

Economic Development and Transport Committee Report under Standing Order 9.9: June 2003 to March 2004

Introduction

1. The Economic Development and Transport Committee is one of the Assembly's seven subject committees. This report is made under Standing Order 9.9 which requires subject committees to report to the Assembly from time to time on their progress in fulfilling their forward work programme. This report covers the activities of the Committee from its formation at the start of the second Assembly to the end of the spring term 2004.

Membership of the Committee

2. The current members of the Committee are: Chris Gwyther (Chair), Alun Cairns, Chris Chapman, Andrew Davies (Economic Development and Transport Minister), Janet Davies, Brian Gibbons, Lisa Francis, Elin Jones, Lynne Neagle, Jenny Randerson.

The Committee's Remit

3. The Committee's remit is based on the portfolio of the Minister for Economic Development and Transport which currently embraces:

Innovation and enterprise.

Industrial policy and business support.

Inward investment, promotion of indigenous companies and regional development.

Transport.

Energy.

Tourism.

Strategic co-ordinating responsibility for ICT.

Structural Funds.

4. This includes oversight of the Welsh Development Agency (WDA) and the Wales Tourist Board (WTB).

The Committee's priorities.

5. The Committee's priorities were set out in its Forward Work Programme which was agreed at its meeting on 9 July 2003

Meetings held

6. EDT held 12 formal meetings in 2003-4. It also on 2 occasions joined the European and External Affairs Committee (EEAC) to discuss the future of the European Structural Funds. As part of the process of familiarising itself with the issues facing the sector, the Committee also received informal briefings from officials and from Professor Stuart Cole, Director of the Wales Transport Research Centre, at the University of Glamorgan.

7. In connection with its policy review into economic inactivity the Committee visited North Wales to learn about the intermediate labour market that has been established there.

Work and Achievements

SO 9.7(i) - contributions to the development of the Assembly's policies within the fields for which the Assembly Minister is accountable to the Assembly;

8. The Committee's first policy review is into economic inactivity which is generally considered to be the most critical issue facing the Welsh economy. It is also a wide ranging and complex issue and the Committee has decided to focus on a number of specific aspects of it. These are the problems faced by people who are prevented from working because of a commitment to providing care for children or elderly people, or because there is no suitable transport available. The Committee is also considering the problems faced by older workers with skills that have become outdated as the economy has evolved.

9. The Committee carried out a consultation in the first quarter of 2004. It also considered a background paper from the Welsh Assembly Government and took evidence from Jobcentre Plus, Manpower UK Ltd, Chwarae Teg and Tiddlywinks.

10. The Committee has also discussed and commented to the Welsh Assembly Government on a number of economic issues which include: social enterprise, the Wales Spatial Plan, Assembly Investment Grant and the EU's working time directive. The Committee also discussed and examined the Minister's proposals for a Statutory Registration Scheme for Tourist Accommodation with contributions from the Wales Tourism Alliance.

11. The Committee has devoted a lot of its time to transport issues and has met representatives of the Strategic Rail Authority, Network Rail and Arriva Trains. It has also considered a range of policy issues including the Review of the Trunk Road Network, the Review of the Local Road Safety Grant, provision of long distance bus and coach links, Intra-Wales air services and the Welsh Assembly Government's own review of transport policy within Wales.

SO 9.7(ii) - keeping under review the expenditure and administration connected with their implementation.

Regular scrutiny of Minister

12. The Committee regularly scrutinises the Economic Development and Transport Minister who has at each main meeting provided a written report detailing latest developments within his area of responsibility. Discussions of these reports have formed a major part of most meetings.

13. The Committee also receives regular analytical reports on the economy in the form of the Quarterly Economic Report for Wales and the Quarterly Statistical Bulletin and a quarterly report on the operation of the Regional Selective Assistance scheme.

14. Discussions on the various policy issues referred to under the section above relating to the development of policy also contain an element of scrutiny and these have not been mentioned separately here.

European Structural Funds

15. The Committee has considered it a priority to ensure that maximum benefit is achieved for Wales from the European Structural Funds programmes. It has regular discussions on these with the Economic Development and Transport Minister, as well as receiving regular quarterly reports from the Chief Executive of the Wales European Funding Office and from the Chairs of the Programme Monitoring Committees (PMC). In the course

of the year it has also considered and contributed to the Mid Term Review of the Structural funds.

16. One of the Committee's particular concerns has been the availability of match funding the need for which has increased as the value of the £ has fallen relative to the Euro. There was a view within the Committee that EDT should undertake an investigation into match funding but a formal proposal to do this was narrowly defeated.

17. The Committee is also concerned about the future of these funds following the enlargement of the EU and held joint meetings with the European and External Affairs Committee to discuss these with representatives for the European Commission and the UK Government.

SO 9.7(iii) - keeping under review the discharge of public functions in those fields by public, voluntary and private bodies:

18. The Committee receives regular reports from and holds discussions with the Chief Executive of the Welsh Development Agency and the Wales Tourist Board. It has also appreciated the Chair of the Wales Tourist Board making his time available for these. The Committee has considered and commented on both these agencies' Strategic Plans and also the Minister's remit letters for them.

S.O. 9.8 – other responsibilities

Legislation

19. The Committee wrote to the Secretary of State for Wales emphasising its full support for the Assembly Government's proposals for legislative changes in relation to transport in Wales and urged him to press for Parliamentary time for a Wales (Transport) Bill in the 2004-5 session of Parliament. The Committee has considered and reported on the Traffic Management Bill which was referred to it by plenary following the Queen's speech. It is shortly to consider the School Transport Bill which was also referred to it.

20. The Committee has also considered and reviewed secondary and European legislation affecting Wales within the EDT portfolio. So far consideration of these has not needed to take up a lot of Committee time, but the Committee considered and commented on the WDA (Derelict Land Order) which it broadly welcomed and will be considering further legislation in the coming year.

Economic Development and Transport Budget

21. EDT has been closely involved with setting the priorities for the Assembly's economic development budget each year and commented on the Minister's budget proposals for 03-04.

**Chris Gwyther
Chair**