culture and Sport and he does not know the answers. We should make that part of the inquiry so that a realistic figure can be established. I assume that under the first bullet point in the paper-"How effective is the current tourism strategy"-we will examine quality and standards and how Scotland has handled them and we will make suggestions for the future.

My other two points relate to Brian Fitzpatrick's comment on how to deal with the dispersal of tourists when they get off a plane, train or whatever. How we spread tourists throughout Scotland could be said to be similar to the

Heineken effect, in that it reaches the parts that other products do not reach. If we are to look at new forms of tourism, we need to examine the value of rural pursuits. We should look not only at climbing and cycling, but at how sporting exercises that go on in various parts of the country draw people in. The Rural Development Committee considered that subject and the Finance Committee took evidence on three occasions in different parts of the country on the links between tourism and local economies. The inquiry gives us a wonderful opportunity to go down some of the routes that members have suggested.

The Convener: All those comments have been very helpful.

Marilyn Livingstone: Will we still have time to feed in our views of what we should consider in respect of the Scottish case studies?

The Convener: Yes. They are not cast in stone. We need an indicative rather than an exhaustive list

Simon Watkins (Clerk): If we are to get approvals for expenditure cleared before the summer, we need to agree today where we are going in terms of the case studies.

Marilyn Livingstone: If we are going to do what we want to do and we are to do it effectively, we will have to examine seriously the suggestions for the case studies. Other ideas have been proposed today and I am unhappy about agreeing to them today, because I would like to give them more thought.

The Convener: I suggest that we agree today what case studies we want to conduct. That will allow us to make progress and would not delay the inquiry deadline. Perhaps, as part of our paper to the conveners liaison group, we should set out that it is possible that we will want to do another two or three case studies. Until we are well into the inquiry, we will not know exactly which ones to choose. Is that acceptable? It will allow us to make a start, but it also allows us flexibility. I would be happy to go to the CLG and argue that case.

Marilyn Livingstone: I agree. If something crops up and we think that it is a major issue, I would like to have the opportunity to deal with it.

The Convener: Yes. We need more flexibility in the system. Are we agreed?

Members indicated agreement.

The Convener: I want to make a couple of quick points before we discuss the recommendations. First, I should remind members that the House of Commons Scottish Affairs Select Committee examined the tourism industry about four years ago, and it might be useful to consider the action items that it recommended that are still

outstanding and have never been implemented. Although the report was produced four years ago, much of it is still relevant.

My second point relates to budgets. From my experience of working with the tourism industry over the years, I have found that many organisations, particularly local ones, have gone ahead and secured lottery money to establish visitor attractions. However, those attractions have not always fitted in with the tourism strategy. Moreover, the stream of lottery funding has not always followed what the Executive, local tourist boards or whatever are trying to do. When we examine the money side of things, we must be careful and find out the extent of lottery involvement, particularly in visitor attractions.

Mr Davidson: Some of the debates that we have had on the New Opportunities Fund and on lottery funding have highlighted the fact that, although it might be easy to secure a capital grant to set something up, someone else has to inherit the funding support to make it sustainable.

The Convener: A very good example is the science centre at Ardeer, where the local authority has had to pick up the tab. Indeed, another cheque for £500,000 has had to be written out. All the necessary funding bodies were not properly involved.

Brian Fitzpatrick: Why was no one aware of that when the bid was put in?

The Convener: There was a real tussle over the centre. Although the local authority was cornered in the end, it opposed the centre up to the last minute, because it knew that it would have to pick up the tab for maintenance, which had not been part of its long-term budget planning.

Mr Macintosh: That touches on my earlier point about needing an economic analysis of tourism. I was very impressed by John Lennon's remarks. I am not going to quote "Imagine"—I think that John Lennon was our adviser.

The Convener: Yes. That was Professor John Lennon from Glasgow Caledonian University. We should make a distinction between him and the other John Lennon.

Mr Macintosh: I am sure that the adviser is equally wise. He made some very good points about large-scale investments and then plotted a graph about how they generate immediate returns and have a lifespan of about 10 years.

The Convener: I should explain that Ken Macintosh is referring to a presentation that Professor John Lennon of Glasgow Caledonian University gave us 12 or 14 months ago. I ask Simon Watkins to circulate the presentation to committee members who were not present. Indeed, every member should receive a copy,

because I suspect that members' filing might not have been the best.

