

**Report on the April 2007 meeting of the Argyll and the Islands
Local Economic Forum to Argyll & Bute Community
Planning Partnership**

Ken Abernethy updated the group on the major projects which HIE Argyll and the Islands (HIE AI) are pursuing.

The Marine Science initiative, which revolves around SAMS and the cluster of small biotechnology companies, should progress as the objections to the local area plan have been withdrawn. Planning permission for the Dunstaffnage site has been sought. The proposed development should include halls of residence and the opening up of estate land for further housing, the latter as part of the North Argyll Initiative run by Argyll and Bute Council. The impact of the expected population increase in the area should be recognised by community planners with specific regard to health services.

Argyll and Bute Council have put the Argyll Air Services out to tender. This will involve airlinks to Coll, Colonsay and Oban. It is anticipated that there would also be a daily air passenger service from Oban to/from Glasgow and this should benefit the marine science initiative, opening up easy access to international air routes.

A number of initiatives have been undertaken during the year to engage closely with local businesses within the National Park area, covering, amongst other things, the waterfront development, town centre improvements and environmental assets.

Jura and Coll remain within the Initiative at the Edge programme and both have developed healthy community groups that have challenging projects in mind. Although Colonsay is no longer in the scheme, HIE AI would continue to give support according to need.

HIE has produced an Economic Update publication and the contents were reviewed by the LEF group. The population of Argyll and the Islands increased 1.7% from 2001 to 2005. The median house price in Argyll and the Islands in 2005 was £82K compared to £88K in the Highlands and Islands. There were 5.5 new start ups per 1000 population in 2005 compared to 4.7 in the Highlands and Islands.

There was some discussion about unemployment rates and the dependency of the tourism sector on seasonal migrant workers. It was agreed that there are local variations in the number of unemployed available seeking work.

Unemployment in the LEF area was covered by Ken MacTaggart during his presentation. The figure for February 2007 was higher than for the previous months and is expected to top out in March. Overall, the unemployment figures are neither as high nor the fluctuation as great as in previous years, probably as a result of the seasonal migrant workers.

New business formation is counted by the LEF when a new business bank account is opened. Although there was a drop in early 2006, the numbers of new starts picked up by the end of the year. This corresponded closely to a change in HIE policy and also indicated high penetration by HIE AI in the new starts sector.

Broadband coverage was discussed. The problem appears now to be one of capacity, particularly for some areas on Mull.