

# **MEETING OF THE PARLIAMENT**

Thursday 10 February 2000

Volume 4 No 10

£5.00

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## Scottish Parliament

Thursday 10 February 2000

[THE PRESIDING OFFICER *opened the meeting at 09:31*]

**The Presiding Officer (Sir David Steel):** Good morning. I am sorry to inform members that the problem with the consoles that we had yesterday is still with us. The equipment has not arrived this morning. We will therefore operate the same procedure as yesterday.

We have two short debates this morning, so I am anxious to press on.

## Scottish Enterprise

**The Presiding Officer:** The first item of business is the non-Executive debate on motion S1M-510, in the name of Nick Johnston, on Scottish Enterprise, and on an amendment to the motion.

**Lord James Douglas-Hamilton (Lothians) (Con):** On a point of order. I wish to point out that I gave the correct information, that the enterprise debate would be before the debate on section 2A, and would last an hour. The misprint on the business bulletin was therefore nothing to do with the correct information that I had submitted.

**The Presiding Officer:** There is no suggestion that you were in any way at fault, Lord James. It was a technical fault in the preparation of the bulletin, which was not spotted by the business managers or by anyone preparing the bulletin. I understand that the revised bulletin is in everyone's hands, and we are indeed beginning with the enterprise debate.

09:32

**Nick Johnston (Mid Scotland and Fife) (Con):** This morning, I want to talk about coincidences. A coincidence is a chance happening or, as Louis Pasteur put it:

"Where observation is concerned, chance favours only the prepared mind."

Or, as Francis Bacon said:

"In things that are tender and unpleasing, it is good to break the ice by some whose words are of less weight, and to reserve the more weighty voice to come in as by chance."

Or, to paraphrase Paul Simon, coincidence is too good to leave to chance.

The Minister for Enterprise and Lifelong Learning is, by coincidence, the weighty voice

today. After nearly nine months of procrastination, it has taken a Conservative motion, lodged by a humble junior spokesman, to bring forth a response from our minister. Notwithstanding the fine work done by the Enterprise and Lifelong Learning Committee in its inquiry into support at local level, and notwithstanding the welcome, if overdue, announcement of a consultation on the national economic strategy, we need to fundamentally revisit the provision of economic development in Scotland.

For many months, the Conservatives have been campaigning for a radical overhaul of the enterprise network. When Scottish Enterprise and Highlands and Islands Enterprise were first introduced 10 years ago, it was made clear that they served as a framework for an economic development system which had a finite lifespan of 10 years maximum. As we are only too aware, the pace of change over the past decade has accelerated way beyond our wildest imagination. Consequently, the sell-by date of the Scottish Enterprise and HIE structure fell well short of the original expected 10-year lifespan.

Apart from the growing criticism from and disenchantment felt by the business community about Scottish Enterprise's output and deliveries to them over the past two years, if further proof were needed that the current design was starting to fail Scotland, one only has to look at SE's consultative document, "A New Strategy for the Scottish Enterprise Network", to confirm the growing anxiety that many of us have felt about SE's ability to deliver for Scotland as we approached the first decade of the new millennium.

By its own hand, Scottish Enterprise recognised Scotland's relatively low level of entrepreneurial activity and identified the relatively low number of companies competing at a low level. Scottish Enterprise pointed out that Scotland created fewer large global companies than we should expect, given its population.

The list of failures and inadequacies grew ever more depressing, with low levels of investment in corporate research, a continued fall in school education performance, growth in many of the fast-growing tradeable services such as computing, consultancy and business services below the UK average, and a large stock of workers with out-of-date skills or with a low level of skills.

The picture portrayed was not just sad but seriously worrying if Scotland was to survive and grow in an increasingly competitive world economy. For months, we have urged the Executive to tackle the problem of Scotland's slippage in those vital areas of economic activity and to deal with them with a greater sense of

urgency and importance than it seems willing to do.

Scottish Enterprise and Highlands and Islands Enterprise were success stories for many years and were the ideas for their time. Scottish Enterprise replaced the Scottish Development Agency, which was seen as the economic machine of the 1980s, as Scottish Enterprise was for the 1990s. Due to the pace of change, we are in need of another radical overhaul.

**Andrew Wilson (Central Scotland) (SNP):** Could Mr Johnston specify exactly when things went wrong?

**Nick Johnston:** It is tempting to say that it all went wrong in May 1997, but the pace of change has been increasing for the past four or five years. I cannot point to an exact moment when things started to go wrong. No doubt Mr McLeish will do so later.

The radical reform of our economic machine must not be left to those operators in Scottish Enterprise and Highlands and Islands Enterprise or to civil servants. We need a small team of radical and dynamic business figures to produce a new blueprint for Scotland's economic prosperity in the first decade of the new millennium.

We have a new Parliament, a new Enterprise and Lifelong Learning Committee, a new Minister for Enterprise and Lifelong Learning and a new chief executive of Scottish Enterprise, who started this week. I have not seen a copy of the consultation document but, as usual, *The Herald* had it before me. If what *The Herald* says is correct, the answer to my question today to the enterprise agencies—has Scotland the relevant structures?—is no.

We should not ask the enterprise agencies to vote themselves out of existence—we should not ask turkeys to vote for Christmas. We understand that the contract of the chairman of Scottish Enterprise expires in August or September this year and we suggest that the minister speedily identifies a chairman designate. The new chief executive and the chairman should gather round them, as I mentioned earlier, a small team of radical and dynamic business figures to design a new model that will drive Scotland's economic development into the new millennium.

**Mr John Swinney (North Tayside) (SNP):** I offer Mr Johnston the opportunity to step back from the abyss that he is lurching towards. He is in danger of insulting one of the most successful business figures in the Scottish economy.

**Nick Johnston:** I presume that Mr Swinney is referring to the chairman of Scottish Enterprise. I have no intention of insulting anybody. As Mr Swinney knows, that is not my style. However, we

have many new structures in Scotland and surely the time is right to re-examine the system. I do not know if the chairman of Scottish Enterprise wishes to continue in his post, but I suggest that it is time for a new chairman.

Henry McLeish has been agreeing with us for months about the need for radical change, after his initial knee-jerk reaction against our initiative. No doubt the Labour members of the Enterprise and Lifelong Learning Committee, together with the intelligence that he received from the business community, convinced him that that was not a clever response. We can all do U-turns. However, after all the promises and statements of intent, we seem to be no further forward.

We are all understandably anxious that Mr McLeish imagined that a quick and easy solution to this problem was simply to get his civil servants together with Scottish Enterprise's senior staff to design a new formula. That would be entirely the wrong approach. As I said before, business needs to design a model that best serves the interests of the business community. The matter should not be left to others who think that they know what the business community's interests are.

Senior figures in the enterprise network are honest enough to admit the structure's failings and are convinced that the per capita spend on economic development in Scotland is far higher than in any other country in the western world. They are also concerned about the fact that, despite that record spend, Scottish Enterprise is now, at best, in the middle of the first division of the league table and not even at the bottom of the premier league. I suggest that we need an Inverness Caledonian Thistle and not a Celtic to run Scotland's economic development.

We expect the minister to answer the following questions not next week, not next month, not next year, but now. Is he prepared to announce the remit for a comprehensive review of the operations of Scottish Enterprise and other agencies involved in economic development? Within what time scale will that comprehensive review be undertaken? Is the minister prepared to announce who will be involved and who will lead that review? When can we expect the announcement of the new chairman designate, and is the minister prepared to allow the Enterprise and Lifelong Learning Committee to be involved in the final choice?

The minister's responses are necessary not only for our benefit, and not only for the benefit of the Scottish Parliament, but for the benefit of the Scottish business community. Scotland's future prosperity depends not just on the number of jobs that are created, but on the funding of first-class public services, be they schools, hospitals, housing, or whatever else is paid for out of the public purse. That, in turn, will be financed by a

prosperous business community.

I notice that Mr McLeish announced, on 9 December, an intention to review the enterprise network in those terms. Almost two months have passed since then. That, in my book, is too long to wait for a review to take place.

I move,

That the Parliament calls upon the Scottish Executive to announce a remit and timescale for a comprehensive review of the operations of Scottish Enterprise and other agencies involved in economic development as a demonstration of its commitment to the expansion of Scotland's indigenous business base.

09:41

**The Minister for Enterprise and Lifelong Learning (Henry McLeish):** I am currently dealing with a couple of requests from Kilmarnock and Aberdeen to take over the managers' jobs at those clubs. If the Celtic job comes along, I shall give it due consideration after consulting my busy schedule.

I am always deeply impressed by the selective amnesia of the Conservative party: it is as though Conservative members have just flown in from another planet. From 1979 to 1997—a period during which we had a Conservative Government in the United Kingdom—is it not the case that they had control over the economy, that they appointed Sir Ian Wood as the chairman of Scottish Enterprise and that they gave him a knighthood as well?

With all the courtesy that I can muster, I must say that this debate is not about the chairman of Scottish Enterprise, nor is this the time to say that anyone should be moving on. This debate should be centred on the functions, aims, aspirations, objectives and role of our enterprise network.

I am pleased that the Conservative party is engaging, in a positive way, with the future of the Scottish economy. That was not evident between 1979 and 1997—but more of that later. We are trying to develop a consensus in Scotland on the real issues that affect the economy. I praise the work of the Enterprise and Lifelong Learning Committee, which has all-party involvement. It is an excellent committee, and is already tackling the key issue of local economic delivery.

This review can take place against an encouraging set of economic figures: inflation is low and stable; output in the Scottish economy continues to expand, both in manufacturing and in services; unemployment in Scotland is falling, and by historical and international standards is low; and employment is rising.

Those conditions, combined with our investment in skills, knowledge and learning, provide a sound

basis on which Scotland can move forward. Gross domestic product grew by a highly respectable 2.2 per cent in the year to June 1999, slightly above its long-term trend, and conditions in the labour market are excellent. Moreover, the new deal is helping those who previously faced the greatest hurdles in the labour market. Youth and long-term unemployment are at their lowest levels since records began, nearly 50 years ago.