Before we discuss the recommendations, I want to make another point. Tavish Scott touched on it when he mentioned our handling of the lifelong learning inquiry and the recent evidence-taking sessions on the budget. Before we begin to take evidence, to improve our effectiveness we should agree lines of questioning. At times, we have tended to be all over the place and have perhaps not got the maximum out of our witnesses. If members agree, we will build in a chance to have a chat about the line of questioning before we go into formal session, as and when appropriate. Are members agreed?

Brian Fitzpatrick: I agree with that. However, after sitting in on a number of other committee meetings, I have noticed the wooden recitation of questions. I am sure that it is nothing to do with the calibre of the members themselves, though one MSP—who shall remain nameless—should really get a job on "Any Questions?" because he could read out the audience questions splendidly. I am sure that we will manage not to do that.

The Convener: I do not think that this committee has any wooden members, Brian.

Are members agreed?

Members indicated agreement.

The Convener: We need to go through the recommendations at the end of the paper and agree them. The first recommendation is to

"consider and agree the remit for the inquiry".

I suggest that we take into account the slight changes that were mentioned during our discussion and redraft the remit accordingly. Are members agreed?

Members indicated agreement.

The Convener: Brian, do you have a problem with that?

Brian Fitzpatrick: No. However, I think that the last bullet point of the remit probably merits a mininquiry of its own.

Gordon Jackson: Where are we?

Tavish Scott: Paragraph 2 of the paper, which outlines the remit of the inquiry.

Brian Fitzpatrick: I know that there is much controversy about e-tourism. It is probably impossible to undertake the rest of the inquiry without examining that, but perhaps it should be parked. That said, I really do not have a strong view on the matter.

Tavish Scott: Could that not be a case study?

The Convener: Aye, it could be. Are members agreed?

Gordon, did you have something to say?

Gordon Jackson: No.

David Mundell: It all depends on what is meant by e-tourism. There are issues relating to the national booking system that some people would regard as falling into the category of e-tourism. There are also other issues that people are pursuing.

The Convener: In principle, do we agree to carry out a case study?

Mr Davidson: E-tourism has a huge impact on the funding of ATBs, from which resources have been taken away.

13:30

Tavish Scott: The only other issue that we need to consider is the effectiveness of the ATB structure. Last week, while we were in Aberdeen, a letter from Mike Watson was copied to us. We need to be careful not to annoy people. I expect that we will receive the same answers that the Minister for Tourism, Culture and Sport will receive in the formal exercise that he is conducting. We need to think carefully about how to proceed. I have no problem with our doing this work—it is extremely important that we do it. However, Simon Watkins will need to talk to Executive officials about what they are doing.

The Convener: I have spoken to Mike Watson, and Simon Watkins has spoken to the minister's officials. We want to ensure that the work that the Executive is doing and the work that we plan to do are synchronised appropriately.

Tavish Scott: I do not want us to waste the time of the tourism industry.

The Convener: I agree absolutely.

Do we agree the remit for the inquiry?

Members indicated agreement.

The Convener: The second recommendation is that we

"accept the general methodology and schedule outlined in this paper for the implementation of the inquiry".

We may want to make specific changes to our methodology and schedule in the course of the inquiry. Do members agree the recommendation?

Members indicated agreement.

The Convener: The third recommendation is that we

"agree the work programme as set out at Annex B".

We will doubtless amend the programme as we proceed. Do members agree to the general outlines of the programme?

Members indicated agreement.

The Convener: The fourth recommendation is that we

"agree to appoint an adviser, agree the draft specification set out at Annex A and forward details of potential advisers to the Clerks".

Is that agreed?

Members indicated agreement.

The Convener: The fifth recommendation is that we

"accept the offer of a pre-inquiry informal briefing from the Executive".

In the past we have found such briefings very helpful. Do members agree the recommendation?

Members indicated agreement.

The Convener: The sixth recommendation is that we

"issue an open call for written evidence in early-mid June, with a deadline of 14 October 2002".

We will reissue that call at the end of the summer.

Gordon Jackson: What are the mechanics of doing that? How do we ensure that people who have something to say know that we are asking them to give evidence?

