RURAL DEVELOPMENT COMMITTEE

AGENDA

1st Meeting, 2002 (Session 1)

Tuesday 8 January 2002

The Committee will meet at 2.00 pm in the Chamber, Assembly Hall, the Mound, Edinburgh

1. **Land Reform (Scotland) Bill:** The Committee will take evidence at stage 1 from the following witnesses—
   
   Iain MacAskill, Crofters Commission
   
   Ian Rideout, Scottish Crofters Foundation
   
   Andrew Wallace, Association of Salmon Fishery Boards
   
   Peter Quail, Crofting Counties Fishing Rights Group
   
   Robbie Douglas Miller, Highlands and Islands Rivers Association
   
   Mr Hamish Jack.

2. **Subordinate Legislation:** The Committee will consider the following instruments under the negative procedure—
   
   The Plant Protection Products Amendment (No.3) (Scotland) Regulations 2001 (SSI 2001/454)
   
   The Import and Export Restrictions (Foot-and-Mouth Disease) (Scotland) (No.3) Amendment Regulations 2001 (SSI 2001/455)

3. **Integrated Rural Development:** The Committee will consider suggestions by Members for visits.

Richard Davies
Clerk to the Committee
The following papers are attached or are relevant to this meeting:

**Agenda item 1: Land Reform (Scotland) Bill**

Written submissions on the crofting community right to buy (Part 3 of the Bill) received from the following, from whom oral evidence will be taken at this meeting, are attached—

  - Crofters’ Commission
  - Scottish Crofters’ Foundation
  - Association of Salmon Fishery Boards
  - Crofting Counties Fishing Rights Group
  - Highlands and Islands Rivers Association
  - Mr Hamish Jack

Scottish Parliament Information Centre (SPICe) Research Paper 01/24 – The Land Reform (Scotland) Bill: The Community Right to Buy and the Crofting Right to Buy — was circulated to members in Members’ Circular Number 52 on 21 December 2001.

Members are reminded to bring with them a copy of the Land Reform (Scotland) Bill (SP Bill 44) and Policy Memorandum and Explanatory Notes.

**Agenda item 2: Subordinate Legislation**

The Plant Protection Products Amendment (No.3) (Scotland) Regulations 2001 (SSI 2001/454) is attached

The Import and Export Restrictions (Foot-and-Mouth Disease) (Scotland) (No.3) Amendment Regulations 2001 (SSI 2001/455) is attached

The Subordinate Legislation Committee’s 45th Report which details these instruments is attached.

**Agenda item 3: Integrated Rural Development**

A paper detailing the nominations received so far for Committee visits is attached for Members only.
SUBMISSION FROM THE CROFTERS COMMISSION

PART 3 - CROFTING COMMUNITY RIGHT TO BUY

THE EFFECT OF THE BILL ON RURAL BUSINESSES

The Crofters Commission welcomed the draft Land Reform (Scotland) Bill and made detailed comments. The Commission’s main comments can be summarised as follows:

- An individual crofting township could be the starting point for any crofting community body, yet 90% of townships (4348) have 10 or less crofts. Prescribing the number of participants in a community body may be unrealistic and may create a new barrier to community purchase.

- The eligible land should include mineral rights, unleased sporting rights and inland salmon fishings if the community body is to have the best possible prospect of securing sustainable development of its community.

The difficulties with the Bill lie in the underlying policy assumptions and aim. The Scottish Executive’s Policy Memorandum on the Land Reform (Scotland) Bill states that:

“The policy aim is to remove barriers to sustainable rural development by empowering crofting communities.”

Crofting communities’ rights to own and effectively manage their land base can and should be an important first step to overcoming a major barrier to future development. However, we have to recognise that ownership of tenanted croft land will not by itself enable communities to realise their economic and social potential. There are many other barriers to sustainable development of crofting communities which have bearing on the Land Reform Bill. Some of these barriers stem from what appear to be questionable underlying assumptions about crofting. It appears to be assumed that:

- croft tenants are the predominantly active users of croft land
- there is something like a generic crofting community
- all crofting communities are reasonably cohesive

Recent statistics on crofting pulled together by the Commission show that, of the 17,000 crofts registered, less than 9,000 carry stock. This could mean that 8,000 crofts are unworked and unoccupied and in reality many of these 8,000 crofts will be unworked. A substantial proportion will be informally used by someone other than the tenant. Some of these informal users will themselves be croft tenants. Some will not be croft tenants at all.
A similar scenario prevails on common grazings. There are some 1,000 common grazings. Less than 500 of these are actively regulated. Regulation does not equate to an active crofting community. Less than 200 common grazings are the focus of community developments. Some of the inactive grazings will be unused, some will have been apportioned (sub-divided) and added to individual crofter’s holdings to create substantial holdings and what are, in effect, small farms. The ESA (Environmentally Sensitive Areas) designation has encouraged apportionments particularly in Shetland. Land held by an individual and covered by an ESA attracts substantial grants for minimal working of the land.

Apportioning the common grazing will be considered sound financial sense in some crofting communities albeit that it will undermine collective working of the land in future. In other communities, apportioning the land would be considered unethical and a threat to the social fabric of that community. In some communities with regulated grazings especially where there are open townships almost the entire community may be croft tenants, yet only perhaps 5-10% of the tenants may be active stock keepers. The rest may be increasingly intolerant of the free roaming stock on health and amenity grounds.

While there is much that binds all crofting communities together, we do have to recognise that there are many differences in approach dictated by geographic, cultural or aspirational circumstances. Policy considerations and decisions affecting these communities have to recognise and accept these differences.

Informal users of land are ineligible for financial support for capital investment in the land from the CCAGS (Crofting Counties Agricultural Grants Scheme). CCAGS is a targeted and straightforward scheme and it seems unlikely that significant investment in croft land is being made without CCAGS support. The total grant paid annually from CCAGS has declined by some 25% over 3 years. Within crofting communities, confidence in the future of agriculture continues to decline rapidly.

It has been possible for a croft tenant to buy his croft since the Crofting Reform Act of 1976, yet less than 20% of croft tenants have acquired title to their croft. In Lewis, less than 1% of croft tenants have acquired title to their crofts. In other areas - 50% of croft tenants in Caithness and 42% of croft tenants around Inverness have acquired their croft titles. In some locations, the obvious development potential of croft land for house sites prompts acquisition of crofts. Recent research suggests that crofters seek to acquire title because of perceived or real threats and only in isolated cases has ownership brought real economic benefits for individuals.

Crofting communities which have Scottish Ministers as their landlord have been able to acquire their land collectively since the Transfer of Crofting Estates Act 1994. No community has acquired their crofting estate from Scottish Ministers. Crofting estate ownership has burdens and responsibilities. Scottish Ministers are passive if not benign landlords. Why would a community burden itself with debt and a potential source of friction in its midst when the landlord poses no threat and the additional economic potential from ownership of the land is limited?
Not all landlords will be as benign as the Scottish Ministers and in many of these instances ownership of a crofting estate will certainly help communities release untapped economic potential.