At this point, I want to demonstrate why people in Scotland will find it difficult to have confidence in the policies of the Conservative party unless it changes its ways. It cannot be trusted on the issue of jobs, if its previous record is to be believed. We want a commitment that it is willing to work in a consensual way with all political parties.

Lest we forget, let us consider the high point—if it can be called that—of unemployment under the Conservative Government. In 1986, 360,201 Scots—that was the yearly average—were unemployed: 14.6 per cent of the Scottish population. One in seven Scots who wanted to work could not work. The equivalent figure for 1999 was 133,796, representing 5 per cent, or one in 20 Scots, who wanted to work but could not.

**Phil Gallie (South of Scotland) (Con):** Will the minister give way?

**Henry McLeish:** I shall give way in a moment.

We talk about structures, and economic policies and indicators, but the priority is employment for all in Scotland. That one in 20 still represents, in my view, too many. That figure pales into insignificance relative to the dramatic figures at the high point—or low point, depending upon one's perspective—of Conservative economic fortunes.

**Phil Gallie:** Does the minister agree that, after the disasters of the 1960s and 1970s, the UK economy had to be turned around? High unemployment in the 1980s was an unfortunate consequence of that but, from 1992 onwards, the Tories achieved a consistent downward trend in unemployment. For a short period after Labour came to power, the Government reversed that trend in Scotland.

**Henry McLeish:** I do not accept any of Phil Gallie's comments.

**Phil Gallie:** You should. [*Laughter.*]

**Henry McLeish:** I will resist the temptation.

It is important that unemployment in a moral society is never used as an active weapon in economic policy. The 14.6 per cent unemployment total was bad enough, yet it was 17.2 per cent for males. We shall never return to such figures. One of the major objectives of this review and of economic policy is employment for all.

**Nick Johnston:** What measures is the minister

using to link the performance of Scottish Enterprise to the fall in unemployment? This debate is not solely about employment; it is about the effectiveness of the enterprise networks.

**Henry McLeish:** I agree that the debate is about the enterprise networks, but enterprise was introduced as a Conservative word for the economy. When we are talking about the economy, the debate must always come down to people. There is no point in having this or that particular policy unless it delivers for people on the ground. Our economic framework and agencies are key to assisting that positive purpose.

While the economic foundations are good and the Scottish economy is in good shape, there is no room for complacency. That is the context in which the review is taking place. Global competition is fierce and we must stay ahead of that competition. As we enter the 21<sup>st</sup> century, we can expect continued liberalisation of capital markets and trade, which will unleash a tidal wave of consolidation of major industries around the world.

I agree with commentators who predict that advances in communication technology will spur a revolution in economic affairs as profound as the first industrial revolution. We must make other new, dynamic and creative changes, to ensure that we are equipped for the 21<sup>st</sup> century.

I want a knowledge-driven economy and I think that my view is shared by this Parliament, by every political party and by the Executive. The knowledge-driven economy will be based on a lifelong learning revolution, on the new industrial revolution and on a revolution in the workplace and in the labour market. As I said earlier, at the core of our policy is the historic goal of employment for all.

As this is a brief debate, I now turn to the framework for the review. I am determined to ensure that the public sector support for business in Scotland meets the needs of the 21<sup>st</sup> century. In my lifetime, the Scottish economy has gone through an astonishing transformation. In the 1960s and 1970s, the decline of traditional heavy manufacturing was a large factor behind the creation of the Scottish Development Agency, which was a great Scottish success story. Continuing change saw the focus shifting to market-based approaches and to the improvement of skills, which was instrumental in the 1991 merger of the SDA and, separately, the Highlands and Islands Development Board, with the Training Agency in Scotland to form Scottish Enterprise and Highlands and Islands Enterprise—again, success stories.

I believe that the challenge is to turn Scotland into a knowledge economy and to unleash a learning revolution. Members will be aware that

the Enterprise and Lifelong Learning Committee is conducting an inquiry into the delivery of local economic development services. I want to continue to have a close working relationship with the committee. The work that it has undertaken already will form a major part of our overall review.

The review will seek views on the following areas: the tasks that we expect enterprise networks to perform; the functions performed by the networks in pursuit of their tasks; the structure of the enterprise networks, between national priorities and local needs; the experience of leading development agencies in other parts of the world—as a nation, we are not good at learning from others—and the type of activities and programmes upon which the networks should focus.

**Mr Swinney rose—**

**The Presiding Officer:** I would be grateful if the minister did not give way as he is well over time.

**Henry McLeish:** I will be brief, Sir David. I appreciate that there are time constraints. I hope that John Swinney will have an opportunity to make his comments.

I want the review to be a genuinely open exercise. I have no preconceived ideas about the outcome and I am prepared, as are the networks, for serious change if it is merited. However, I am clear that we have a strong base of success on which to build, so we need to take a measured view of the proposals for change.

The open consultation will extend to early May. We will engage in discussion with key players. We will have a website and we intend to organise seminars that will provide us with the opportunity to hear a range of views. It is hoped to conclude the review by the summer. We must minimise any period of uncertainty for the enterprise networks and the business groups that they serve.

I want to find out what all the members of this Parliament, all the political parties and the Enterprise and Lifelong Learning Committee want. This is an important opportunity to get it right. I sincerely hope that we can create a new economic model on the basis of consensus, and that if anything illustrates the spirit of the new Parliament in Scotland, it is the success that we seek in relation to the Scottish economy.

I move amendment S1M-510.1, to leave out from “calls upon” to end and insert:

“supports the Executive’s publication of a consultation paper seeking views on the future of the enterprise networks as part of its drive to encourage a more entrepreneurial culture in Scotland and to provide a modern framework for economic development.”

**The Presiding Officer:** This is a short debate, and the speeches are accordingly shorter.



09:50

**Mr John Swinney (North Tayside) (SNP):** I will take that as a welcome hint, Presiding Officer.

I welcome this debate and the fact that the minister was able to provide information to substantiate his amendment in relation to the consultation document that he has announced.

In the past few days, I have been reading the economic strategy of the Irish Government, "Enterprise 2010—New Strategy for the Promotion of Enterprise in Ireland in the 21<sup>st</sup> Century". I would like to quote from the introduction to that document by Mary Harney, the Tánaiste in the Republic of Ireland. She states:

"The performance of Ireland's economy in recent years has been outstanding by any standard. Never in the relatively short period since the political independence of this country was achieved have we had so many people living in this country, so many people in gainful employment and so many people enjoying a standard of living which is among the highest in the world."

The document is part of an overarching, long-term economic strategy for Ireland. It sets the vision, defines the strategy, develops the policies and lays down the structures for the development of enterprise and commercial development in Ireland, all from a country that the previous Minister for Business and Industry at the Scottish Office, Lord Macdonald of Tradeston, defined as a good place for a stag weekend.

I use Lord Macdonald's intervention in order to pose a question to the Government about where this review has come from. In the Scottish Grand Committee—which, to my delight, is to have its meeting programme restored—on 18 January last year, I asked Lord Macdonald, at his sole appearance before the committee, about the issues that we are wrestling with today. He told me that

"our development agencies Scottish Enterprise and Highlands and Islands Enterprise and LEC networks are the envy of every English region and are probably the best in Europe. They should be left untouched, . . . to allow them to implement their ambitious and effective strategy."—[*Official Report, House of Commons, Scottish Grand Committee*, 18 January 1999; c 6]

This morning, Mr McLeish is quoted in *The Herald* as saying:

"My question to the various enterprise agencies today is this: has Scotland the relevant structures to make us, as a small country, a world leader in this area? And the answer just now is No".

We need to know what has happened in the past 12 months to encourage the Government to move from being, under Lord Macdonald, dramatically hostile to a review to being enthusiastic for reform today.

Among my other interesting reading is a

document to which I pay close attention, "Making it work together: A programme for government". It is a huge document, which we use as an umbrella when we come over from parliamentary headquarters when it is raining. Under Mr McLeish's priorities, reference is made to a tourism strategy review and a management strategy review, but there is absolutely no mention of a review of the enterprise networks. Where has this come from?

I hope that it is not change for change's sake, because that is what I am accused of all the time. I was accused of arguing for change for change's sake when I argued for the merging of Scottish Trade International and Locate in Scotland, and the development of commercial embassies abroad for Scotland. I was ridiculed at the election for arguing for that, but I find in the Scottish Executive's submission to the House of Commons Scottish Affairs Select Committee that a pilot exercise on that very subject is currently under way in the United States. At the election I also argued for the rationalisation of enterprise networks and agencies, and I am pretty sure that I was ridiculed for it in debates with Mr McLeish. However, that is now at the heart of the Government's thinking.

I make those points not to crow about them, but to indicate that we must understand where this debate is coming from. We must have a wide and inclusive debate, in which many views can be expressed and appreciated, rather than dismissed in the way that some of our views—sensible views that have now been incorporated into the heart of Executive thinking—have been dismissed because they happen to come from a particular quarter. Maybe this is the emergence of new politics; if so, that is welcome.

**Henry McLeish:** As a generous man, Mr Swinney will concur that we are trying to develop a genuine consensus on economic policy. The work of his committee, including the contributions of Allan Wilson, Annabel Goldie and George Lyon, is excellent. This review will be based on evidence. There are challenges ahead and I hope that we will build up a consensus to take us forward.

**Mr Swinney:** As the minister knows, I am all for a consensus that benefits the Scottish economy. The key point, which the minister has just made, is that whatever we decide about the structure of the economic development agencies and our economic strategy must be based firmly on evidence. Arguments and ideas that are strongly based on evidence must not be rejected because of their source.

In December, shortly before Mr McLeish made a speech at the Royal Bank of Scotland conference on many of these issues, I noticed that, in an exclusive article in *The Herald* by Alf Young, Bill

Hughes, the creator of Scottish Enterprise, called for the demise of Scottish Enterprise. I disagree with Mr Hughes about these issues, but his views should be disregarded not because of who he is, but because they are not grounded in evidence. There should be a reasoned and substantial debate about these issues.

