

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

Economic Update – given by Ken McTaggart

Business Starts The normal pattern for starts is a peak in Spring tailing off later in the year. Last update had shown a downturn for Argyll when the general trend was up. Ken had been asked by the LEF to look at this in more detail. The data is collected from the 4 main Scottish banks records of new business accounts and may show only part of the picture however when plotted against other regions the general trend in Argyll remained down with 440 new businesses formed in Q1 2005 down to 350 in Q1 2007.

Ways in which this issue could be taken forward

- A number of partners could jointly commission research into the factors underpinning this data.
- More discussions could be held with the 4 banks and with PSYBT to look at the position locally. High levels of public sector employment and the attraction of final salary pension schemes may be a factor. Is increased business confidence locally leading to more firms taking on staff rather than them seeking to set up their own businesses?

Unemployment The normal trend is for a peak in Winter and sharp fall in Summer to reflect seasonal employment. Argyll and the Islands figure currently at a historic low of 840 people Long term unemployed shows a downward trend. Overall the % position in main towns is as follows:-

Area	2006	2007
Dunoon and Rothesay	3.8%	3.1%
Campbeltown	3.1%	2.7%
Lochgilphead	2.3%	1.9%
Oban	1.7%	1.9%

Population Growth Presentation -given by Douglas Cowan Head of Population Growth HIE Argyll and the Islands

The HIE Network's target is to grow the population of the Highlands and Islands to 500,000 by 2025 which represents 20% over a twenty year period.

In recent years much of the growth has come from migrant workers but there is no mechanism to track their numbers as they need to register the first time they seek employment but not when they move to another area.

An increasingly ageing population creates issues on sustainable economic development but in looking at the Argyll population profile there are significant difficulties in assessing statistics for the LEF as there are a number of different boundaries covered by many of the figures.

What is certain is that there is a much older profile in the area. Argyll would need 19,000 more young people if it was to have the same age profile as the rest of Scotland and only in the 50+ group does the profile reflect the national average.

Research is currently being commissioned by HIE on the attitudes of young people to remaining or returning to the Highlands and Islands Housing and transport were highlighted as problems but it was felt that an analysis of the issues in an Argyll context would be valuable.

Action suggested to take this issue forward

- Douglas Cowan is willing to advise any group formed by the LEF or CPP who wish to take this work forward. Similar work has already been done in some areas such as Shetland and the Western Isles.

Argyll and Bute Local Social Economy Partnership (ABLSEP)

Alan Milstead presented the background to the ABLSEP plan. Formal adoption by the CPP will now be required.