The crofting tenancy system over more than a century has sustained significant populations in economically fragile communities in a way not replicated in other parts of Scotland. The crofting tenancy system has protected croft tenants from obstructive landlords. Even today, 80% of croft tenants choose to remain tenants rather than become owner occupiers.

Beyond the proposals under the Crofting Community Right to Buy, there are other legislative and administrative changes required to deliver sustainable development in crofting communities and realise the economic potential of croft land:

- reform of the crofting legislation
- capital incentive schemes which are appropriate to current economic opportunities
- agricultural subsidy bureaucracy which recognises the scale of croft holdings and reality of common grazings.

The Crofting Community Right to Buy proposed in the Land Reform (Scotland) Bill is an important first step towards helping to create sustainable crofting communities able to realise the full potential of the land. But it is only the beginning of a journey towards the ultimate goal.

S Rankin
Chief Executive
1. **Introduction**

1.1 The Scottish Crofting Foundation broadly welcomes the Bill in its published form as addressing the issues put forward by the Scottish Crofters Union; indeed there is considerable evidence that the process of consultation at draft stage has been effective.

1.2 In recognising that this proposed piece of legislation is a significant step forward in potentially enabling crofting communities to exercise a 'right to buy', and empowering these communities through self-determination. The mechanism prescribed for exercising the ‘right to buy’ is considered by many crofters to be unworkable in practice, with many ‘what if’ scenarios raised by the bill, which would require testing in practice. The difficulties in making this bill work in law are in the detail, much of which has remained unchanged since the draft as published in February.

2. **The Crofting Community**

2.1 The definition of crofting community has been made much clearer by using the term ‘crofting township’, and that any ballot within that township must be subject to a majority of crofting tenants who vote to be in favour of a community buy out. This is only a 'simple majority' i.e. 51% and may not be a sufficient mandate given that 49% of crofting tenants could be out voted. This would be potentially divisive within a fragile community. SCF in acknowledging the changes request that this simple majority be increased to 75% in the interests of reason, harmony and as indicative of a majority. In accepting the definition of crofting township, we would recommend that in the interests of clarity, the word ‘contiguous’ be removed to avoid situations of housing not within the boundaries of the township being included particularly where contiguous with common grazings some distance from the distinct township. Ref: 68 ss4 (a) & (b)  72 ss1 (b)

2.2 Further clarification is required concerning crofters who are owner-occupiers and tenants of common grazings, which may be the subject of a proposed purchase. It could be interpreted that they are not included in the required crofting tenant majority but simply considered to be a part of the crofting community as defined by township. Crofters who are owner-occupiers resident within 16 kilometres of the township who utilise common grazings subject to the proposed purchase must be considered to be crofting tenants for the purposes of any majority vote that will determine the ownership of those common grazings. There is a need for additional clarification in differentiating between the utilisation of common grazings, which can include owner-occupiers and tenanted croft land which clearly does not. We recommend the addition of ‘and/or common grazings’ Ref: 72 ss1 (b) (ii) Ref: 68 ss3 (i) & (ii)

2.3 Although the initial vote must be effected by a simple majority (or 75% as preferred) of crofting tenants voting to be in favour of exercising the right to buy, this does not transfer to the future structure and management of the company limited by
guarantee as prescribed. To ensure that the crofting interest is maintained it would be appropriate to have a majority of Crofters as Directors and for any resolution to be passed by the same majority as required at initial ballot. Given that any resolutions governing the structure of a company limited by guarantee have to be passed by members of the company (those agreeing to provide the guarantee) it would also be appropriate for 75% of members to be crofters. Ref 68 ss1 (e) There is a real danger that following initial ballot the crofters voice could actually be lost and other interests or parties could take control of the enterprise, causing such an enterprise to be other than crofting led.

3. Crofting Community Bodies
3.1 The Crofting Community Body set up by a community is to be a company limited by guarantee, this is not necessarily the best model for long-term land ownership. The company proposing to exercise the right to buy will also be the company undertaking the management of land and any other assets. There is some detail in the clauses that would have to be included in any memorandum and articles of association but some differences with what would be appropriate under the Companies Act 1985. It refers to members being in control of the Company, this is not the case, as members have no direct management responsibility, it is only directors who are responsible and for whom liability is limited so long as they fulfil their common law and statutory duties. Ref: 68 ss1 (f) There should be concerns raised about the knowledge and skills required to undertake such a directorship and management. Provision for addressing any skills deficit prior to any application should be a prerequisite with SCF as an NGO having a significant role.

3.2 There is a provision for Ministers to determine any future direction of the companies set up by crofting community bodies in requiring that they must approve any changes to memorandum and articles. This would be subject to legal challenge as no outside agency can directly affect the manner in which a company limited by guarantee operates other than by its directors or members through resolution at AGM/EGM. Ref 69 ss1

3.3 In exercising the right to buy, which is essentially a forced sale, crofting community bodies may be required to include other non-crofting land if the landowner asks for this to be done and that Ministers determine to be in the public interest to do so. The term ‘public interest’ needs further clarification, as this could be seen as a means of a landowner making a proposed sale difficult, and possibly affecting the longer-term financial sustainability of the enterprise. Ref 76 ss1

3.4 There is an issue with regard to the concept that two or more townships could exercise a right to buy as one crofting community body without a separate vote being carried out in each township and that eventual controlling interest could be determined from outside a township making up such a grouping. Indeed, the larger township could effectively control the interests of the smaller one. There seems to be insufficient detail in the mechanism for application by groups of townships. Ref: 68 ss4 (b)

4. Sustainable Development
4.1 The term ‘sustainable development’ is used in the clauses prescribed for inclusion in memorandum and articles of association and as criteria for application.
The definition is to ‘provide increasing social and economic advantage to the crofting community and to protect the environment’. This could be considered to be simplistic in not including other factors, which affect sustainability over differing periods of time. Ref: 68 ss2 It could be presumed from the text of the bill that if these criteria failed to be met in the future, ministers could exercise the right to compulsory purchase from the community body. Indeed the circumstances in which such a compulsory purchase could be expedited are vague and require additional clarification. SCF would prefer that a form of ‘administration’ be prescribed in such cases to avoid a high profile compulsory purchase cases, but also enabling a potential return of the land to the community. Ref 69 ss2

5. Ministerial Discretion
5.1 It certainly seems that ministerial discretion still looms large in the bill although there has been some reduction in explicit references to it from the draft. They do however, allow for a redefinition of crofting community should they deem it appropriate and reserve to themselves the power to make such incidental, supplementary, consequential, saving or transitional provision as they may think necessary or expedient, and to allow different provision for different classes of case. This presumably could allow for the alteration of other statutory instruments in furtherance of a particular case. Ref: 95 ss3

6. Salmon Fishings
6.1 The reduction in the time frame for subsequent purchase of fishings makes sense in avoiding reduced investment by owners. This right to buy salmon fishings on inland waters contiguous to croft land requires further clarification. There needs to be a distinction between the ownership of fishing rights on a particular section of river and the ownership & management of river systems that make up a fishery. It is unlikely that given rivers where considerable investment has been made in management, research and stocking, that any crofting community body would be able to meet the criteria for sustainable development, if this requires equal or greater investment. Could this be broadened to include an initial right to a share or stake in such fisheries if contiguous with croft land and include a right of pre-emption after the initial year as prescribed. Ref: 66 ss 1-3

7. Access
7.1 Although this submission has not considered the matters of access as defined in the bill, we would raise the concerns of many crofters about liability when the public is accessing the land. It is essential that such access must be at their own risk to avoid potential litigation as a result of injury sustained on the land owned by an individual crofter or crofting community body. Without such a provision there would be a substantial increase in public liability insurance premiums.