Simon Watkins: A general call for evidence is placed on the website and a press release is issued. We have also held press launches, to which members of the press are invited so that they can be briefed by committee members on what is expected. To date, those events have been covered reasonably well in the press. We can also contact specific businesses or people, if we think that that would be useful.

Gordon Jackson: Earlier, I mentioned people at the sharp end—people who run small hotels and who think that the tourism structure is not working for them. Is there a way of asking them to give evidence, short of looking up every small hotelier and business in the "Yellow Pages" and writing to them? Without input from such people, we will have difficulty conducting our inquiry.

The Convener: When we seek approval for the budget for the inquiry—for the case studies and so on—everything will appear in the same paper. I suggest that we ask the CLG to agree a budget figure that will allow us to advertise in trade magazines, so that the advert will be targeted at the people who would like to submit evidence to the committee.

Gordon Jackson: I just want us to find a way of making the people who run small businesses aware that they are being asked to send us their comments and that we will take those seriously.

Mr Davidson: Would you like us to include on the list the Federation of Small Businesses, the Scottish Chambers of Commerce and the Forum of Private Business? Many tourism businesses are members of those organisations.

David Mundell: In other inquiries there has been a push to ensure that press releases reach local papers as well as the national media. People who run small businesses tend to read local papers.

Marilyn Livingstone: My point follows on from comments by Gordon Jackson and Brian Fitzpatrick. The self-catering sector plays a huge and growing role in new tourism in Scotland. Many people take up the self-catering option. We must ensure that we get evidence from that sector as well as from hoteliers.

The Convener: With those amendments, are members agreed on recommendation 6?

Members indicated agreement.

The Convener: Recommendation 7 proposes that we agree to publish submissions to the inquiry on the internet in advance of the final report. Are members agreed?

Members indicated agreement.

The Convener: Recommendation 8 concerns proposed topics for research briefings to be prepared during the summer recess. Ken Macintosh made a substantial suggestion in respect of profiling the industry and considering economic benefits.

Simon Watkins: Budget research and other areas could also be considered.

Brian Fitzpatrick: Some of that will necessarily be spongy.

The Convener: What do you mean by spongy?

Brian Fitzpatrick: How is the Queen's going around Aberdeen valued? One cannot sit down and work that out.

Mr Davidson: A balance sheet from the police force would be needed. I will see the chief constable tomorrow, so I will find out what it cost him.

The Convener: Methodologies for such measurements are issued by the Treasury and by Scottish Enterprise, for example. We must take the best assessment that we can get. No doubt another brilliant economist will do such an assessment. Are members agreed on recommendation 8?

Members indicated agreement.

The Convener: Recommendation 9 concerns the identification of potential oral witnesses. We have mentioned a few of those. The process will be on-going.

Tavish Scott: Presumably, we need to react to Gordon Jackson's point about getting evidence from—dare I say—real people. It would be nice to have some of those real people in front of the committee.

Gordon Jackson: I do not know the answer to this, but perhaps the Federation of Small Businesses can identify people. Perhaps it has a tourism section and can identify the people who can talk about the grass roots.

The Convener: It should be remembered that we will kick off in Shetland in two weeks' time and that we will talk to many people at the sharp end. We have deliberately organised much of our trip through the local tourist board, with variable success.

Are members agreed on recommendation 9, that the tourism inquiry should be completed by the end of 2002? That is important, so that it does not get mixed up in the campaigning that will doubtless take place thereafter.

Members indicated agreement.

The Convener: Recommendation 10 concerns the possibility of holding a meeting at Highlands and Islands Enterprise's premises in the autumn. There are reasons for that. Such a meeting would be part of our programme of going outside Edinburgh. We have suggested HIE because we have had a similar meeting with Scottish Enterprise's board at its new premises. HIE has now changed its premises. Therefore, subject to the availability of appropriate accommodation, are members agreed on recommendation 10?

Members indicated agreement.

The Convener: Recommendations 11 and 12 concern undertaking case studies, seeking dates for them around the final week of the summer recess and identifying members to conduct them. We will amend the proposals to take account of Marilyn Livingstone's point that we need to agree which suggested case studies we definitely want to do and what flexibility we want on the others.

Tavish Scott: Niche tourism is important. For some time, I have thought that Scotland has not dealt with the business convention/golf market particularly well. I would like us to prove or disprove that contention. One of the case studies should consider issues that affect niche tourism. I am not as worried about genealogy. That may interest other members more, but the business convention/golf market is important and could be

more important. A case study should concentrate firmly on that.