I also do not want to get into the position that *Scottish Business Insider* magazine got into when it defined the appointment of Robert Crawford as chief executive of Scottish Enterprise as safe. We must be more generous to people who are prepared to make a contribution and to lead and initiate this debate. We must be imaginative and bold and have a good, well-evidenced debate in the public domain.

**The Presiding Officer:** I am afraid that I must be ungenerous with time.

**Mr Swinney:** I will conclude on this point. It is important that the process be open and transparent, and based on an understanding of the Scottish economy and on much better information about the Scottish economy. I know that Dr Andrew Goudie of the Scottish Executive is working on that. Out of that process, we must create a strategy, a delivery mechanism and, most important, performance measurements. We can then have a robust economic development framework and robust economic development agencies. The Irish example I gave shows how we can give coherence and structure to the process. We must get it right this time by having an open and honest debate and then sticking with it.

09:57

**George Lyon (Argyll and Bute) (LD):** I, too, welcome this chance to debate the future of the enterprise structures in Scotland. On 9 December, Henry McLeish announced the Executive review of Scottish Enterprise and we welcome today the publication of the consultation paper. However, it should be recognised that the Enterprise and Lifelong Learning Committee is midway through an in-depth review of the delivery of service. I was glad to hear the minister say that the committee's review will be an integral part of the review of the enterprise network.

Nick Johnston's motion seems to call on the Executive to gazump the Parliament's inquiry. That is not the right way to proceed. I was glad to hear John Swinney call on the Executive to ensure that the review of Scottish Enterprise is an inclusive process and that all sides are listened to before final decisions are taken.

**Nick Johnston:** In the limited time that I had, I tried to make it clear that the review of Scottish Enterprise should not cut across the work of the Enterprise and Lifelong Learning Committee. We

have done a good job, even though I say so myself. We need to examine the strategic framework that overarches our work.

**George Lyon:** Everyone should be aware that there are two separate enterprise networks in Scotland: Highlands and Islands Enterprise and Scottish Enterprise. The structures and remits of those organisations are very different. Highlands and Islands Enterprise has a social remit that is quite different from the functions of Scottish Enterprise. The number of structures in the areas covered by the two organisations is different; the only structures in the Highlands and Islands are the enterprise network and the local authorities. It should be recognised that there has been very little criticism of Highlands and Islands Enterprise's performance.

As has been said in much of the evidence to the Enterprise and Lifelong Learning Committee, there are numerous bodies charged with economic and business development: enterprise trusts, local authorities, local enterprise companies, business shops. It is clear that this creates confusion. Any review should acknowledge that if we could have a clean sheet, we would not start from here. Many of the institutions and agencies are there because they have been there for many years and they are still trying to come to terms with some of the changes that have been introduced.

As I have said, the Enterprise and Lifelong Learning Committee has had evidence of confusion and overlap, but also evidence of partnership working to deliver real benefits. Yesterday we heard from the Aberdeen area where an economic forum seems to be working well and offers a useful model. I spent some time in Ayr and saw good partnership working at a strategic level, although below that level there was some confusion on how it was delivered.

The Enterprise and Lifelong Learning Committee is not yet in a position to come to any firm conclusion on the way forward. Before the Executive takes action it should engage with the committee and listen closely to our final conclusions. We must be very careful not to throw out the baby with the bath water. There is much that is good within the enterprise network at the moment. The key must be to identify what must remain in place and what needs radical surgery to bring it into line with the overall economic development framework that the Scottish Executive intends to pursue.

I believe that we must see change on the basis of the evidence—not change for the sake of change. As John Swinney rightly said, we must get it right for Scotland.

10:02

**Des McNulty (Clydebank and Milngavie) (Lab):** It is interesting to participate in an enterprise debate called for by the Conservatives. I represent Clydebank, which perhaps of all areas of Scotland is the clearest victim of the past mistakes of Conservative enterprise strategies. It goes back two generations: the destruction of the shipbuilding industry, beginning with United Clyde Shipbuilders; and the Conservatives' madcap economic strategy of the early 1980s, which brought about so much manufacturing decline in Scotland, but particularly in Clydebank—

**Ben Wallace (North-East Scotland) (Con):** Will the member give way?

**Des McNulty:** No—perhaps I will give way in a little while, but I will make my point first.

The closure of Singers resulted in 10,000 job losses. What Clydebank got in its place, the Conservatives' solution, was designation as a rates holiday area, which brought in relatively few jobs and limited numbers of small-scale businesses. It brought the great Clydebank experiment, the creation of Health Care International, into which tens of millions of pounds were poured on the basis that an American-based private medical scheme, using highly speculative business strategies, would solve Clydebank's problems.

**Phil Gallie** rose—

**Des McNulty:** HCI is only now beginning to move forward on its business strategy. That is no thanks to the efforts of the Conservatives.

**Ben Wallace:** I visited HCI; the management of HCI would completely disagree and say that it is absolutely nothing to do with Labour policy that it is now moving forward, employing more people than Kvaerner shipyards just down the road from it, and is in fact an investment that was made by our Government and the specialist equipment that was there. On the point of Scotland and the "madcap" economic policies, will the member answer this question: why was it under the Conservative party that Scotland as a region in Britain went from one of the most poorest to one of the most prosperous?

**Des McNulty:** I am not sure which school Ben Wallace attended to achieve such grammatical clarity.

The management of HCI is beginning to work with other sectors in the business community, in biotechnology and in providing services in partnership with the health service. I welcome that, and I visited HCI last Friday. The new management of HCI has had to cope with the complete mess left by Conservative Administrations. When the money was put in,

there was no conception of how the original owners would engage with or provide for the people of Clydebank, despite the statements that were made.

What we need in Scotland is not some ideologically fed perception of enterprise, something that is geared towards business prejudices rather than local needs. What we need is something that tackles the problems of people living in our local communities, with a stronger emphasis on training. I welcome the fact that there is now a link between training and economic development as framed in the ministerial responsibilities of Henry McLeish. I welcome the fact that there is more co-ordinated local participation in decision making and more pressure, through the Scottish Enterprise network, to bring about clearer local strategies.

In Clydebank, where there are high rates of unemployment and a slow rate of business start-up, we need the efforts to be sharply focused. We suffered from a backward-looking approach to the possibilities for and capabilities of our people during the 1970s, 1980s and 1990s. We must build up support and expertise for the people of Clydebank, but there must be more co-ordinated activity. I hope that working through a revised Scottish Enterprise network strategy will enable public-private partnerships and allow us to form a strategy for the Clyde. That will enable us to spread throughout Scotland the prosperity that exists in some parts of the country.

It is only under a Labour Government that has produced an effective economic strategy and better prosperity, and under the coalition Executive here in Scotland, that we can achieve that, because, certainly for Clydebank, the Tories' policies consistently failed.

10:07

**Tricia Marwick (Mid Scotland and Fife) (SNP):** Like Des McNulty, I find it strange to be debating a Conservative motion that draws attention to the problems facing Scotland's indigenous industries and the consequences of unemployment associated with the decline of that industrial base. I shall come back to the Conservatives' record a bit later.

It is not possible to tackle unemployment by examining the enterprise network in isolation. It must be set in the wider political context and must work as part of our overall co-ordinated strategy. The potential for job creation cannot be viewed in isolation from the new deal, for example.

As Henry McLeish pointed out, under the Conservatives, the nation witnessed the politically engineered destruction of coal, steel and shipbuilding, and the doors clanged shut on

industry after industry. The Tories' response at the time was quite simple; they did not want to deal with those who were unemployed, so they simply stopped counting them.

We all remember that the local enterprise companies scheme was drawn up on the back of a fag packet by Bill Hughes, as the Conservatives' answer to investment in employment. It is hardly surprising that the LECs were not the answer then and are certainly not the answer now. It is only right that we should study and review the enterprise network. The world is changing and we are operating in a global economy.

The empty Hyundai plant in Dunfermline is the living legacy of the folly of placing all the enterprise eggs in one basket. Let us consider Henry McLeish's constituency, Central Fife; what a pity he is not here to listen to this list. There have been 60 job losses at Anderson paper mill, 65 at Fraser Gray, 200 at Bekaert Handling and Display, 70 at Methil power station, 40 at Balfour and, in the past few weeks, 25 at Central Farmers and 35 at Glencast. Those jobs have been lost in his constituency in the past year. If some of the millions of pounds that were thrown at Hyundai had been used to support our existing companies and the start-up of new indigenous companies, our communities would not now be suffering such devastating job losses.

I mentioned that the enterprise network alone cannot create prosperity, so I will refer to the Government's main initiative to cut unemployment. Tony Blair promised the best of the American slogans, and hailed a new deal and a promise of jobs. Blair hijacked the idea of Roosevelt's new deal, but he sold out on the ideal.

Under the new deal, there are a number of different assessments on those without work, but in itself it does not create jobs. More than three quarters of new dealers have left the scheme without going into a marketplace job. Industry is not impressed by the scheme. Only 6 per cent of Scottish businesses have signed up to the new deal.

Roosevelt's new deal created the Tennessee river valley project, which provided flood control and navigation to satisfy a national need, electricity, and jobs for the unemployed. Blair's new deal has done none of that. Tennessee got a dam, but all that we got was a dome.

I believe that restructuring the enterprise network is not enough. We welcome it, but the goal of full employment can be achieved only if our Parliament is allowed to take responsibility, and not just for the enterprise network, because that is only part of the budget. The £200 million for the new deal should be handed over to this Parliament to allow us to succeed where Westminster has

failed.

We need to put together all the pieces of the jigsaw, combining the strategies of promoting enterprise, investing in communities, creating jobs and businesses, and getting people back to work. We can restructure the enterprise network, but we are having to watch while millions of pounds are squandered on the new deal, and while people are pitched between the scheme and the dole, creating work only for those involved in the resulting paper chase. While I welcome the measures that were announced by the minister today, they do not go far enough. Tackling unemployment should be at the heart of this Parliament, not at the whim of Westminster.