8. Assistance from the Scottish Executive
8.1 We have had extremely useful discussions with officers from SEERAD and obtained additional verbal explanation and interpretation. This openness and willingness to assist is to be commended and has enhanced the relationship between SCF and SEERAD. We would request that further work be undertaken, to develop and clarify the detail and to ensure that this is a not only a workable piece of legislation but genuinely enables opportunities for self-determination.
9. **Summary**

9.1 It is the view of the Scottish Crofting Foundation that we do not envisage an unprecedented rush to acquire huge areas of land as has been suggested by some commentators. The process will require extensive thought, consideration and planning. The procedure is onerous and applications would need to be supported with evidence of detailed strategic and business planning. It may certainly be the case that the good landowners who value crofting and subscribe to the principal of custodianship of the land may make an amicable arrangement to sell to crofting communities, in which case the provisions of the bill do not apply. On the other hand it serves notice to the spiritually detached absentee landowners to change their attitude towards crofters and crofting.

9.2 The Bill undoubtedly changes the nature of the relationship between crofter and landowner but we must be aware that crofting is integral to the development of the rural economy and that the proposed legislation alleviates any fears which may lead to a lack of investment in the land or a reduction in other employment opportunities on which crofters rely.
SUBMISSION FROM THE ASSOCIATION OF SALMON FISHERY BOARDS

A. Crofting Community Right To Buy (Part 3)

The Association welcomes the opportunity to present further evidence on the subject of the Land Reform (Scotland) Bill with particular regard to Part 3 of the Bill, the Crofting Community Right To Buy. We have also included some comments on Part 1 of the Bill relating to Access.

District Salmon Fishery Boards (DSFBs) are statutory organisations empowered by the 1986 and previous Salmon Acts, principally to protect and improve salmon fisheries. Boards are made up of proprietors of salmon fishing rights (both net and rod fishings) as well as local angling representatives and tenant netsmen. Following the Order created in 1999 - allowing further flexibility in the composition of Boards and which reflected the recommendations of the Salmon Strategy Task Force Report (1996) - co-opted members and observers from SEPA, SNH Local Authorities and other interested parties are increasingly being included on Fishery Boards.

District Salmon Fishery Boards are therefore responsible for the sound and effective management of salmon fisheries and, in order to allow them to discharge this responsibility effectively, they have a statutory power to collect an annual levy based on the rateable value of fishings in their Board area. This pays for the running costs of the Board and the management and protection of the fishery as a whole. The Salmon Strategy Task Force Report (1996) Section 4.13-4.16 indicates how the funding mechanisms of salmon fisheries management in Scotland work, both in terms of funds raised by Boards (estimated at between £2-2.5m/annum) and expenditure in addition to Board levies.

Over and above the statutory levy, proprietors can, and generally do, raise vitally important extra funds to pay for the management of individual fisheries through support of research programmes, capital works, staff costs etc. Much of this work is now conducted by a comprehensive network of Fisheries Trusts/Foundations which are heavily reliant on this ‘extra’ expenditure and provide an important role in informing good management by Boards.

In recent years DSFBs and Fisheries Trusts have been involved in a substantial effort to conserve salmon stocks with extensive programmes of stock and habitat enhancement, reduction in net exploitation, and a rapid increase in the promotion of catch and release. The Association’s interest in this proposed legislation is, therefore, principally in its effect on this progress and on the management and expenditure on salmon fisheries in the Crofting Counties. It is imperative that all the possible implications for the continuing sound management of Scottish salmon fisheries and salmon stock conservation are considered fully to ensure that high quality management, and the funding required to support it, continues to be encouraged and protected.
Part 3 of the Land Reform (Scotland) Bill [Ref: Part 3, Chapter 2, 70 (6) (a) & (b) defines sustainable development as being calculated to:

1. “Provide increasing social and economic advantage to the crofting community”.
2. “Protect the environment”.
3. A further demonstration of wider public benefit would normally be associated with compulsory purchase powers. In the case of salmon fisheries - good stewardship of the resource would be the minimum requirement for demonstration of that benefit.

Therefore, in order for the legislation to be legitimately used, it would have to demonstrate that its use resulted in a significant social and economic advantage for the community and enhanced protection for the environment. It would also need to demonstrate that it exceeded, or at least matched, that which was in place under existing management arrangements. A significant demonstration of wider public benefit must also be demonstrated if the communities in question are to enjoy the right of compulsory purchase - 3.

Our principal area of concern lies in the perception that exists that salmon fisheries will automatically generate a revenue surplus which would become available to communities for their economic development. In reality, high quality and effective salmon fisheries management will often come at a cost-neutral or net cost to proprietors and may only rarely generate a meaningful profit. Financial surplus, where it exists, is often used to support other aspects of management, including fisheries trusts, fisheries infrastructure, staff, research programmes and other amenities. This reinvestment in Scottish fisheries has underpinned the considerable success of Scotland’s salmon fisheries compared with other countries.

Given that salmon stocks and the fisheries they support are currently experiencing problems, the resource can ill afford any loss of investment at this time. Indeed in some areas, such as the West Coast, where stocks have collapsed in a majority of systems and which may be particularly affected by this legislation, this investment and commitment to long-term management has and is being sustained against a background of declining fishing income and little short, or even medium, term expectation of recovery in the fisheries.

We understand, from the proposed legislation, that public funds will be made available to acquire fisheries. However, we believe it is extremely unlikely that public funding will be made available to cover the running costs of these fisheries on a long-term basis. If high-quality management is to be retained, the inevitable conclusion to be drawn from this is that community proprietors would have to raise substantial revenue from leasing fisheries (as existing proprietors do) to provide adequate investment to ensure the sustainable management of the resource.

This leads to 4 possible scenarios:
1. The fishery generates a profit over and above a necessary level of investment required to manage that fishery in a sustainable manner. In such a case surplus revenue could be used to cross-subsidise other aspects of community development.

Social and economic advantage to community provided by a surplus generated by the fishery.
Sufficient funds also generated to manage fishery properly. Environment protected.
Community benefit demonstrated. Public interest protected.