The Convener: Four case studies are suggested. We are already committed to and have funding for the Shetland study. Shall we agree to the other three proposed studies, but make the point to the CLG that we will probably come back and ask for additional funding for others?

Marilyn Livingstone: The proposal for a case study on issues that affect urban and business tourism mentions Glasgow and Edinburgh specifically. They are important, but there is a lot of tourism outwith those two cities. We must look outwith the cities at urban and business tourism.

The Convener: The paper says "eg Glasgow or Edinburgh". Ayr is a good example.

Marilyn Livingstone: Fife is a good example, too.

Brian Fitzpatrick: And Govan.

Marilyn Livingstone: We must ensure that we are seen to be looking at other areas. We must take on board the impact of the new ferry link to Europe.

Brian Fitzpatrick: Do niche markets include short breaks and weekends?

The Convener: Yes.

David Mundell: I am sympathetic to Marilyn Livingstone's point, but it is important that the inquiry has evidence that either challenges or supports the line that is coming from VisitScotland that all visitors come into Glasgow or Edinburgh and then go elsewhere. We must gather evidence on that because I want to know whether it is true. Perhaps we can do that through a case study, but we must have evidence. The line that VisitScotland seems to be punting is that we should not worry about promoting individual parts of Scotland because if people come to Edinburgh or Glasgow they will then go to other parts of Scotland. We must try to find out what tourists who come to Edinburgh and Glasgow do.

The Convener: Shall we rejig the wording for that case study? At this stage, we do not need to be too specific.

Marilyn Livingstone: I agree entirely with David Mundell. I was saying that the wording made it look as if the case study is to be concerned only with Glasgow and Edinburgh. The message that the inquiry gives out is important. I hope that the ferry from Rosyth to Europe will bring a lot of people to, and take a lot of people from Scotland. There will be two-way traffic. I wondered what impact the ferry will have on the theory that everyone comes in to Edinburgh or Glasgow.

The Convener: Another example is Prestwick

airport, which now has flights to Oslo and Brussels as well as to the traditional destinations such as Dublin. If one goes out in Ayr on a Saturday night one can see, particularly from the number of Norwegians who are there for a weekend drink, that the Oslo connection is having a positive economic effect on Ayr and its pubs. If perchance there are low-cost flights into Inverness, the potential economic benefit would be enormous. That issue would come under the remit of the inquiry.

Marilyn Livingstone: Yes.

Mr Davidson: That goes back to the point that I made earlier, which has been backed up by other members, that the issue is about dispersal. It is almost academic how visitors get here; the question is whether there is dispersal.

The Convener: Is it agreed to reword the second proposed case study, which is on urban and business tourism, to take account of those points and to make it a bit more flexible?

Members indicated agreement.

The Convener: If we agree to the four case studies that are proposed in the paper and the one on e-tourism, we will have agreed to five studies. If required we can ask for approval for more case studies. Are we agreed on those five case studies?

Members indicated agreement.

Tavish Scott: Are you asking us to keep the last week of the summer recess clear for those case studies?

The Convener: Yes. We will discuss the timetable when we have reached an agreement. We have agreed to the five case studies. Can we leave the timing? We do not need to do all the studies in the same week. I would prefer it if the clerks organised the timing behind the scenes rather than us getting into a big discussion about diaries in public session. We would like to carry out the case studies in the final couple of weeks of the recess, but that does not mean that all members would be tied up for two weeks. Each member would be tied up for one week.

Simon Watkins: It would be useful to agree on who wishes to participate in each study, which will help us with organisation.

The Convener: Can we not do that through email and finalise the timing next week? We do not need to do that in public today.

Gordon Jackson: I am easy—I will do what I am told.

Mr Davidson: I am flexible.

Tavish Scott: I would like to do the case study

on conventions and golf.

David Mundell: I will do the e-tourism one.

The Convener: Does Brian Fitzpatrick want to do that?

Brian Fitzpatrick: No. I just wanted it to be done. It is best if David Mundell does it.

Gordon Jackson: I said that I would do anything, but I should say that, although fields are nice for people who like that kind of thing, there is no point in sending me to study foot-and-mouth and rural issues. I would be—to mix metaphors—a fish out of water in that field.

