

**SCDI HIGHLANDS AND ISLANDS ANNUAL DINNER AND
BUSINESS EXCELLENCE AWARDS 2010
WELCOMING REMARKS BY JOE MOORE, SCDI HIGHLANDS
AND ISLANDS AREA COMMITTEE CHAIRMAN**

- **On behalf off SCDI, it gives me great pleasure to welcome all our guests tonight and thank our Principal Partners:**

- 1. Caledonian MacBrayne**
- 2. The Crown Estate**
- 3. E.ON**
- 4. Global Energy Group**
- 5. Highlands & Islands Enterprise**
- 6. HSBC**
- 7. Scottish Environment Protection Agency; and**
- 8. Scottish Natural Heritage**

- **And our Associate Partners:**

- 1. Diageo**

2. Highland Spring

3. LifeScan Scotland; and

4. Marine Harvest.

- **SCDI is very grateful for your support and the continued backing of our members in the Highlands and Islands.**
- **This has been another very busy year for SCDI with the economy centre stage in the policy debate before and after the election of a historic Coalition Government for the UK. We are delighted that our Principal Guest and Speaker is David Mundell, Parliamentary Under-Secretary of State for Scotland, and we look forward to his remarks shortly.**
- **In this election year – and looking forward to another election next year – SCDI has been working hard not just to influence government policies on economic recovery, but, through our strategic Blueprint for Scotland launched in June, to outline our long-term priorities for Scotland, focusing on maximising our Nation, Assets, and People.**

- **Developed through intensive consultation with members, the Blueprint is now shaping SCDI's input into the UK and Scottish spending reviews. Many of the Nation's greatest Assets are in the Highlands and Islands, above all our natural resources. It is vital that this region's and its People's positive and growing contribution to the national economy is enabled. For example with strategic public-private investments in our ports and near-port locations.**
- **We need to hear more about the long-term business plan for the region and country and more could be done to draw the private sector and civic Scotland into these processes.**
- **Connectivity – transport, digital and energy - is particularly important to the recovery and growth of the Highlands and Islands. Businesses need to have confidence that the region is able to provide the infrastructure we need to do business in the 21st century and thereby grow. Capital spending in Scotland is projected to fall by £1.6bn and it is**

clear that the Scottish Government will have to prioritise. To secure the private and public investment we need, the region will need to make a strong case for its priorities.

- **In the next couple of weeks, I will be convening a meeting of private and public sector leaders. In the meantime, I would be interested in your feedback on the following:**
- **To support internationalisation of the economy, introduce next year a direct air route between Inverness and an international hub airport, such as Schipol Amsterdam.**
- **To improve links between the Highlands and Scotland's largest business centres, introduce an hourly frequency on the Highland Main Line and peak express services from December 2011, followed by train and track infrastructure improvements to reduce journey times below three hours.**

- **To strengthen links between Highland and Aberdeen energy hubs, introduce an hourly frequency on the train service and reduce journey times to around two hours.**
- **To support key sectors in the West Highlands, reduce accidents and enable reliable integration with ferries, a staged implementation of the action plan for the A82.**
- **To support development of the Highland Campus, complete the A9-A96 Link Road and a new Inshes Junction, as the first phase of improvements in the A96 corridor.**
- **Whatever we sign off to go to Government, we realise that not everyone will agree fully with our top priorities. However, we believe that by delivering projects, the region will secure investment in all its priorities in the longer-term.**
- **As is the case across a range of issues, to be successful the region will need to present a strong and united front. The Scottish Parliament's Economy, Energy and Tourism**

Committee is currently undertaking an inquiry into the purpose of an enterprise agency and has asked the question whether Scottish Enterprise and Highlands and Islands Enterprise should be merged into a single agency.

- SCDI has welcomed the inquiry. It is vital to maximise the impact of public intervention, investment and contribution.**
- We believe that Highlands and Islands face distinct economic challenges and needs from the rest of Scotland. HIE has, over many years, developed a distinct approach. As it must reach all parts of a large, diverse, comparatively remote and sparsely populated area, HIE has created a highly decentralised network of local offices, with deep expertise and commitment. Through its strengthening communities remit, HIE has supported community land ownership, community energy and social enterprise.**
- Yes, there is potential for more shared services and efficiencies – note shared, not centralised – and not just**

only the enterprise networks, but across the public sector. Businesses do want more clarity about business support and responsibility for delivery of the wider economic development strategy. But SCDI does not believe that break-up of HIE or merger with its far-larger counterpart would maximise this region's potential or its contribution to national sustainable economic growth and wellbeing.

- For our part, SCDI is strengthening its regional team. Today SCDI has been interviewing for two positions in the Highlands and Islands, a regional Manager and, to build on the excellent progress which has made in the last year, a regional Young Engineers and Science Clubs Co-ordinator. Both will work closely alongside the lynchpin of SCDI Highlands and Islands Lesley Rhind and our national team. Watch this space for announcements in the near future.**
- And there is plenty for members to look forward in this period. In the next few weeks alone, we will be holding events which focus on the business and economic**

opportunities of this region's outstanding resources. Scottish Water Chief Executive Richard Ackroyd will discuss the First Minister's plans to turn Scotland into the world's first Hydro Economy; Oil & Gas UK Chief Executive Malcolm Webb will highlight opportunities from the next major frontier of hydrocarbon reserves west of Shetland; and Stuart Cook, Senior Partner, Transmission and Governance, will discuss the electricity network developments necessary for the Highlands and Islands region to become Europe's renewable energy powerhouse.

- In November, Inverness will join Edinburgh, Glasgow, Aberdeen, Dundee and Stirling at an SCDI summit in Dundee which will set the agenda for successful and sustainable 21st century growth for Scotland's six cities.**
- We intend to follow this early in 2011 with an event focused on economic opportunities and challenges for this region. One concept for discussion, which was also highlighted in**

SCDI's Blueprint, will be transforming the Highlands and Islands into a digitally-connected 'Distributed City'.

- **We will be making representations to the Scottish Government on the award of university title to UHI, another key aspect of the vision for a regional knowledge economy.**
- **We will reinforce the economic importance of the Highland Chieftain train services between Inverness and London. And we will be responding to the Scottish Government to underline that a long-term investment programme in ferries and ports is essential to businesses and communities on our islands and peninsulas, and offers opportunities for innovation in services and revival of Scottish ship-building with a world-leading hybrid-powered eco-ferry design.**
- **Nationally, we have exciting plans to support growth of the low carbon energy sector and, in this 50th year of SCDI trade visits, to support more businesses with exporting.**

- **The region has come along way in these seven years. One of my early ‘Committee visits’ as Highlands and Islands Chair was to the Western Isles. I say Committee, but it was me, SCDI’s former Chief Executive Alan Wilson and Lesley. I confess that what I saw did not fill me with optimism. This August, SCDI took an 18-strong delegation to Stornoway. Yes, there are still significant challenges, but what we heard was a can-do attitude - particularly in relation to tourism, renewable energy and the knowledge economy – which I believe is representative of region-wide progress. We – all of us with a stake in the future of the Highlands and Islands economy - need to enable this to continue.**
- **We are clearly entering a new era – as SCDI, as a region and as a country – with new faces and fresh economic opportunities and challenges. With this in mind, it is my great pleasure to welcome Parliamentary Under-Secretary of State for Scotland David Mundell MP to address us.**