Acquisition meets criteria laid out in the Bill

2. The fishery runs on a cost-neutral basis with all revenue generated by the resource being reinvested back into the resource.

No social and economic advantage to community demonstrated.
Fishery managed properly. Environment protected.
No community benefit demonstrated therefore no public benefit.

Acquisition fails to meet criteria laid out in the Bill

3. The fishery runs on a cost-neutral basis but the community attaches a greater priority to other community developments resulting in a diversion of investment and hence a decline in the quality of management.

Social and economic advantage to community demonstrated.
Decline in investment in and quality of management of the fishery. Environment not protected.
No community benefit. Public interest not protected.

Acquisition fails to meet criteria laid out in the Bill

4. The fishery runs at a loss. In this case the community would find itself with a liability to which the inevitable response would be a reduction in investment in the fishery and/or a possible increase in exploitation.

No social and economic advantage to community demonstrated.
Decline in investment in and quality of management will lead to a decline in salmon stocks and the quality of that, and possibly neighbouring, fisheries. Environment not protected.
Creation of a liability for the community. Public interest not protected

Acquisition fails to meet criteria laid out in the Bill
Conclusion

As stated above we believe that few salmon fisheries in Scotland, particularly those experiencing stock problems, generate the desired "surplus" revenue and, where they do, that surplus is often reinvested in the fishery. We therefore believe that any crofting community purchase would have great difficulty in demonstrating that the community and wider public interest would be served without prejudicing the continuing investment in the fishery and hence the desired quality of management of the salmon fishery resource.

The threat of compulsory purchase will also undermine security of title and hence the willingness, or the ability - as in the case of assets held by Trusts - of proprietors to invest in fisheries management, over and above their statutory financial commitment to the Board.

Furthermore, the proposed mechanism for the acquisition of fisheries, which would allow for the compulsory purchase of salmon fishing rights contiguous to crofting land, could result in the fragmentation of fisheries into non-viable units that would be damaging to:

- the management of fisheries of neighbouring owners
- the management for the new community owners
- the attractiveness of fishing opportunities to angling tenants from both within and without Scotland
- existing arrangements with angling clubs and associations many of which own or have long-standing leases on water for modest rent.

The removal of the compulsory purchase element of the legislation leaving salmon fishing rights to be included under Part 2 of the Bill, would:

- protect the existing all important non-statutory investment in Scottish salmon fisheries
- encourage the development of angling club ownership of salmon fisheries which, in many parts of Scotland (including the Highland area), have a good track record of sound management.
- ensure that fisheries were maintained as viable units rather than being created simply as a consequence of an association with crofting land.

We accept that the intentions behind the Land Reform Bill are to diversify land ownership in Scotland. However, with regard to salmon fishings we believe that the Bill could achieve diversification and retain existing investment and commitment by proprietors much more readily and comprehensively, throughout Scotland, if the provision for compulsory purchase of salmon fishings was removed from the Bill.

B. Access (Part 1)
The Association wishes also to raise some concerns relating to the proposed legislation on access.

Rivers by their nature tend to concentrate access in a way which may not occur on land. This applies both to access on the water and on river banks. Fisheries depend, for amenity and disturbance reasons, on an ability to manage access at certain times of the season and day. We use the word manage advisedly because, in many cases, bankside access can be managed in such a way as to ensure that fishing and access need not interfere with each other. However, there are certain areas where access to the river-bank (in gorge areas etc) may render the fishery unusable. In such areas limited managed access by the river manager could resolve this conflict without any material loss of freedom to the access taker. However, the Bill, as drafted, gives the land manager no legal or even advisory [Section 14 (1) (a)] capability to manage access without recourse to Local Authorities for an Order, and if this were to have effect for more than 30 days, confirmation by the Minister is required. The balance in the draft bill struck between responsible access taken by the public and responsible control of that access by the land manager has now been removed and a significant burden of responsibility for administrating access arrangements has been placed on Local Authorities. We therefore would wish to see the return of some provision for fisheries managers to be able to reasonably and responsibly manage access where there was a demonstrable conflict between access takers and fisheries interests.

Section 12 (2) (c) (ii) gives the power of making byelaws to Local Authorities to prohibit or regulate ‘the taking place of sporting and recreational activities’. Whilst we acknowledge that conditions have been attached to the use of this power [2 (3-8)], we would not wish to see these powers being exercised to prohibit a legitimate recreational activity, of considerable commercial consequence, simply in favour of better access.

A Wallace
Director
SUBMISSION FROM THE CROFTING COUNTIES FISHING RIGHTS GROUP

Please find attached the written submission of the Crofting Counties Fishing Rights Group (CCFRG) against the inclusion of salmon fishings with the Crofting Community Right to Buy under Part 3 of the Bill.

G Mason
Chairman

PART 3

COMPULSORY PURCHASE OF SALMON FISHINGS

The wild salmon industry in the crofting counties of the Highlands and Islands is a major employer, it generates substantial inward investment in remote rural areas and underpins a significant part of tourism in the northern Highlands. Many associated rural businesses are wholly dependent on it. Marketing is based on exclusivity and a high quality service aimed at customers of high net worth in a competitive global market. Salmon are recognised more than ever before as a fragile and scarce resource. Conservation and investment will secure the future, political manipulation and over exploitation will destroy it.

Employment

Within the crofting counties the salmon fishery supports 600 direct and full-time employees including fishing ghillies, water bailiffs, hatchery workers and fishery scientists. This employment is substantially subsidised by private funding from the UK and overseas. Crofting communities will require significant public funding to sustain employment at these levels. No community owned salmon fishery in Scotland has a single full-time employee. It is estimated 450 full time jobs would be lost were salmon fisheries contiguous to croftland to be transferred to public ownership.

Impact on Dependent Businesses

Visiting and high paying anglers enjoy a quality of service and accommodation which meets their specific requirements and expectations of privacy, comfort and ambience. This is provided in a number of specialist hotels and sporting lodges for which the Highlands have a world wide reputation. These businesses, which themselves employ an estimated 1200 full-time equivalent jobs, are wholly dependent on the salmon fishery attracting visiting anglers with high disposable incomes; their customer base will be eroded as the fishery is broken up. With no diversification opportunities many well known hotels and lodges will close and unemployment will result. Tradesmen, contractors, shops and garages in these areas will also suffer.
Future Investment

Annual revenue expenditure by Fishery Boards in the crofting counties on salmon hatcheries, re-stocking programmes and direct employment of fishery scientists, hatchery staff and water bailiffs is £2.25 million. A further £4.5 million is spent annually by fishery proprietors on wages for river ghillies, bank repairs, vehicles, pool improvements and compensation to the commercial net fishery in the estuary waters and the North Atlantic. This £6.75 million per annum of private funding increases to £9 million when added to the annual expenditure by high paying visiting anglers.