Mr Davidson: If you are looking for a volunteer, I will go.

Marilyn Living stone: I do not mind. Annabel Goldie might want to go.

Mr Davidson: We do not know where she is with her foot.

Marilyn Livingstone: I do not mind. I will cover anything except e-tourism.

The Convener: I will fit in to balance things up.

Tavish Scott: Some of our colleagues are not here today.

The Convener: That is right. We will have to consult them.

Marilyn Livingstone: Annabel Goldie is not here.

The Convener: Thank you for that. Simon Watkins will co-ordinate that.

Recommendation 13 is to agree to co-operate, where appropriate, with other devolved—sorry. Item 13 is an overseas case study. I missed that. What is the general view on undertaking an overseas case study?

Tavish Scott: Los Angeles here we come.

Gordon Jackson: What is the purpose of that? To find out from other people how we are marketing ourselves abroad?

13:45

The Convener: Basically. A lot of the marketing is abroad, particularly in the American market. We are looking at tourism and the effectiveness of public sector investment in tourism. We spoke earlier about looking at the front line. The front line for the foreign tourist market is the United States—that is the number 1 target. The question is whether we should send a small number of people to look at that.

Mr Macintosh: The paper also mentions New Zealand and the marketing that it has done. We would not be looking at how we are portrayed

there so much as finding out what other people do. The briefing talks about how successful New Zealand has been in branding itself. That is quite interesting.

Brian Fitzpatrick: We could decide to do both visits. Air New Zealand flies to Los Angeles.

Gordon Jackson: Our boy has been doing his homework.

Brian Fitzpatrick: I have flown to Los Angeles with Air New Zealand.

Marilyn Livingstone: I am afraid that I shall have to put a damper on things. It is important that we look to Europe, as that is a huge market for us. New Zealand sounds like a good place to visit. However, we get a lot of tourists from France, Germany, Spain and Italy. In looking at urban and business tourism and ecotourism, we could learn things from Europe. We are part of the European Union. I do not know whether a visit would be necessary, but we should find out about some of the things that are happening in those countries.

The Convener: I remind the committee that we are in public session, and deliberately so. The question is whether we should undertake overseas visits. I assume that, if we do so, we will pick two destinations. What should those destinations be? As Ken Macintosh and Marilyn Livingstone have pointed out, the purposes of the visits will be to examine the effectiveness of our marketing and to find out what our competitors are doing. It is a sensitive issue, especially in an election year.

Gordon Jackson: The second of those purposes is important. We could learn what we are doing without going anywhere, by asking our people what they are doing, but it is important for us to see how our competitors are marketing themselves. It is harder to learn that without visiting other countries. They are not going to tell us about their marketing. We will have to go and experience it.

Marilyn Livingstone: Their response to our marketing is also important.

Gordon Jackson: The advantage of a visit would be that we would be able to see how other people are marketing themselves.

The Convener: Are we agreed in principle that we should undertake one or two overseas visits?

Members indicated agreement.

The Convener: Are we agreed that Europe should be one of those destinations.

Marilyn Livingstone: Absolutely.

Brian Fitzpatrick: Marilyn is quite right.

Gordon Jackson: What do you mean by that? I am not trying to be difficult. I know where Los

Angeles is, but I do not know where "Europe" is. Europe is a variety of countries. Where do we mean? Do we mean a trip right round Europe?

Brian Fitzpatrick: The high-value spend.

Gordon Jackson: Where are you going in Europe? I am not being facetious. A tourist office would understand a specific destination such as Los Angeles, but Europe is not a specific destination.

Tavish Scott: I suggest that we need advice on the case studies, particularly on one in Europe. Gordon Jackson is right. It is too easy just to generally refer to Europe. I would argue that Scandinavia is a high-value part of the Scottish tourist market. Scandinavians come to Scotland and spend a lot of money. However, we should get advice from, for example, VisitScotland on statistical aspects. We can then make a calculation, based on industry advice, about the best destination from which to learn.

Marilyn Living stone: I suggested Europe, but if I had been asked I would have chosen Scandinavia as a destination to consider. However, I would like to get a bit more advice.

David Mundell: I would not want to discount Germany. I know of research that states that Germans apparently like appalling weather. They find it stimulating.