10:12

**Euan Robson (Roxburgh and Berwickshire) (LD):** This is an interesting short debate. I welcome the inquiry of the Enterprise and Lifelong Learning Committee, and especially its examination of the performance of local enterprise companies, local authorities, chambers of commerce and enterprise trusts. The minister's enterprise networks review issues paper asked a number of the right questions. It is time that we went through those questions in detail.

It is true that in parts of Scotland there is duplication of agencies, a lack of clarity for business as to who does what and when, and a lack of focus for the agencies themselves. In such circumstances, we risk having a system of benevolent incoherence in some areas. There is also a need to contain costs. The administrative costs of Scottish Enterprise and Highlands and Islands Enterprise are higher in percentage terms than are those of the national health service, which is cause for concern.

The view that the review might suggest a uniform structure for the enterprise network is important, because that would be a considerable disadvantage. I would like to relate our experience in the Scottish Borders. We faced a meltdown in our economy some months ago, which was encapsulated in the phrase, "the banana wars". The Deputy Minister for Enterprise and Lifelong Learning heard something about that when he visited us earlier this week. The response in that situation was to set up a working party with the Scottish Office, and then to develop the "New Ways" strategy for the economy. But the key lesson that was learned was that working in partnership was fundamental to leading our local economy back from the abyss.

We had an advantage, in that the local authority, Scottish Borders Enterprise, Borders College and Scottish Borders Tourist Board had coterminous boundaries, so there was a focus, but the key

point was working in partnership. The response was first to pool knowledge, to develop a common understanding of what the problems were, and then to draw up an agreed programme with a series of targets and objectives. Those were the ingredients of a successful economic strategy. I commend the example from the Borders, which was developed out of a crisis that was not of Scotland's making; it was an international crisis.

I also commend that example as a constructive way of addressing the economic problems of a region in Scotland. Where there are coterminous boundaries, it would be disastrous if the local enterprise company were drawn back into the parent body. If Scottish Borders Enterprise had not existed and a committee of Scottish Enterprise was dealing with the south-east of Scotland, it would not have been able to develop the same recipe for success.

In commending the review, I emphasise to the minister the concerns of rural areas that their identity be retained and suggest that the advantages that have been demonstrated in my area are used in the review to develop future structures.

10:16

**Andrew Wilson (Central Scotland) (SNP):** It is a privilege to take part in such an animated and informed debate on this key issue as we look forward to the future of the Scottish economy.

I was very taken by the Conservative motion. Mr Johnston spent his entire opening speech criticising a structure that his own party set up. His explanation was that it was good for 10 years and then had to be abolished. He also stated that it was under pressure after five years—in the heart of the period of Conservative administration.

The most astonishing statement by Mr Johnston was his shameful call for the sacking of Sir Ian Wood as chairman of Scottish Enterprise. As the Minister for Enterprise and Lifelong Learning pointed out, a Conservative Prime Minister knighted him for services to Scottish business and industry, yet now Mr Johnston ungraciously calls for his sacking.

**Nick Johnston:** I do not believe that in any way, shape or form I called for the sacking of the chairman of Scottish Enterprise. I suggested that his contract was up in August or September, and we do not know whether it will be renewed. Mr Wilson's grasp of facts is, as usual, tentative.

**Andrew Wilson:** Mr Johnston said that we need a new chairman, someone more dynamic and forward looking. If that is not a call for a sacking, I do not know what it is. To take up the football analogy, I remember that "Sack the board" was

the cry of Celtic fans, but if Nick Johnston had been there with them, it would have been, "Perhaps renew their contracts, perhaps not; in due course, in the fullness of time."

Conservative members have shown a distinct lack of a grasp of reality in the debate. There are problems with the enterprise structures but, as Tricia Marwick pointed out, there is much more to the development of Scotland's economy than enterprise structures.

We must welcome the gracious praise that the Minister for Enterprise and Lifelong Learning gave the Enterprise and Lifelong Learning Committee, which perhaps should be renamed in the standing orders as John Swinney's Excellent Enterprise and Lifelong Learning Committee, because that is how it is often described.

I agree with Henry McLeish that there is scope in this policy area for a cross-partisan approach, because we all agree on the endgame. It is a question of opening our minds as to how we get there. As John Swinney pointed out, it is to be welcomed that so much of the Scottish National party programme at the election campaign has been adopted and embraced. The current enterprise minister shows a much more consensual approach than was shown by Lord Macdonald. John Swinney pointed out how wrong it was of Lord Macdonald to dismiss his call at the Scottish Grand Committee for our sights to be set on small countries such as Ireland. It was shameful that Lord Macdonald dismissed that by stating that Ireland was a good country for a stag night, but not for economic policy. How nice it is to put behind us those outdated, old-fashioned politicians, although perhaps they will raise their heads again at the Scottish Grand Committee when it starts—I hope not.

I was delighted at the Enterprise and Lifelong Learning Committee yesterday, to hear Dr Goudie, the respected new senior economist at the Scottish Executive, say that it is now looking towards Ireland for examples.

We should extend our sights beyond the narrow confines of enterprise structures to issues such as taxation, because we should never constrain ourselves in this Parliament.

I welcome the debate and Henry McLeish's generous remarks about the SNP's approach. I hope that we can have a cross-partisan approach to those issues and that Mr Johnston will retract, publicly and more formally, his shameful attack on such a respected figure in Scottish business and society.

10:19

**Henry McLeish:** This has been a productive

debate. If this Parliament is to succeed—this is uncomfortable for some and difficult for others—the new politics must be different in Scotland.

This is not a matter of saying that any party has a monopoly on wisdom on any aspect of economic policy. That is vital to the prosperity of Scotland, to employment in Scotland and to the quality of life in Scotland. If we cannot move to a consensus on a new economic model, we will fail the wider aspirations of this great country, aspirations that this country now has its own Parliament to deal with. I take that as the baseline from which we should progress.

It is important that we should also consider the wider Scottish society in our deliberations—that is happening with the work of the committees and it is happening with the Executive. I am unapologetic about listening to people—that should be the nature of this Parliament. Once we stop listening, we will have much less of an influence on the politics and the quality of life in Scotland.

As part of the review, we will take the advice of the business world. The group of business advisers we have secured for the review is not another task group or another committee, but key people in Scotland, who will help us to shape the way forward as the consultation develops and as we reach the point of producing a report. They are: Frank Blin, the PricewaterhouseCoopers executive chairman in Scotland and head of the UK regions; Catherine Garner, head of research and enterprise at the University of Glasgow and a member of the knowledge economy task force, who has experience of commercialisation of the science base; Professor Neil Hood, professor of business policy at the University of Strathclyde, who has long experience of economic development; Afzal Khushi, director of Jacobs and Turner, an entrepreneur who developed small manufacturing to become a major exporter; Alison Loudon, chair of Appsco Software and Data Discoveries and a member of Connect and the Entrepreneurial Exchange, who has extensive experience of software; Gavin Nicholson, managing director of Realise and a member of the digital Scotland task force; Brian Stewart, group chief executive and deputy chairman of Scottish and Newcastle; and Mr Alf Young, deputy editor of *The Herald*.

We have tried to combine a wide range of experience and knowledge of the Scottish economy and the economic framework—that gives us a new model. We will want to add some names. There will be the parliamentary committee, there will be the Parliament and the political parties, there will be the wider business community in Scotland and there will be a chance for individuals to be involved in consultations. Now, instead of the review going out to consultants—which costs vast amounts—or being carried out in-house, we have

a new economic model, with a group of business advisers to help us to shape the future of the economic network. That is a significant step forward and I hope that it appeals to the chamber.

I finish on the point on which I started: this is a unique opportunity to review where we are. We want a network that is effective, appropriate and relevant to the changing economic circumstances. It is important to say that we are building on success. The Scottish Development Agency was a success and the Highlands and Islands Development Board was a success. Highlands and Islands Enterprise and Scottish Enterprise are success stories.

I did not agree with one of Andrew Wilson's points. This is a message to the Scottish National party: we have to boost the confidence of Scotland, to praise, where praise is necessary, and to take Scotland along with us. However, let us never talk Scotland down, even on areas where we can have a critical debate. As far as I am concerned, the consensus that I want must go hand in hand with everybody playing their part. We must not rubbish achievements just because they do not go as far as a political party would want.

I hope that this will be the start of a very productive few months. I look forward to everyone's participation.

10:24

**Phil Gallie (South of Scotland) (Con):** I declare an interest from the start, because I was in at the ground floor, when the Scottish Enterprise movement was launched. I was seconded for a time to Central Scotland chamber of commerce and worked closely with Bill Hughes on the project. The underlying principle of the Scottish Enterprise movement was a one-door and a business-led approach. I believe that to have been very important.

With respect to Andrew Wilson's attack on Nick Johnston, Andrew must realise that business is constantly changing. The business scene today is totally different from what it was 10 years ago. Nick Johnston's point was that when Scottish Enterprise was launched, it was on the basis that things would change and that that would have to be addressed.

I have a further interest to declare: I worked with Enterprise Ayrshire for a short time after my dismissal from Westminster. After becoming involved in the political mainstream once again, I was obliged to set up a small business consultancy and I was contracted to the enterprise movement. I have first-hand experience of the enterprise agencies.

In summing up, Henry McLeish said that he

would listen to the people of Scotland. I hope that in the next debate that message comes from all the ministers. He spoke of the problems created by the Conservatives' handling of the economy between 1979 and 1997. As Ben Wallace suggested, during that time, Scotland's economy grew and we moved from second from the bottom in the United Kingdom league of economic prosperity to third from the top. That is a record of which I am proud, as I am sure is Ben Wallace.