A fall in fish stocks in recent years due to a range of factors including climate change and over exploitation at sea has necessitated increased scientific research to develop ways to counter these negative influences. Much of the investment is to retain or enhance spring stocks during the early part of the season on which many of the east and north coast rivers depend. On the Kyle of Sutherland alone research projects aimed at improving spring fish stocks involving private funding of £470,000 over three years is planned.

Effect of Insecure Title

Part 3 of the Bill threatens the wild salmon industry with expropriation of any part of the industry’s assets at any time and without notice. The same threat applies to those businesses that rely on the fishery. No business and no employee should be asked to invest their future against such uncertainty.

Following publication of the draft Bill in February 2001, £250,000 of private research funding to a major salmon fishery within the Kyle of Sutherland was withdrawn on the grounds that the river owners could not guarantee access to the river against the threat of compulsory purchase. Start-up funding for a new Kyle of Sutherland Trust for fishery education and research was also withdrawn. Since publication of the draft Bill capital investment in the salmon fishery has fallen by over 90%.

The reduction of the time limit from five years to one year for the purchase of salmon fishings after a community buy-out does nothing to remove the threat of compulsory purchase, a threat which has already significantly reduced investment and which is so destructive to the future of the fishery and the morale of those whose livelihoods depend upon it.

Public Fishing

Public fishing is available on all the principal rivers within the crofting counties normally through local angling associations and clubs. Within the Kyle of Sutherland alone an average of 476 salmon are caught annually by local anglers. No local angler is denied the opportunity to fish for salmon. The public fishings are heavily subsidised by the fishery owners. When the crofting community becomes a company limited by guarantee it will be obliged to seek a commercial level of rent – local anglers will be forced to pay more for their fishing, some may be unable to afford it.
Ownership

Within the crofting counties there are over 550 registered salmon fishery owners. Many fisheries are held through Companies or Trusts further extending ownership interests. Salmon fishings within the crofting counties come on to the market on average once every ten years. Enabling crofting communities to acquire the salmon fishings as they are offered for sale, in line with the general Community Right to Buy (Part 2), would provide the opportunity for purchase at regular intervals without resort to forced sale which is so destructive.

Management

Rivers are managed as whole river systems from the minor tributaries in the high catchment to the marine environment of the sea estuary. Organisation of angling requires specific division and allocation of angling water for beat rotation and the avoidance of over fishing. A compulsory sale by croft boundaries, which have no relevance to fishing beats, will disrupt management and devalue the fishings as a whole.

Summary

The proposals for the compulsory purchase of salmon fishings are a direct disincentive for future long term investment in the salmon fishery putting at risk the livelihoods of those employed and ultimately the future of salmon conservation. The CCFRG call on the Justice 2 Committee to recommend removal of the salmon fishery from the threat of compulsory purchase by enabling the crofting communities to buy the fishings only when they are offered for sale.
SUBMISSION FROM THE HIGHLANDS AND ISLANDS RIVER ASSOCIATION

HIRA supports the policy aim of the Bill, to promote "sustainable rural development", but opposes the inclusion of salmon fishings in the crofting community compulsory right to buy (Part 3 of the Bill). Our concerns are that:

- by destroying long term security of title to salmon fishings, the Bill will have the opposite effect to its policy of promoting sustainable rural development;

  Insecurity of title leads to lack of investment, which in turn threatens employment, the rural economy and reduces the amount spent on conservation

- in financial terms, the proposals will not work;

  The crofting community body will need public subsidy to purchase a salmon fishing and will require more an annual grant to maintain it in its present state, removing the justification that including it will help croft land to be a going concern

- there is no demand for the proposals;

  Highland Council and the Crofting Counties Fishery Rights Group oppose the proposal, and the Scottish Crofters’ Foundation sees no need for well-managed rivers to be acquired.

- the powers of compulsory purchase go beyond anything seen before;

  For the first time, the Bill authorises the expropriation of neighbouring interests; it also stretches the definition of ‘public interest’ to justify what is in fact the substitution of one private interest for another

- no case has been made by the Executive for Parliament to grant the compulsory powers;

  The Executive has commissioned a study of salmon fishing, without which it cannot justify the inclusion of salmon fishings in the Bill

- the purchase and compensation process has insufficient safeguards;

  Since the draft Bill, power has been transferred from the judiciary to Ministers

- the proposals are dividing communities;

  There is now friction between crofters, non-crofting local people and river employees

- the inclusion of salmon fishings was not subject to the same public scrutiny as the other parts of the Bill.

  There was only a limited and private consultation; the responses have not been made public
If salmon fishings were omitted from Part 3, they would still come under Part 2 of the Bill (community right to buy), and the major problems outlined above would not then arise.

**PART 3: COMPULSORY PURCHASE OF SALMON FISHINGS**

**HIRA and our concerns**

1. The Highlands & Islands Rivers Association (HIRA) is a group of river and fishery owners representing over 40 rivers in the Highlands and Islands (H&I).

2. HIRA supports the policy aim of the Bill, to promote "sustainable rural development", but opposes the inclusion of salmon fishings in the crofting community compulsory right to buy (Part 3 of the Bill).

3. The changes made to Part 3 by the Executive following consultation only serve to increase our concerns, which are that:
   - by destroying security of title to salmon fishings, the Bill will have the opposite effect to its policy of promoting sustainable rural development;
   - in financial terms, the proposals will not work;
   - there is no demand for them;
   - the powers of compulsory purchase go beyond anything seen before;
   - no case has been made by the Executive for Parliament to grant the compulsory powers;
   - the purchase and compensation process has insufficient safeguards;
   - the proposals are dividing communities; and
   - the inclusion of salmon fishings was not subject to the same public scrutiny as the other parts of the Bill.

4. If salmon fishings were omitted from Part 3, they would still come under Part 2 of the Bill (community right to buy), and the major problems outlined below would not then arise.

**Key context**

5. Scotland’s salmon fisheries are of international importance and they are a major contributor to Scottish tourism and nature conservation. The total expenditure by salmon anglers in Scotland in 1997 was about £70m. Salmon fisheries in the H&I employ some 600 people directly and at least as many more indirectly, in areas of limited alternative employment.

6. In the Executive’s August 2001 Green Paper "Scotland's freshwater fish and fisheries: Securing their future", Rhona Brankin recognised "the need for a better
understanding of the contribution which salmon and other freshwater fisheries make to the Scottish economy as a whole and the rural areas in particular" and proposed "to commission an in depth economic analysis of the sector, to report by 2003". (Her bold type).

Contradicts policy of sustainable rural development

7. Salmon are under threat and salmon returns for Scotland, which have been falling for 35 years, have in the last two years reached the lowest levels ever recorded. (Scottish Executive Rural Affairs Department, Statistical Bulletin, September 2001).

8. Very significant long term funding is required every year across the H&I to combat falling marine return rates from marine pollution (salmon farms) and high seas fishing (Greenland and the Faroes), inshore nets and inriver pollution, habitat degradation (acid rain, forestry and land reclamation), major spates and ice damage and to increase scientific knowledge.