The Convener: The conveners liaison group is working to a time scale. Therefore, I suggest that we agree, in principle, on our time scale today. I suggest that we allow the clerks, when preparing the paper, to budget for a European trip but have a wee bit of contingency for the precise destination in Europe and for a US visit. I suggest that we seek approval for that and tie down exactly where in Europe at a later date. Is that agreed?

Members indicated agreement.

Gordon Jackson: I point out that the Europe suggestion is a flexible one.

The Convener: I also need agreement on the maximum number of committee members to go on each of the two case studies. I suggest that there should be two or three at most. Frankly, I do not think that we need any more than that. Is it agreed that we will have a maximum of three?

Members indicated agreement.

Mr Davidson: I have to go to Norway at the end of August to do an oil and gas thing. For a modest fee, I am sure that I can get a couple of nights accommodation and have a look at tourism on behalf of the committee.

The Convener: Okay. We will consider that. We will not make that part of the mainstream process but will build it in as a possibility. We will have a

further discussion after we have had advice on the most effective places to go for what we are trying to find out. We will decide the itinerary at a later date. Is that agreed?

Members indicated agreement.

Tavish Scott: It is important that we make clear why we are doing the case studies. No members of the press are here today, but they will read the Official Report and some will want to have fun at our expense. It is important that the committee sets out clearly why it feels that the case studies are an important part of the inquiry process.

The Convener: I have a further point. I remember what happened last year when David Mundell represented, by unanimous agreement, the Subordinate Legislation Committee at a conference in Australia. Gordon Jackson was the runner-up. The point is that the press jumped on that visit and some people tried to exploit it politically.

We are from different parties, but if we agree unanimously to do the case studies, then we do not need to pander to anyone if those who go on the case studies are heavily criticised. We must stick by our decision. If anyone is any doubt about the matter, they must say so now. It is only fair to the people who are asked to do the case studies that we agree that we will not undermine their position in any way. Is that agreed?

Members indicated agreement.

The Convener: Recommendation 13 is to agree to co-operate with other devolved institutions. The Enterprise, Trade and Investment Committee of the Northern Ireland Assembly has just agreed to undertake a tourism study similar to ours. At this stage, we should talk to that committee's clerks, consider what they are doing, co-operate with them and perhaps share information. If we agree in principle to that, when we are wee bit further down the road we can agree the detail of where we might benefit from each other's experience. There is no point in trying to reinvent the wheel.

Gordon Jackson: Are they ahead of us or behind us?

The Convener: They are at about the same stage.

Gordon Jackson: When I was on the Procedures Committee, the Northern Ireland Assembly's Standing Committee on Procedures came here as a body. It was a good meeting. The members were learning from us—that was the theory anyway. If the Northern Ireland Assembly is doing something, there might be a case for a meeting.

The Convener: The Northern Ireland Enterprise, Trade and Investment Committee

came across last year and we have already had a meeting.

Gordon Jackson: I did not know that.

The Convener: That committee is conducting a study on tourism and doing the kinds of things that we are doing. For example, if that committee is going to Norway or Sweden, there is no point in us doing that if we agree to share notes and exchange experience.

Brian Fitzpatrick: I suggest that there is an obvious gap. I am delighted that we are going to be considering what the Northern Ireland Assembly and the National Assembly for Wales are doing. However, our biggest market is the rest of the UK. I imagine that a number of us will be taking weekend breaks to attend our party conferences in the south.

The Convener: You may speak for yourself Brian. We do not have our conference in the south.

Brian Fitzpatrick: I know that you will be going to somewhere like the Basque country.

The Convener: Is it agreed that we extend the recommendation to include Her Majesty's Government as well as the devolved institutions?

Members indicated agreement.

The Convener: Recommendation 14 is to formally agree that the meetings or parts of meetings, which are utilised to agree the draft final report, shall be held in private, which is our normal procedure. Is that agreed?

Members indicated agreement.

The Convener: Recommendation 15 is to agree that the final report, once agreed by the committee, should be given full publicity via press briefings. Is that agreed?

Members *indicated agreement*.

The Convener: Recommendation 16 is to agree to seek appropriate authorisation for those actions we have just agreed. Is that agreed?

Members indicated agreement.

The Convener: Thank you very much.