I remind Des McNulty and Trish Marwick—to a lesser extent, because she is not part of the ruling group—that only a few weeks ago, Tony Blair spoke to the World Economic Forum. Tony Blair's advice to the world was to forget the Labour-led economic policies of the 1960s and 1970s and to look to the economic policies pursued in the United Kingdom between the 1980s and the 1990s. That was a ringing endorsement of the time to which Henry McLeish referred and I draw his attention to his leader's words.

John Swinney commented on Ireland. He said that we should follow the Irish route. That is all very well, but Ireland has enjoyed massive subsidies from Europe. I remind him of comments made two or three years ago by Margaret Ewing at a Scottish Grand Committee in Inverness, when she pointed to the difference between the economies of Scotland and Ireland. Margaret Ewing pointed out that Scotland would be a net contributor to Europe, rather than a taker of European funds.

**Mr Swinney:** Will the member give way?

**Dr Winnie Ewing (Highlands and Islands) (SNP):** Will the member give way?

**Phil Gallie:** I am obliged to give way to John Swinney—my apologies to Winnie Ewing.

**Mr Swinney:** Does Mr Gallie understand the point that I was making about the economic strategy of Ireland? The leadership that that strategy gives to the process of economic and enterprise development in Ireland is one that we are gradually creeping towards in Scotland. The coherence of economic strategy in Ireland is something that we should embrace and take to the heart of our economic policy.

**Phil Gallie:** If we had unlimited funds from Europe, we would be happy to follow such a line. However, as we are all too well aware, the funds available to us are restricted.

**Dr Ewing:** Will the member give way?

**Phil Gallie:** Out of courtesy, I give way to the lady.

**Dr Ewing:** Mr Gallie mentioned Ireland and the subsidy from Europe. Does he agree that it is rather sad that we are the only country that

refuses to match money and therefore turns down European money? We are currently doing that in relation to the farmers' need for compensatory funds.

**Phil Gallie:** I am glad that I allowed the lady to intervene, because in this case she has a point. Those of us who are concerned about the farming industry would identify with the comments that she made.

When we consider the enterprise movement, it is clear that it has drifted away from the one-door approach at which it was aimed. A multitude of agencies deliver enterprise services. I draw members' attention to comments made by the Glasgow Development Agency, which refer to the many organisations in the city that supposedly provide services. Those organisations include Glasgow City Council, Targeting Technology, Services to Software and Glasgow Exports. The GDA identifies 19 different organisations that are doing what one organisation should be doing. They should be providing services to businesses. One difficulty for businesses is that they are not quite sure where to go when they have a problem. When they get there, they are not quite sure which facilities can really help them. They are pushed from place to place.

Scottish Enterprise has, to some extent, done a great job for Scotland. It has brought in much inward investment, and that has to be welcomed. However, when we consider its activity at local level, we see the constraints that are placed on the enterprise organisations. Many companies may go to them simply to seek financial aid; they do not seem to recognise that such aid is not readily available.

We have to target cash in such a way that we can support product development or launch funding for new products. On some occasions—although I recognise that there are difficulties with competition—we should support companies that are suffering from short-term cash-flow difficulties. The perception of the small business community is that, if a company is big and comes from elsewhere, help is abundantly available, but that, if the company is an indigenous Scottish company, the situation is different.

The enterprise companies at local level are obliged to deliver various Government programmes. There is the new deal—which is youth training scheme mark 3, some would say. Investors in People is undoubtedly a good and necessary programme, but not one that is always seen as being imperative and important to small companies. There are other schemes such as skillseekers and new modern apprenticeships, which are excellent.

But what about the old skills and the traditional

apprenticeships? What about the construction and engineering industries? We need people in those areas of Scotland's economy. I hope that Henry McLeish's review will consider that. He named a number of fairly high-profile and knowledgeable people who will serve on that group. I welcome that, but I make a plea to Henry—please include people from the small business community. That is essential. If he can achieve that, perhaps the enterprise movement will begin to gain some respectability in the future.

## **Local Government Act 1986 (Section 2A)**

**The Deputy Presiding Officer (Patricia Ferguson):** The next item of business is a debate on motion S1M-509, in the name of Mr Brian Monteith, on the proposed repeal of section 2A of the Local Government Act 1986, and on amendments to that motion. I call Miss Annabel Goldie to speak to and move the motion. You have 15 minutes, Miss Goldie.

10:33

**Miss Annabel Goldie (West of Scotland) (Con):** Section 28 is arguably the most perplexing and sensitive issue to come before this Parliament. I am sure that I am not alone in having been deeply disturbed by the nature and flavour of recent comments.

We have to be clear about what we are discussing. To me, this debate is not, and never should have been, about homophobia. It is not, and never should have been, an unseemly and at times offensive exchange of views.

For a society that aspires to reflect social inclusion, tolerance is, or should be, the foundation stone. I have no doubt that, when people are mature enough to make their own decisions on lifestyle, they must be free to make those decisions. The decisions are for them and them alone.

The issue in this debate is much simpler—the stable, reassuring and supportive environment that we want in our schools for our young people. During adolescence, young people go through arguably the most turbulent and difficult time of their life and are perhaps at their most impressionable and vulnerable. That is what any debate on section 28 ought to be about.

When the Executive first intimated that it proposed to repeal section 28—I recall that that was done not in this chamber, but at some event attended by the Minister for Communities at the University of Glasgow—the reasons advanced were that the presence of section 28 prevented or inhibited teachers from dealing with the bullying of young people who were thought to be homosexual, and it inhibited or restricted adequate discussion about homosexuality in schools.

Those arguments troubled me, because I find it unacceptable that bullying in schools should arise from any cause and that it should not be dealt with. It also troubled me that there could be any meaningful sexual education class in schools without reference to homosexuality; the discussion of such matters, as appropriate for the age and



stage of development of our children, is absolutely essential.

That took me to the text of section 28. Reading that text as a lawyer rather than a politician, I found nothing in it that would prevent schools from dealing with bullying or would inhibit the discussion of homosexuality in our schools. I say that because the nub of this issue is the word "promote". A confusion has arisen about the meaning of teaching, as distinct from promoting.

In the "Oxford English Dictionary", "promoting" is defined as "advancing", "preferring" or "encouraging". That places a very different construction on the argument. As far as sexual education in our schools is concerned, section 28 is doing no more than preserving a balance. The reality is that, without any promotion at all, heterosexuality is the norm; and when I say the norm, I mean that it is the condition or situation in which the majority of people exist. That is a central tenet of society.

I understand that the First Minister has said that he does not wish to promote homosexuality, as has the Minister for Children and Education. If that is so, the question that I and a great many people in Scotland are asking is: why has this issue arisen?

Choice of lifestyle should not rest with schools, which are there to inform. Nothing in section 28 prohibits the imparting of such information. In my opinion, such information should also refer to the structure and value of marriage, the family and stable relationships, to use the Executive's own words in a newspaper this morning.

In considering section 28, I have been struck forcibly by two factors. Before the Minister for Communities made her announcement at the University of Glasgow last October, no one had raised the matter with me. Nobody had expressed the fears that the minister seemed to harbour or the difficulties that she seemed to have. That view is supported by Chris Woodhead, the chief inspector for schools in England and Wales, who recently said that the issue had simply not been raised with him by the teaching profession.

I presume that that is why the repeal of section 28 was not thought worth including in any party manifesto for the Scottish Parliament elections, and did not merit mention in the Executive's programme for government, the partnership agreement or any ministerial statement on the ethical standards bill. I cannot say that that silence has endured since the minister made her announcement.

I cannot believe that I am the only MSP to be overwhelmed by a mountain of mail from members of the public who are deeply alarmed at the threatened removal of what they see as a

fundamental protection for young people. I cannot speak for others, but, as of this morning, of the 223 letters that I have received on the issue, 11 are for the repeal and 212 are against.

I have to ask myself how the matter has arisen at all. There was certainly no public appetite in Scotland for raising it. I can only conclude that this is the naive afterthought of an Executive that is zealously obsessed with the politically correct.

**Mr Kenneth Macintosh (Eastwood) (Lab):** Is Miss Goldie aware that the repeal of section 28 has been long-standing Labour policy and that we are now proposing to do what the Labour party has promised to do ever since this nasty little law was introduced by the Conservatives back in the 1980s?

**Miss Goldie:** Forgive me, Mr Macintosh, but there are intervals in your recollection. The Labour party has not shown consistent adherence to repeal of section 28. In particular—and Labour members can check this out for themselves—the Labour manifesto for the Scottish Parliament gave no commitment to seek to change that law. The public are acutely aware of that fact. At best, that may have been a convenient omission; at worst, it was deception.

**Mr Macintosh:** Will the member give way?

**Miss Goldie:** No, I have dealt with that point.

I can conclude only that the proposal to repeal section 28 is the naive afterthought of an Executive that is zealously obsessed with the politically correct, rather than the result of mature and measured consideration of an issue that is profoundly sensitive and potentially hurtful to many people. Would that such consideration had weighed more heavily with the Executive, as something regrettable and profoundly undesirable has arisen out of its precipitate and ill-advised initiative.

In the past few weeks, I have seen a polarisation of views, caused by the Executive's decision to repeal section 28. That is unhealthy and unwelcome in our society in Scotland. An ugly and undisguised homophobia has been laid bare, to which the Executive's action has given a fair wind; its action has created a climate for the fertile spawning of such offensive attitudes. Had it not been for a clumsy and precipitate Government decision, those attitudes would never have seen the light of day.

Ordinary people—such as the mothers, fathers, surgeons, doctors, teachers, nurses, social workers and youth workers who are represented in my correspondence files—have been stirred into fear. They also feel resentment that the fundamental protection that they thought was in place to ensure their children's safety is to be

removed without any democratic notice.

**Mr Andy Kerr (East Kilbride) (Lab):** I, too, have had a big mailbag on this subject. I respond to my constituents and explain fully what the Executive's proposals actually are—as opposed to what they are reported to be—and most constituents seem content with that response. Has Miss Goldie done likewise?