9. By destroying security of title, the Bill is already causing uncertainty. The business case for long term funding, which relies on long term capital appreciation from improvement, will no longer be valid. Banks will not lend on an insecure title and trustees will no longer be able to justify the investment.

10. In the face of these uncertainties, rivers, like all businesses in a similar situation, will be run for the short term, resulting in job losses and reduced investment. This inevitably threatens employment, salmon conservation and the sustainability of these fragile rural communities – the exact opposite of the Bill’s intention.

11. We are already aware of long-term funds postponed or cancelled across the H&I in 2001 as a result of the Bill. The threat to conservation will be exacerbated if netting rights are also taken compulsorily.

Proposals will not work financially

12. Rivers do not make an adequate cash return on funds employed. They rely on external funding for their long-term needs. Even if public funding were available for crofting community bodies to buy salmon fishings, its ability to pay for continuing future long term funding for conservation and river maintenance would depend on continuing public subsidy. The idea that it will be convenient to include salmon fishings with croft land to create a viable undertaking is based on a false premise. A crofting community body will not be able to meet the funding needed to maintain the assets for very long and will be forced to sell the salmon fishing, or let those assets deteriorate. Neither choice meets the Bill’s objectives.

No demand for proposals

13. The Highland Council, the most representative body in the area, agreed on 5th December 2001 to recommend the removal of salmon fishing from Part 3 of the Bill. The river employees’ organisation, the Crofting Counties Fishery Rights Group, have made the same call on the basis of real threats to employment and funding. HIRA makes the same request. The Scottish Crofters Foundation believe that the right to
buy salmon fishings would be exercised very infrequently, particularly on well-managed rivers.

**Compulsory purchase powers go beyond anything seen before**

14. The powers of compulsory purchase go beyond any previous ‘right to buy’ legislation. In the past, the principle of ‘right to buy’ has been to enable tenants (i.e. those with a fixed-term interest in land) to acquire the permanent interest in the same land. The Bill permits the expropriation of neighbouring assets in which there was no previous interest. Scotland relies heavily on inward investment to support most aspects of its economy, which will be threatened by legislation of this type. Investment decisions are often finely balanced, and these proposals have already had a negative impact.

15. Nor does the Bill accord with another principle of compulsory purchase that the purchase must be necessary and proportionate in the public interest. The Bill contains no definition of necessity and no recognition of proportionality, i.e. the Bill does not balance the effect of the purchase on the present owner against the benefit to the new owner. In order to justify substituting one private interest for another, the meaning of ‘public interest’ has been defined as ‘the interest of any sector (however small) of the public’, which goes beyond any common-sense meaning of the phrase.

**No case made by Scottish Executive**

16. Parliament should not grant powers of expropriation unless the case for them is clear and proven. The Executive by its own admission does not yet understand the economics of salmon fishing and its contribution to the rural community (Rhona Brankin above) and therefore cannot yet calculate the effect of forced change of ownership or its destruction of security of title.

17. The Policy Memorandum simply states that ‘[crofting community bodies can] buy all the land which the crofters use’. Separate title to salmon fishings predates the concept and practice of crofting by hundreds of years. Crofters have never had the use of salmon fishings. The Bill therefore goes beyond the only “justification” given.

**Compulsory purchase and compensation: inadequate safeguards**

18. The purchase process does not require the expropriation of salmon fishings to be properly justified. The redefinition of fishings as "eligible croft land" and not "eligible additional land" cuts out the protection of referral to the Land Court given in the draft Bill when fishings were being acquired without the owners consent.

19. No reason or justification is given for this change. The decision to allow the purchase to take place is now to be made solely by Ministers, when it should be quasi-judicial.

20. The compensation provisions take no account of the blight on titles, the different types of ownership (e.g. pro indiviso shares) and management (e.g. floating beat systems) of a fishery, indirect losses, or "negative equity" and they fail to deal with severance adequately. By removing the restriction on re-sale by crofting community
bodies contained in the draft Bill, the long-term ownership of fisheries is left unaddressed.

21. Donald Dewar pledged, when announcing the Scottish Executive’s first programme on 16 June 1999, that ‘the [land reform] measures that are proposed pose no threat to good landowners’. Yet there are no safeguards for good landowners. Without such safeguards, fisheries are subject to the risk of political experimentation without regard to the consequences.

Proposals divide communities

22. The Bill is causing divisions and sectoral interests in local communities. Small farmers, who are in the same economic position as crofters, feel the Bill discriminates against them. River employees are seeing opportunities for employment reducing and less funding being available. Communication and cooperation is suffering in the absence of a common interest.

Inadequate consultation process

23. The Policy Memorandum claims that Part 3 of the Bill comes from the Land Reform Policy Group (paragraph 15). The inclusion of salmon fishings does not. The draft Bill was published without prior public consultation on salmon fishings and, we understand, was not even the subject of consultation with the Scottish Executive fisheries section. There was a separate, private consultation with just 15 responses none of which were made public. Only the Executive has seen them. Yet these have "informed … the decision to include these provisions in the [Bill]". This is not open government.

Solution

Remove from Part 3; leave Part 2

24. This would allow long term funding to resume and river assets, local employment and contributions to local communities to be safeguarded. It would also remove concerns about the blight on titles, proportionality, the public interest and compensation.

Request to give oral evidence

25. Our case cannot be given justice in the stipulated 3 to 4 pages. We request the opportunity to give oral evidence.

N McAndrew, Chair and R Douglas Miller, Vice-Chair
Mr. Jake Thomas,
Committee Chambers,
George IV Bridge,
EDINBURGH.

Dear Mr. Thomas,

Following our telephone discussion, I enclose a brief response to the issues as set out in the Land Reform Bill. I regret sincerely that I am unable to join my two colleagues in Edinburgh on 8th January.

Yours sincerely,

ANGUS GORDON.
I welcome the opportunity to respond to some of the issues contained in the Land Reform (Scotland) Bill which was introduced in the Scottish Parliament on 27th November, 2001. Ever since the late Donald Dewar introduced the first draft at Aviemore, a group of Strathspey tenant farmers have held a series of meetings with various interested groups and party members towards the advancement of Land Reform. As a member of this group I append in this letter some of my own personal views.

**PART 1 ACCESS.** Whatever measures are introduced must be easy to understand and simple to enforce otherwise they will only lead to more confusion. In our area I consider that freedom of access is already quite sufficient as most of the people who walk around are considerate and not problematic. However, I do worry if too much access is allowed that farmers for example could face many problems with for example people wandering at will over farmland. Farms have many hidden dangers for unsuspecting ramblers. Livestock in fields are very aware of strangers especially if they are accompanied by dogs even on a lead and if a stampede happens through no fault of the farmer he must not be held responsible. The maintenance of footpaths and rights of way will have to be properly managed otherwise they will soon deteriorate and major problems will occur.