Items in Private

The Convener: The committee has to consider whether to take its discussion on the draft annual report in private at the next meeting on 12 June. I do not see the need for us to consider the annual report in private. We should always do things in public unless there is an extremely good reason for doing them in private. Is that agreed?

Members indicated agreement.

The Convener: Item 4 is to consider whether to take our discussion on the response to the Minister for Enterprise, Transport and Lifelong Learning on the progress and achievements to date of Scottish Enterprise area local economic forums in private at our next meeting. Again, I do not think that that is too sensitive.

Brian Fitzpatrick: We are all for glasnost and perestroika.

The Convener: Is it agreed that we consider our response in public?

Members indicated agreement.

Witness Expenses

The Convener: Item 5 is for the committee to consider the payment of expenses to witnesses. We have already agreed to take this item in public. I suggest that we agree to pay expenses.

Tavish Scott: I am afraid that I am going to disagree with you, convener. I feel strongly about the issue. Lots of organisations, such as local enterprise companies, send witnesses from the Western Isles and Orkney and Shetland to parliamentary committees and they do not get their expenses paid by the Parliament, however exorbitant those expenses might be. I do not see why. There is financial pressure on such organisations.

The Convener: Okay. I am not going to go to the barricades on this, Tavish.

Tavish Scott: I think that we will send the wrong signal to Shetland if we say that a parliamentary committee will pay the expenses of people who are going to Shetland but, when the converse happens, will do nothing to help. That is quite unfair.

Mr Macintosh: I am interested to hear that those witnesses do not get their expenses paid. Is that customary? Does that mean that their expenses are not paid by any committee?

Tavish Scott: If Shetland Islands Tourism was to give evidence to the committee in Edinburgh, for example, the witnesses' expenses would be paid by Shetland Islands Tourism, not by the committee.

Gordon Jackson: On any committee that I have been on, the witnesses have mainly been there as individuals. If an individual has to come and give evidence, we generally pay their expenses. However, we have never normally paid the expenses of someone who is representing a public or private sector body. I do not know of anyone who has had their expenses paid other than witnesses who are appearing as individuals.

Brian Fitzpatrick: Is it not the case in this instance that we are taking the witnesses to Shetland?

Mr Macintosh: I am intrigued to find out that we do not pay the expenses of people whom we invite to Edinburgh. In this case, we should consider whether we are putting an individual out. We should not put people off.

The Convener: There is a difference between whether we grant expenses or the witnesses claim expenses. Tavish Scott is no doubt right that people coming from the Western Isles, for example, have never been paid expenses.

However, had they asked for expenses, whether they received them would be the committee's decision. Do we know that the reason why witnesses have never been paid expenses is that they have never asked for them?

Tavish Scott: If I may turn the question around again, I do not think that they have been offered expenses. The conveners liaison group would need to take a line on the issue, because there would be a budgetary implication for the Parliament if people—from the islands or from other places—who were eligible could claim for expenses when parliamentary committees invited evidence from them. We would need to watch that.

Mr Macintosh: Is that an issue? I would be disappointed if it put people off coming.

14:00

Tavish Scott: I agree. People are put off at the moment. For example, the Public Petitions Committee took evidence from groups in Shetland. Those individuals could not afford to get to Edinburgh, so they gave their evidence through videoconferencing, which is not the perfect way of giving evidence. It worked to some extent, but it was not as good as attending the meeting and being able informally to engage with members.

It is important that we have an equal position for everyone. Paying expenses in this instance would illustrate that we did not have an equal position for everyone. Parliament needs to decide on its position on the issue. If Parliament decides that expenses are payable by the relevant committee when oral evidence is requested, I would appreciate that. However, that would have a budgetary implication.

Mr Davidson: I agree with Tavish Scott, particularly as we are talking about a public agency that already receives resources from the block grant to do its business. That money is supposed to reflect its problems of isolation and rurality, for example. The committee should keep out of the issue until the CLG and perhaps the Scottish Parliamentary Corporate Body get involved.

The Convener: We are talking about the local economic forum. I am not sure whether it has such a budget. The local enterprise companies do.

Mr Davidson: The members of the forum come from organisations that do.

Simon Watkins: Not necessarily.

Mr Davidson: Not many members of LEFs are independent people.

Tavish Scott: I am sure that Moray, Badenoch and Strathspey Enterprise will pay for two representatives to visit Shetland to give evidence

to the committee. If the LEC did not do that, that would be an issue in itself.