**Miss Goldie:** Yes. Everyone who has communicated with me has received my response and I have had very few returns to that response. That suggests that I am not alone in my understanding of the position, which is that parents are deeply concerned about the removal of a protection that will be replaced by guidelines that do not have the force of law. That does not escape parents' attention, Mr Kerr, nor should it.

Parents feel that the fundamental protection that the Executive is removing, without democratic notice, should at least be replaced by something equally enforceable and protective. Guidelines with no force of law do not amount to that.

**The Deputy Minister for Enterprise and Lifelong Learning (Nicol Stephen):** Miss Goldie's proposition seems to be that section 28 is required to give fundamental protection to some of our pupils. Does she feel that other areas—which are not currently legislated for but for which perfectly proper regulation exists—should be legislated on to provide that fundamental protection for pupils in our schools? Does she want other areas to be covered by the statutory protection that she thinks so important on this one issue?

**Miss Goldie:** Mr Stephen should be more interested not in my opinion, but in the opinion of people outside Parliament. Our legal system includes numerous laws that protect children; there are too many such laws to enumerate now, but they exist.

Section 28 undoubtedly provides protection, because it is concerned with promotion. I have given my understanding of promotion, which apparently is shared by many people in Scotland. Parents must have a fundamental say in what happens in our schools and must know that the protection of the law is behind them. They are saying that protection is required in this area. Mr Stephen has the democratic right to disagree with that view.

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** Will the member give way?

**Miss Goldie:** If Mr Rumbles does not mind, I am watching the clock.

The threat of removing that safeguard and of replacing it with guidelines that enjoy no force of law is a curious way in which to aspire to social

inclusion in Scotland.

**Dr Sylvia Jackson (Stirling) (Lab):** Will the member give way?

**Miss Goldie:** I am sorry.

Social inclusion is not about fostering division, as this proposal has done, but about respecting the views of the majority and seeking to reconcile those with the views of a minority. In my judgment, the Scottish Executive has failed that test.

I oppose the repeal of section 28, because I must listen to the fears and concerns of the people who put us in this Parliament, not to the zealous naivety of the Executive. I move the motion because it pledges continued statutory protection within a framework that promises a far better chance of promoting agreement, tolerance and integration; that is a form of promotion with which I have no problem whatever.

I move,

That the Parliament affirms its belief in an open, democratic and tolerant society where all members are treated equally under the law; calls upon the Scottish Executive not to include the proposed repeal of section 2A of the Local Government Act 1986 in the draft Ethical Standards in Public Life etc. (Scotland) Bill, to establish an official committee of inquiry to consider all aspects of the section and in particular the provision of sex education in Scottish schools and to give this committee the remit of ensuring that relationships form the basis for discussion and teaching of sex education and establishing what statutory protection for children, parents and school boards is required, accompanied by clear guidelines on what topics and materials are appropriate for pupils of varying age, experience and maturity, and agrees to defer further consideration of this matter until said committee has reported to the Parliament.

*Amendment S1M-509.1 moved,*

Leave out from "calls upon" to end and insert "notes the Executive's move to consult fully on all necessary safeguards before any repeal of section 2A and in particular the Executive's commitment to publish a draft circular to education authorities on introduction of the Bill, to set up a Working Group to review and consult on that circular, the existing curriculum material and support for teachers in relation to sex education and thereafter to use powers in the Education (Scotland) Act 1980 to issue any necessary guidance, and to consult on any other reassurance that may be required, including the status that then might be given to the guidelines."—[Bruce Crawford.]

10:47

**The Minister for Communities (Ms Wendy Alexander):** I start by welcoming the tone of much of Annabel Goldie's contribution. This debate can do credit to the Parliament. I also welcome the fact that the Conservative motion does not call for the retention of section 2A, but simply for us to defer its repeal. The fact that the Conservatives are not calling for section 2A to remain on our statute books indefinitely tells its own story.

The case for repeal is not just about schools, but about society and about Scotland taking its place in the company of modern nations. Above all, this Parliament is the custodian of the law of Scotland.

**Miss Goldie:** It is important to make clear the position of the Conservatives. We framed the motion as we did to indicate as precisely as we could the framework of protection that we believe must continue for youngsters in our schools. When we talk about deferring the repeal of section 28, we are not saying that we are prepared to dispense with section 28, but that we seek reassurance from the Executive that an equally safe measure, which is enforceable in law, will be substituted.

**Ms Alexander:** Let me move on. There seems to be some confusion about whether the Conservative's position is a cover for continuing homophobia. Later, I will deal at length with the point about education raised by Miss Goldie.

**Phil Gallie (South of Scotland) (Con):** Will the minister give way?

**Ms Alexander:** I will take Mr Gallie's intervention in a moment.

By our actions in this Parliament, we have demonstrated that we want the law of Scotland to be characterised by a spirit of tolerance. The Liberal Democrat party has long been committed to civil rights, the SNP today champions civic rather than ethnic nationalism and the Labour party is ideologically rooted, not in clause 2A, but in our new clause 4, which commits us to building a society in which people can

"live together, freely, in a spirit of solidarity, tolerance and respect."

It was in that spirit of tolerance that Jackie Baillie, at her inaugural appearance before the Equal Opportunities Committee in September, affirmed our intention to repeal a piece of legislation that undeniably singles out a minority in our community for stigma, isolation and fear.

In October, having forewarned the Churches, I announced the Cabinet's decision. England and Wales followed suit. Mr McAveety launched the formal consultation and, the day after we announced the repeal, the Conservative spokesman said in the *Daily Record* that section 28 would have to be amended.

**David McLetchie (Lothians) (Con):** Will the minister explain why the repeal of section 28 did not appear in the Labour or Liberal Democrat election manifestos? Can she further explain why the repeal does not appear in the Government's partnership agreement and why it did not appear in the First Minister's statement to the Parliament on the Executive's programme?

**Ms Alexander:** Repeal of section 28 has been a long-standing policy of the Labour party and, as I understand it, of two of the other parties in the chamber. Since the day when the legislation was enacted, we have been in favour of its repeal. I hope that members can deal today with the principle of the matter, rather than talk about who said what, and when.

From the day on which we announced the repeal, we have acknowledged parental concerns, offered reassurance and promised a review of the existing guidelines. That is all on the record. Of course, some did not agree with repeal of section 28, but their disagreement was reasoned and credible—not so very long ago, extremism had not raised its head.

Then in January, on the last day of an eight-week consultation, when the end of the hype about the millennium had left the news pages bereft, came a carefully co-ordinated campaign of misinformation. That campaign was intent on fostering fear, rather than debate. The clearest example of that fear was the claim that gay sex lessons would be taught in Scottish schools.

In place of that fear, let us place on record the facts: before 1998 there were no gay sex lessons in Scottish schools; today there are no gay sex lessons in Scottish schools; and in future there will be no gay sex lessons in Scottish schools. Effective safeguards existed before 1988, they exist today and they will exist in the future.

I do not dismiss the damage that is caused by the fiction about proselytising teachers, titillating texts and terrible threats. That fiction has squeezed out the facts, and parents, the public and pupils have become perplexed.

The section has never been used for the protection of children in a court of law. It is not that law, but existing procedures that daily protect our children—now and in future, parental preferences and good teacher sense will shape practice in Scottish classrooms. Fear has undermined parental confidence. Our challenge is to restore that confidence.

There is much in the Conservative motion on which we can agree: parents are concerned; parents have fears; sex education is difficult. All that is common ground and that is why our review of education guidelines will be conducted with maximum participation. Rather than inviting interested parties to submit to the review, we have asked them to share in the process of the review.

Sam Galbraith today announced the membership of the working group. That membership is broad and representative. The group will review the new circular, the curricular material and the support for teachers in relation to sex education. Under the Education (Scotland) Act

1980, ministers will use their existing powers to issue guidance to education authorities.

That is all in keeping with the tradition of Scottish education. It is, simply, the way we do things up here. We part company with Conservatives over their plea that, in response to fear and misinformation, the chamber should turn the Scottish education system upside down.

**Phil Gallie** *rose*—

**Ms Alexander:** I will give way in a moment.

I do not doubt the sincerity of many Conservatives or that of those in the SNP who, perhaps, hesitate on the issue. If we go down the route of singling out this issue for different treatment from all other issues relating to school curriculums, we will be betraying a tradition of Scottish education that is held dear by many members throughout the chamber. We have no national curriculum—we need no national curriculum to protect our children.

**Phil Gallie:** Does Ms Alexander accept that there was not a campaign of misinformation? Every constituent who has written to me has had a copy of section 28 and the guidelines that were issued in 1988 sent to them. They were left to make up their own minds. The minister accuses everybody who opposes the repeal of section 28 of being homophobic. Is she accusing virtually all parents and grandparents of being homophobic?

**Ms Alexander:** Let me try to provide some reassurance for those who are worried by the fear that misinformation has caused. The guidelines and the circular will, as they do at present, recognise the place of the family and reflect the values of the family, marriage and stable relationships as the basis for bringing up children and for offering them security, stability and happiness. However, the way in which to honour marriage and the family is not by denying the reality of different relationships that are now established in our society. The circular will also reaffirm the special position of denominational schools, particularly those where Church teaching bears most clearly on the curriculum.

**Miss Goldie:** As one spinster talking to another, I should say that the minister and I are perhaps ill suited to be talking about marriage, but I accept the spirit of what she is saying and the way in which she says it.

Looking at the amendments on the business list, does the minister agree that—notwithstanding what she says about consultation, and notwithstanding her express desire to ensure that the education that we agree is needed will still rest on the basis of guidelines—the public are seeking reassurance about how to provide statutory protection if something goes wrong? Where is that

protection to be found?

**Ms Alexander:** Let me deal directly with the issue of protection. We do not believe that separate laws are required to govern the teaching of every sensitive topic in order to protect our children. The Scottish curriculum works.