**PART 2 COMMUNITY RIGHT to BUY.** In Badenoch and Strathspey this is not feasible. The majority of the farming land is owned in large blocks by owners whose families have been lairds for generations. Recently, when Revack Estate came on the market the tenants all grouped together with a view to community purchase but the estate preference was for a single purchaser who has since individually sold off the farms to the sitting tenants.

**PART 3 CROFTING RIGHTS to BUY** It is essential that a register be compiled of all the holdings in receipt of C.A.G.S. grants. This would enable all units presently in receipt of, have been or are likely to be in the future to be added to the Crofting Register thus ensuring the same benefits as a registered crofter. Not only would the farming community benefit from the proposal but it would also help to sustain fragile rural communities eg. Village shop, schools and other local services. Means
testing of incomes is grossly unfair when a non registered croft is applying for crofting grants. For example someone who has amassed considerable wealth and is tenant of a registered croft automatically qualifies for all grants. Yet if you are not registered and your income exceeds a certain figure you are not eligible. Surely now is the time to bring in new legislation and phase out these injustices and anomalies. Where the crofter tenant has carried out improvements to their holding they should be adequately compensated. At the end of the day it will be the landlord who will ultimately reap the benefit. Croft land for purchase should be valued at 15 times the annual rent less an allowance for any improvements or investments the crofter may have made to the unit. In the event of either parties disagreeing the matter should be referred to the Land Court.

TENANT FARMERS RIGHTS to BUY I am disappointed to note no provision is included for tenant farmers to purchase their land although it was in the original draft of reform measures. I still hope this can be included in the Bill as there are many small farms in this area of similar status to a crofter who would welcome the opportunity to purchase. In many instances the neighbouring croft has a larger acreage and is in receipt of the higher crofting grants and only has a rent review every seven years whereas the neighbouring farmer has his rent increased every three years. Surely in the difficult time for agriculture more small farmers in the Highlands could benefit from being added to the Crofting Register. Every time rents are increased the landlords have no obligation to spend money on improvements to either farm houses or buildings. I know many farmers whose farms have not had any remedial work completed in more than 30 years. The tenant is treated very unfairly by the landlord regarding the upkeep of property. There should be a contract that the landlord should have to carry out improvements eg. Replacement windows, heating and electric rewiring considering most units had to install the supply initially themselves. Where there is a secure tenancy a clause should be inserted that after a certain period of time 20 to 25 years perhaps the tenant if they so desire ought to have the right to buy also should the landlord decide to sell the farm the tenant ought to have the first chance to buy. The value of the unit should again be 15 times the annual rent or the average figure that would be reasonably expected for a similar type of land in the area.

Land Reform is a once in a lifetime opportunity to look at and consider the people who have been custodians and worked the land over several generations in some cases for over more than two hundred years. The Right to Buy would undoubtedly encourage reinvestment, give an added
impetus to improve the viability of the unit and the freedom to diversify into alternative schemes. Now that our area is almost certain to become a National Park it is imperative that crofters and tenant farmers own their assets to enable them to take advantage of and share whatever benefits will be available.
Chairman.

Registration: My group, Spey Valley Crofters Association, contend, after in depth study, that Registration will have inestimable and beneficial effect on the Highland and Island population as a whole and the Agricultural Community in particular.

Maximum effect: Maximum effect will be best achieved if all Units are on the Register; that those not presently on must be admitted. It is our strong contenation that since all Crofts and Farms are cheek by jowl, generally co-operation with labour help and the sharing of expensive capital equipment, best harmony is achieved if we start with a level playing field, i.e. equal benefits for comparable opportunity.

Evidence of Benefits: Registration benefits are already proving their worth as for the first time in our farming history holders of units see the security obtainable via the 'owning' of 'homes' and holdings. It follows that the physiological effect produces new interest and increased effort.

Effects: To clarify, effects that spring to mind:

The resultant input of:-

Fresh energies; higher disposable incomes to subsequent benefit of - 'Village shops', at risk 'Post Offices' and the multifarious services they offer an entire community; the 'Council Tax' being boosted; a steadying of drifting populations; new opportunities to encourage our better educated 16 to 22 year olds to stay put and apply skills in the area.

Schools effect: The inestimable benefit to our school population, halting presently declining numbers. Added benefit as new incoming populations bringing skilled and educated families thus boosting our present listing in the tables as - the most sparsely populated area in the entire EEC at 8 persons to the square kilometre (the norm being 22 to 70 plus) and a change to our existing population of circa 200,000 now showing a graph of imbalance viz a viz increasing 'Pension' age residents; 'Retiral' and 'Holiday' or weekend Homes.

Clearly these population statistics HAVE to be changed
if a healthy life style is to be achieved and the
population drift reversed.

Registration : We urge our 'Elected Members' to arrange, by legislation
or dictate, that Units presently not on the Register
must be included.

Reason for
Unregistered
We are well aware that some dissent to this can arise,
with such comment as - 'They had their opportunity 1955.'
To enlighten this view, directly from us as front line
operators - many of us had (have) friends and relatives
who were actively discouraged by Factors, Landlords and
Lairds NOT to register, and consequently in fear of
offending these owners, men declined to register.
As noted earlier, the unit mix of Registered and non
Registered run side by side. A feeling of injustice
will develop as Registered Owners properties will go
forward as their less fortunate neighbours, at best,
stand still.
Our area can only prosper if the playing field is level,
ready for what will be an exciting future.

Inheritance : The effect of the right to purchase is of multi
proportion.
For the first time for many the right to inherit,
apply to offspring and in turn their children, ad-
infinitem, alone, will encourage populations to stay.

Extending
Crofts etc
Couple this with Governments avowed intention to -
Extend the area for Crofting Counties and to authorise
the creation of New Crofts.
This will, we consider, match and strengthen the charges
requested, urged, viz Registration, i.e. population
boost.

Evidence : Our thoughts are backed by ample evidence shown by the
incredible response to the bold initiative as to
Balmacara and Orbst (Skye).
The Members will have ample evidence of other such
benefits within some constituencies.
The Balmacara and Orbst projects resulted as is known,
with a world wide interest both from families desperate
to return to Scotland added to which a raft of applicants
ready to bring young families, fresh capital, new ideas
for diversification to name but a few.

Effects : The effects on junior through to senior schools is clear.
The diversifications that will follow too will effect in
beneficial ways such as Service Industries, Apprentice
opportunities and Technical Colleges. The genie is ready
to burst out of the bottle and, Chairman, only needs our
representatives to pull the cork.

Anomalies : My group studies have anticipated the arising of certain
anomalies and some pitfalls. We are of the considered
opinion that a select committee of MSPs ably assisted by
their 'Civics' and hopefully including a representative
body of front line experienced hands will readily devise agreeable answers. The rewards are too great for unresolved dissent.

Right to Purchase

: It now follows that Long Sitting Tenants (my own family for example have 300 years farmed and crofted in the Valley) must be granted - 'A Right to Purchase! what will then become their own homes and holdings.

