

Tuesday 17th April 2012

Dear David

PE1421 by Gail Robertson, on behalf of the Outer Hebrides Transport Group, on fair ferry fares

I had hoped to be at Committee today to speak to the above petition and would be grateful if you would bring this letter to the attention of committee members.

The Petition is regarding the withdrawal of RET from commercial vehicles in the Western Isles. Fares are increasing at an alarming rate – capped at a 50% rise per annum. These changes are being made without consultation and without any economic impact assessment. These rises cannot be absorbed by business and will be passed onto islanders – every family will face increased costs for essentials due to these rises. Hauliers are already struggling and some have already gone out of business. Manufacturing businesses on the islands will also face an even greater disadvantage because of the increasing cost to import raw materials and export finished products. Again these costs will have to be passed on thus, impacting on their business.

These increases will have a damaging social and economic impact and no part of these islands will be unaffected. It is widely recognised that the islands require greater inward investment and this policy detrimentally affects these efforts.

I would ask the Committee to consider asking the Scottish Government to step back from these rises until the full impact can be assessed. I believe that this policy will cost the public purse dearly as we seek ways to mitigate the impact of these rises. Indeed it will cost more than the expected saving of these huge far rises.

Best wishes

Rhoda Grant MSP **Highlands & Islands**

Rhoda Grant

Member of the Scottish Parliament for the Highlands & Islands

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