Scottish parents can take action to stop inappropriate instruction of whatever kind, be it politics in the classroom, the promotion of promiscuity of any kind or the use of inappropriate heterosexual or homosexual material. Parents exercise their role by going to the teacher, head teacher, education authority or, ultimately, the Scottish ministers.

We are seeking consensus on the practicalities of safeguards. However, on the principle of repeal we will not delay, because justice delayed is justice denied. When all is said and done, section 2A remains a piece of legalised intolerance. The passage of time will neither heal it nor help it. It needs to go. Repeal will not leave a vacuum, but will take away a symbol of intolerance and a source of confusion. If people say that they do not discriminate, we should not let Scotland's law discriminate.

Repeal has been the stance of three of the parties represented in this chamber since the day the proposal was introduced. Let me recall the words of our last-but-one male Conservative Prime Minister. He said:

“We may be a small island but we are not a small people”.

For those who are genuinely worried about our plans, we have sympathy. Of those who are deliberately distorting and demonising this debate, we despair. For all those who want to work out the best Scottish solution, we have an open ear.

I move amendment S1M-509.2, to leave out from “affirms its” to end and insert:

“supports a tolerant, just and inclusive society; notes the concern that section 2A constrains local authorities from serving all sections of the community, and has inhibited teachers who are concerned about the legal status of any action they may take against homophobic bullying; recognises the existing high professional standards of teaching and management in Scottish schools; notes the Executive's intention to consult on all necessary safeguards and whether further reassurance is required before any repeal of section 2A and in particular the Executive's commitment to publish a draft circular to education authorities on introduction of the Bill, to set up a Working Group to review the package of safeguards including the existing curriculum material and support for teachers in relation to sex education and thereafter to use powers in the Education (Scotland) Act 1980 to issue any necessary guidance; and looks forward to a full debate on the Ethical Standards in Public Life Bill when it will have an opportunity to consider the package of safeguards on sex education and the views of the Working Group which the Executive has set up.”

[*Interruption.*]

**The Deputy Presiding Officer:** Before calling the next speaker, I must remind visitors in the gallery that they are obliged to observe proceedings quietly, if not silently.

I now call Michael Matheson to speak to amendment S1M-509.1.

10:59

**Michael Matheson (Central Scotland) (SNP):** I welcome the opportunity to debate this issue. The Minister for Communities said that three parties were committed to repealing section 2A as policy. I can confirm the Scottish National party's commitment to that policy. However, I must correct the minister and tell her that five parties are committed to the repeal. Due respect should be accorded to that.

The debate serves as an important marker. It allows this Parliament to underline its commitment to create a fairer and more equal Scotland. However, it arises not from the Conservatives' new-found enthusiasm for a fairer and more equal Scotland, but from the fact that they have chosen to use this sensitive issue to their own narrow political advantage. [*Interruption.*] I must say that the members of the public in the galleries behave better than the members of the Conservative party.

Let us examine the position that the Conservatives have taken on this issue. It has been extremely unclear. When the ministerial statement was made, David McLetchie talked about his concern about the repeal of section 2A, but made no mention of the proposals contained in the motion that is before us today and of the need for a Cubie-style committee.

On 16 January, Brian Monteith stated in the press that he planned to lodge an amendment to allow teachers to deal with homophobic bullying but to stop the promotion of homosexuality within the school. If that failed, he said, the Tories would vote against repeal. That seemed a credible position for the Conservatives to hold at that stage. However, later that week, he appeared on the "Holyrood" programme to tell us that he wanted to establish a Cubie-type committee to investigate the matter. Before the Conservatives could gather round that commitment, Keith Harding was telling the press that, if appropriate guidelines were put in place, the Conservatives might support the repeal of section 2A.

**Mr Keith Harding (Mid Scotland and Fife) (Con):** Will Mr Matheson show me a copy of the article to which he is referring? I presume that he is talking about the article in the *Daily Record*, which does not state that at all. I said that the

Parliament should consult the people and that, although I could live with the decision of the parents, I doubted whether the Executive could. At no time did I say that we would consider revised guidelines.

**Michael Matheson:** I would be more than happy to pass the clipping on to Mr Harding.

Mr Harding is a member of the Local Government Committee, which has considered the ethical standards bill on at least four occasions. Not until the fourth occasion did he indicate that he had some concern about section 28. That seemed a little late in the day.

**Mr Harding:** If Mr Matheson speaks to his colleagues on the Local Government Committee, he will discover that, at every stage of the debate, I have recorded the fact that I am against the repeal of section 2A. The only time that the minutes record members' opinions is when a vote is taken.

**Michael Matheson:** Mr Harding's comments in the *Official Report* tell another story.

The motion that we are considering today is fairly ambiguous. It does not mention whether the Tories want to keep or repeal section 2A. It says that educational material should be appropriate to age, experience and maturity. I would point out that two 16-year-olds can have different levels of experience and maturity. The Conservatives have shed no further light on the matter today.

There has been considerable public anxiety around this issue. That has occurred because of the way in which the Executive has handled the issue and because of the misinformation that some organisations have promoted. The Executive could have handled the matter in a better way. The Minister for Communities gave evidence to the Local Government Committee on 27 October and outlined her plans for the ethical standards bill. However, she made no reference to the repeal of section 2A. The next day, we read in the press that she planned to repeal section 2A. That is not an appropriate way for an announcement to be made on a sensitive issue.

The SNP welcomes the Executive's new position, which is that it will consult on guidelines and have them in place before the repeal of section 2A.

**The Deputy Minister for Communities (Jackie Baillie):** I hope that this will be a helpful intervention. As Michael Matheson is a member of the Equal Opportunities Committee, he will recall that, in September—well before the date on which the Minister for Communities addressed the Local Government Committee—I gave a clear indication of the Executive's intention, which he welcomed at the meeting.

**Michael Matheson:** I accept what Jackie Baillie says. However, there is a difference between what the Minister for Communities has done and what Jackie Baillie said to the Equal Opportunities Committee. Although she said that the Executive wanted to address the issue, the way in which the Executive's actions were announced by the Minister for Communities was unacceptable.

The SNP welcomes the fact that the Executive has moved to a new position on consultation, which is broadly in line with the position that we called for. Had ministers moved earlier towards consultation, it is possible that we would have been able to move away from some of the concerns that now surround the issue.

Like the Executive, the SNP fully supports the need to repeal section 2A. Our amendment demonstrates the considerable common ground that exists between us. It illustrates our determination to make Scotland a fairer and more equal society. Having pressed for full and proper consultation on the guidelines, we believe that it is essential that that consultation is as open and inclusive as possible. That is why we believe that there should be a consultation exercise to examine the status of the guidelines. We believe that this matter should not be prejudged. We should keep an open mind on whether it is desirable, necessary or practical to give guidelines a formal status.

**Phil Gallie:** On the issue of guidelines, will Michael Matheson give way?

**Michael Matheson:** I stress the point that this matter should not be prejudged at this stage. We recognise that guidelines should reflect the need to trust our teachers in dealing with this sensitive issue in the classroom.

I hope that members will support the SNP amendment and reflect on our commitment to the repeal of section 2A and to a wide-ranging consultation exercise. Section 2A promotes discrimination and singles out a minority in our society as unacceptable. If any other policy that proposed such discrimination was brought before the Parliament today, it would not be tolerated.

**Miss Goldie:** Will Michael Matheson give way?

**Michael Matheson:** No thank you, I am winding up.

To argue that the repeal of section 2A would allow the promotion of homosexuality in our classrooms is, at the least, misleading. We must recognise that people do not choose their sexual orientation. To say that homosexuality can be promoted is equivalent to arguing that blue or brown eyes can be promoted, or that people can be encouraged to be tall or short.

**Phil Gallie:** Will Michael Matheson enter into the

debate by giving way?

**The Deputy Presiding Officer (Mr George Reid):** Order, Mr Gallie. Michael Matheson is winding up.

**Michael Matheson:** Our children have a right to learn about the society in which they live and which they will inherit. They have a right to be protected from mental, physical and emotional harm. No amount of prejudice or hysteria should allow those rights to be removed. Some of our people—some of our children—will be gay. Whether as parents or concerned citizens, it is our duty to care for, nourish and support all our nation's children without exception. If we do not teach the acceptance of difference, we foster intolerance.

**Phil Gallie:** Will Michael Matheson be tolerant and give way?

**The Deputy Presiding Officer:** Order.

**Michael Matheson:** If we cannot accept those who are different, we can only expect them to reject us. I ask members to support the SNP amendment and confirm my support for the repeal of section 2A.

**The Deputy Presiding Officer:** I call Nora Radcliffe, who has up to eight minutes for her speech.

11:09

**Nora Radcliffe (Gordon) (LD):** Thank you, Presiding Officer.

Equality of opportunity is one of the key principles of the Scottish Parliament. The definition of equal opportunities in the Scotland Act 1998 explicitly includes equality for people regardless of sexual orientation. Section 2A singles out homosexual people and labels as unacceptable them and their relationships.

I want to read a short extract from a letter written in January of last year by a mother.

"About a year ago, I found my son crying down the telephone to a gay helpline in London. It was the middle of the night, and he thought my husband and I were asleep, so we would not find out. He was only fourteen at the time. He knew he was gay and was desperate. He didn't know where to turn for help and was in a terrible state.

Please get rid of Section 28. It is damaging so many young people."

Many members will have seen another mother's open letter in *The Scotsman*.

"DEAR Scotland: I write because I can't be silent any longer about the continuing public abuse of many of our children. One of those children is mine. He is a loving, kind, friendly, intelligent and talented person. But for weeks now he has been confronted daily by headlines screaming how unacceptable he is as a member of his society . . .

Yet my son is a danger to no-one. He is not a murderer, rapist, thief, vandal, drug-dealer or drunk driver. Nor does he have any other failing which might render him anti-social. Quite simply, my son is gay."

I have received a lot of letters about families and I wish to read part of another one.

"I am bisexual. I have recently moved to Edinburgh to live with my partner and my two-year-old son. My son now lives with two parents who love and care for him. Previously, we lived with his father, who left us with no money for food or clothing, who wandered round our house with a long sharp knife, and who eventually left us totally homeless and in debt, yet that's a valid family and we are not."