Basis of Purchase

: We strongly urge that the basis of the right to purchase must be on the long established practice, that some more fortunate have enjoyed i.e. of fifteen times the annual rent.

We remind the Committee, Chairman, that over the generations, Crofters and Tenant Farmers alike have won back land from the Hill and made it produce, irrigated, cleared the rocks and rubble, cleared the bramble and filled the gullies creating the 'Picture Book' landscape in so doing that had a bonus effect on number One Industry (presently in decline outwith RSE and Foot and Moutk problems).

We have lived in the shadow of the 'Big House' whose principal benefit to the natives was for the womenfolk to act as chambermaids and house help - for the menfolk to be labourers on the estate or at best ghillies or gamekeeping work. The top jobs were for imported personnel who were all too often unaware of the varying weather patterns to be encountered, the climate and seasons and the population needs. The owners were engaged in the pleasure industry, the shooting, fishing, and partying.

The estates were no more than a splendid playground for the rich from wherever.

To secure our own homes and units has been a driving hope for generations, a dream that can now come true.

Community Purchase

: We come to the listed proposal of 'Community Purchase' and bring in the strongest terms a view from the front that may well have slipped the consideration of the legislators, it being far simpler to use one brush to cover the whole. As working agriculturists we must make you aware of the problems attendant on a generalization on Community Purchase projects even though the idea reads as sound and innovative.

Chairman it 'aint. The Valley for example is 'long', and topographically hugely varied. Population scarcity is a point to consider, we have already highlighted the 8 persons to the square kilometre but even less in parts of Highlands and Islands. Such a spread has inevitably resulted in a rugged individuality of people, men and their womenfolk too. Such a scene will not lend itself to Community holding though we grant that there are areas for whom this will work. We ask therefore for a varied approach and not a 'blanket' policy.

We put forward long held views on the unfairness brought about by foreigners, meaning overseas people, who are buying large estates with money sourced from where we have no knowledge. Our EEC neighbours are far more careful in this regard. Again Chairman a level playing field
please.
As a corollary Sir we object to the proposal that Owners be they Laird or Landlord, can decide who buys a plot during land sales. You should know of our strong objection on this.

Throughout UK many of our traditional industries have declined or gone out of existence as progress continued space.
Mining: Textiles: Steel: Shipbuilding all, more or less, gone. On the other hand the worlds oldest industry struggles on helped by wise administrators who have seen that this is one industry that has always operated to the 'Public Good' and not for 'Investor Profit'.

CCAGS

We wish to note the CCAGS scheme as yet a further benefit that offers large effects where it applies. Those presently in receipt of CCAGS will readily confirm the inestimable value of the scheme. We consider that CCAGS can be readily extended and to great benefit. Benefits will follow immediately and unlike most schemes places no demand on Government for financial 'input'. The money is available and in place via application to the Department of Agriculture plus it is supervised by the trusted 'Crofters Commission'. Units presently in receipt of CCAGS are advantaged. Units not in the scenario can be readily inducted by a 'Simple Act of Amendment' which can effectively apply to units once in CCAGS, as also units designated for future inclusion.

CCAGS

Without question all such add impetus to make a promising future for present and future Highland and Island populations.

Registered

Once units are in receipt of CCAGS we contend (again) the quoted playing field should be inducted onto the 'Crofting Register Scotland'. Now can follow an activity of diversification such as camping: caravans: forestry: leisure sports: golf: driving ranges for 4X4. Again the spin off effect on visitor attractions, our future number 'One' Industry.

Dying Industries

We have followed the history of dying heavy industries in our land and remarked how the central belt ascended, recovered with the introduction of 21st Century Electronics and substantial incoming capital. It is none the less depressing to register that this most modern of industries has now too fallen into long term recession yet nothing has been devised, this time, to replace lost firms.
We have watched with even deeper interest the lifting to that of a Tiger Economy in Ireland by route of huge BOC capital input - grants and investment. What was a few short years ago a basket case has become Scotland's greatest competitor for golfing holidays and tourism. We contend that Registration in concert with the other
benefits will rejuvenate our situation. Worthy of note is how the well educated expatriate Irish graduates have returned home from highly paid posts in Canada, USA, Australia and the EEC to.

See Ireland and view the miracle of benefits accruing, all ready to take the place of grants and subsidies planned for phasing out in a few short years – a situation that, as yet, we have no plans to match. To offer equivalent attraction will depend on Land Reform and, Registration in particular, and of course at far less capital 'Input' from 'State'.

The regular conversations we 'Crofters' have with our 'Wet and Breakfast' clients have made us extremely conscious that this vital diversification is on a decline over the past three years as is the Holiday Home occupation. Conversations that have highlighted the growing strength offered by our competitors Ireland, and its newly found affluence and energies. We have no option but to emulate their pattern of success. An area to be investigated by Government must surely be to instigate a programme aimed at the potential of office and homes for the professions for whom with communication of the 21st Century no longer recognize distance as a problem. These people in particular are 'green motivated' and seeking to live in areas of clean air: clean water: clean land: low crime rate: beautiful scenery: loved landscapes.

The target thus is - Architects, Designers, Authors, Writers, Language Schools, Artists, Creative people able to work easier knowing their children can play and grow in safety and in inspiring surroundings. Having referred to our population statistics we note again that in this time of year on year increasing costs viz Council Members, our MPs and the huge support staffs, the range of Public Service personnel and of course the extra requirements resultant to our climate. This is no complaint but an observation that gives realization that a slowly declining population presently, as noted, a mere 206,000 souls including a high percentage of retired residents urge the introduction of such schemes as my group have put before you Chairman.

Over the centuries we agriculturists have been adept at 'Spreading Muck'. We have an opportunity to 'Spread Hope' with Government help. 'Spread Hope' and one spreads wealth and new seeds of prosperity.

Anomalies

We recognise the many anomalies and pit falls to be overcome following such rejuvenation plans. We are not deterred however since to stand still or worse to do nothing spells irreversible decline. A study group by our Members and the professional 'Civils' assisted by an input from the 'front line'
experience we 'crofters' and 'farmers' can supply, will overcome these relatively small problems.
We refer of course to the need to clarify presently unfair situations present and anticipated as Crofts cheek by jowl with both registered and unregistered units, some larger than neighbours with a detrimental lack of balance.

National Park Funicular
:Account had been taken of the beneficial effects to the Highland population of the installation of the Funicular and the forecast of visitor attraction. Note too has been made of the development of the National Park and the many benefits this will bring. We contend too that the scenery offered by improved Crofts will complete the Highland scene. Dartmoor - The Lakes - The Yellowstone all contributed at once to local benefits.

Produce
:We have identified markets for our produce, customer liaison shows they are anxious and waiting for our products which will be traded under a head of:
Croft Fresh: Highland and Island produce from - Clean Air - Clean Land - Pure Water - Naturally Organic.