The Convener: This is not an issue on which I would go to the barricades. Tavish Scott is right that there should be a parliamentary line on the issue. That is critical.

Brian Fitzpatrick: I share Ken Macintosh's surprise, but I take Tavish Scott's point. My concern is that—leaving aside the embarrassment if those bodies say that they are not coming—we have set the programme. I accept that that might be an issue in and of itself. I have an anxiety about the fact that we are setting the pace and outlining a cost. I am not sure that LEFs have a substantial budget. I take Tavish Scott's point about the LEC, but whether it pays depends on its good will. I do not think that the LEC has any obligation to pay for the LEF members to give evidence to the committee in Shetland.

Simon Watkins: I will clarify the situation on expenses for witnesses. There is a scheme to finance witnesses. This committee has probably used it less than have other committees, because most of our witnesses have come from professional, representative bodies. It has been extremely rare for us to pay expenses to witnesses. Usually, witnesses do not ask for expenses. This circumstance is exceptional. The witnesses who are representing Moray, Badenoch and Strathspey LEF and Argyll and the Islands LEF have asked to be paid. In each case, one is an employee of the LEC and another is a private businessperson, who is the chair of the forum.

Tavish Scott: Do we know whether in either case the LEC is paying any of the expenses? The LEC will certainly be paying the expenses of the employee. I would find it astonishing if the LEC were not also paying the expenses of the other person. Could that question be asked?

David Mundell: Why would the LEC be paying? If I asked Scottish Enterprise Dumfries and Galloway to pay expenses, it would not do it. It would come back with the usual stuff; it would say that it was accountable to the public and ask why it should pay for a third party's accommodation.

Tavish Scott: That is right.

Gordon Jackson: I understand the point about people coming from Shetland and I do not want to say anything inflammatory about living in the islands, but there is something slightly different about taking the committee to Shetland. I am trying to get my mind round the issue. We normally meet in Edinburgh, so if we invite people to come to Edinburgh to give evidence, that is the deal. No extra expense is incurred—Edinburgh is where we are. If a person happens to live in Shetland, it costs them a lot of money to come to Edinburgh; if a person lives in Bathgate, it costs

them less money to come. That is just the deal of living in Shetland and the Parliament being in Edinburgh.

However, in this case, we have decided to go to Shetland, which means that people who would normally come to Edinburgh have to go to Shetland. That is why the people in question feel that they have a claim, because we have incurred an unusual expense for them by going to Shetland. On the other hand, I have a good deal of sympathy with what Tavish Scott says. The issue is difficult.

Marilyn Livingstone: I find this case difficult. We have chosen to meet in Shetland as a committee of the Parliament and we have asked people to come to our meeting, which is a meeting of the Parliament. The Parliament represents all Scotland's people and I would be minded to pay the expenses in question. If everyone who was attending the meeting were a representative of organisations such as enterprise companies, I would be happy with Tavish Scott's point, as those organisations would obviously pay the expenses of the people concerned. However, we are talking about people who will perhaps not be able to get their expenses paid, which might debar them from coming.

Gordon Jackson: We would always pay expenses in such a situation, even when the meeting is being held in Edinburgh.

Marilyn Livingstone: That is not what I picked up from what Simon Watkins was saying.

The Convener: I have a suggestion to make. We must make a distinction between the people who are representing public bodies and those who are not representing public bodies.

Marilyn Livingstone: That is the point that I was making.

The Convener: The LEF is not a public body—it is not core funded by the public sector. I suggest that we agree not to pay the expenses of the LEC employees, because that would represent the transfer of expenditure from the Parliament to a public body, and that we agree to pay the expenses of the other individuals, if the LEC will not pay those expenses.

Marilyn Livingstone: That might be a good compromise.

The Convener: Okay, is that agreeable?

Members indicated agreement.

The Convener: In the meantime, I will raise the issue with the CLG. Does the committee agree that I should write to the CLG asking for a policy on the matter to be developed for the future?

Members indicated agreement.

The Convener: We have agreed to discuss item 6 in private because it involves the drafting of our final report on lifelong learning. We will have a coffee and reassemble in private at 2.20 pm.

14:07

Meeting suspended until 14:26 and thereafter continued in private until 14:54.

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