Another correspondent is a 40-year-old lawyer, who votes Conservative, pays tax at a hefty rate and has two young sons.

**Miss Goldie:** Will the member give way?

**Nora Radcliffe:** I am in the middle of a quotation.

He is also homosexual, separated from his wife and living with a male partner. His sons have taken that in their stride—indeed, one commented that he was lucky to have two dads when he stayed with his father. As this man says:

"We are not—in the words of the Section—a 'pretend family' when we are all together, and it is offensive to me and my children to suggest that we are. Far from promoting homosexuality I have spent my life making it as normal as being straight and I am affronted that the law should discriminate against my children and undermine my efforts to have and live a normal life with my children and partner."

We hear the phrase homosexual lifestyle bandied about, often with the implication that lesbians or homosexuals lead promiscuous and unstable lives. That is far from the truth—lesbian and homosexual people have the same aspirations for love, commitment and stability as everyone else. They are as good or bad, as dull or interesting, as brave or cowardly as everyone else in the population.

The values that will help young heterosexuals to develop and grow up as responsible adults are just as relevant to young homosexuals. The difference is that life for homosexuals or lesbians, particularly when they are young, is more difficult, because they face considerable prejudice, often in isolation and without support.

In November 1998, the *Daily Mail* ran two stories, which the paper chose not to link. The first was that the Westminster Government had again postponed a repeal of section 28, while the second was a report on the inquest into the death of a 15-year-old boy driven to take his own life as a result of homophobic bullying at school. The boy had been physically attacked and verbally abused because his schoolmates had decided that he was a "poof". He felt unable to seek help from the school and was even disciplined for being disruptive when he tried to stand up to his

tormentors. He saw killing himself as the only way out.

Section 28 has been portrayed as the bulwark preventing our schools from being flooded with homosexual propaganda. That is arrant nonsense. Schools are run by education authorities, teachers and parents, not gay activists. Like all members, I have been sent material targeted at adult gay men, which warns them of health risks that they may face. It seems to me to be very effective in the context for which it is intended, but I would find it quite inappropriate for classroom use. It is extraordinary to suggest that the people who are responsible for running our schools do not have the basic common sense and decency to decide what material is suitable for use in our schools.

Much of the material to which our attention has been drawn is on the internet, which remains an unregulated and uncensored medium. Young people can access any amount of pornographic images and material, homosexual and heterosexual. There is a valid debate about how to regulate access to that stuff, but it is not a justification for retaining section 28.

**Phil Gallie:** I accept and sympathise with many of the points that the member has made. However, is it not a fact that much of the material on the internet has been paid for from public funds?

**Nora Radcliffe:** I hardly think that that is relevant to whether the material will appear in our schools, which is the point that I was making. There is a lot of material that would be totally inappropriate for use in schools. It is my contention that that material is very unlikely to find its way into our schools.

**Miss Goldie:** I do not want in any way to diminish Nora Radcliffe's contribution to this debate. Some of the letters from which she has read extracts are familiar to us all. However, the member expresses a concern about the nature of some of the material that we have all received. A policeman outside this Parliament told me that if I handed it to passers-by in the High Street, I would be charged. Given that Nora Radcliffe has said that she would not wish that material to make its way into classrooms, what underpinning safeguard does she offer parents to ensure that if it ever made its way in or stood a chance of making its way in, it would be stopped by law?

**Nora Radcliffe:** I want to carry on with my speech, as I think that the next part of it addresses that question.

Teachers are trained professionals, whose effectiveness is undermined by discriminatory legislation. We should support and trust teachers, not impose restrictions such as section 2A that force them to marginalise their most vulnerable pupils. The minister referred to the safeguards that

are available to parents and enable them to approach schools if they have doubts about what is happening.

Section 2A has never been used in courts and is, literally, meaningless. Homosexuality is a state of being. It is impossible to teach that homosexuality is a relationship, acceptable or otherwise, just as it is impossible to teach that being tall or short is a relationship. More dangerous is the very clear signal that the section gives out: that we cannot tolerate tolerance of homosexuals.

I want to finish by quoting a professional psychologist and the editor of the "British Journal of Social Psychology", who writes:

"nearly half a century of social psychological research, stemming from revulsion against the Nazi holocaust (which, it should be remembered was targeted at homosexuals as well as gypsies and Jews), has revealed that discrimination is all too easily triggered once a group is identified as inherently different and as constituting a problem for the majority. That is precisely what has been created by Section 28 and is exemplified in the recent debate. The very notion that one needs to 'protect' young people from homosexuality implies that it is a danger to youth. Equally, the idea that a 'homosexual lobby' seeks to prey on impressionable youth conveys the idea that homosexuals are a sinister menace. Such ideas are the root of intolerance, the wellspring of hostility and they are the start of a tragic descent into homophobic violence.

Section 28 cannot affect the 'promotion of homosexuality' but does serve to promote homophobia. It protects our children against nothing but exposes them to the danger of intolerance . . . We appeal to everyone who believes in teaching our children to embrace tolerance and compassion over prejudice and hatred, whatever their views on homosexuality, to support the repeal."

I endorse those views.

**The Deputy Presiding Officer:** The debate is now open to the floor. Speeches are limited to four minutes.

11:20

**Mr Keith Harding (Mid Scotland and Fife) (Con):** I welcome this debate, and I welcome the change in stance of the SNP. Michael Matheson, who is obviously an avid reader of the *Official Report* of meetings of the Local Government Committee, will know that his colleague Kenneth Gibson gave the SNP's total support to the repeal of section 2A without guidelines.

It has become clear from the debate over section 2A that the Executive could not care less about what anyone else thinks, and that it is determined to plough on regardless of public opinion or even of the opinion of some in the Labour party. That is arrogance on a grand scale. Wendy Alexander thought that she could slip the repeal of section 2A into the ethical standards in public life bill without anyone noticing—that she

would get some political brownie points from her right-on friends and boost her standing within the Labour party. How wrong she was. She has completely misjudged the mood of the public and shown herself to be completely lacking in political judgment.

**Ms Alexander rose—**

**Mr Harding:** I will not give way to Wendy Alexander, who has said enough. She started all this by talking.

Wendy Alexander conveniently forgets that neither Labour nor the Liberal Democrats have any mandate from the Scottish people on this issue, as neither party included it in their manifesto for the Scottish elections. Indeed, the repeal of section 2A was such a low priority for Labour and the Liberal Democrats that it was not included in either their partnership agreement or their programme for government. However, Wendy decided that it should be a priority for the Executive, and what Wendy wants, she seems invariably to get.

I do not know about the mail that Wendy has received, but since the repeal was announced, I have had more mail on this issue than on all others put together.

**Karen Gillon (Clydesdale) (Lab):** Will the member take an intervention?

**Mr Harding:** No, I will not. As the Conservatives are restricted to four-minute speeches, we cannot be expected to take interventions if we are to make a contribution.

The letters I have received are overwhelmingly hostile to the Executive's proposal to ditch section 2A, and express anger that the Executive has tried to play the Scottish people for fools. Opinion polls have shown that the overwhelming majority of people in Scotland want to keep section 2A. According to the ICN opinion poll for *Scotland on Sunday*, two out of three Scots think that the section should be kept, and certainly do not regard its repeal as a priority.

**Michael Russell (South of Scotland) (SNP):** Will the member give way?

**Mr Harding:** No, I will not.

It is no use the Executive portraying opponents of repeal as raving bigots, as that simply will not wash with the Scottish people. Is the Executive seriously saying that most Scots are bigoted?

Most people just want to ensure that their children are taught about homosexuality, and sex in general, in a way that is in tune with their wishes. In our current education system, that means that legal protection on sex education for our children is needed to reassure parents. That



does not mean that homophobic bullying should not be tackled; it should be dealt with as part of a general strategy to tackle all bullying. Bullying is wrong, no matter what its cause, and we support any efforts to eradicate it.

Not only has the Executive failed to win over public opinion on this matter, it cannot even convince some of its own people. Down south, a Labour MP, Stuart Bell, has been vociferous in his opposition to the repeal of section 28. He has shown great courage in standing up for what he believes in. I hope that members of this Parliament will follow his example and that of the 15 Labour peers who defied the No 10 thought police to vote against the Government's line in the House of Lords.

Most notably of all, Labour councillors who are responsible for running our schools and have to implement the decisions of the Scottish Executive, have expressed their opposition to repeal. The leader of the Labour group on East Dunbartonshire Council, Councillor Charles Kennedy, said:

"In no way should the legislation be repealed until we have had the chance to have a proper and detailed consultation with every mother and father of school-aged children in the district".

As far as we are concerned, that should apply throughout Scotland. Labour-dominated Falkirk Council is also opposed to repeal. It held a public meeting to which hundreds of people came in appalling weather to express opposition to the Executive's proposals. The belief that they are always right will allow Wendy and her pals to ignore that opposition in the same way as they have ignored all the other opposition to repeal.

**The Deputy Presiding Officer:** Begin to wind up, please.

**Mr Harding:** Wendy knows best, and anyone who says otherwise is either mad or extreme. That attitude is typical of the Executive since the Parliament was established. Labour may have created the Scottish Parliament but its representatives are not living up to the principles it is supposed to embody. Where is the consensus and responsiveness to public opinion that we were promised as part of new politics? I doubt parents think the Parliament is doing its job.

I will finish by saying—[MEMBERS: "Sit down."] We can make a start today by supporting my colleague's motion. We have sent a signal to the whole country that we are prepared to listen to public opinion and to act on it. I will certainly listen to my constituents. If we do not see proper, legally binding safeguards for parents, I will vote against the repeal of section 28.

**The Deputy Presiding Officer:** Although speeches should be four minutes long, I will allow

reasonable overruns so interventions can be taken.

11:26

**Ms Margaret Curran (Glasgow Baillieston) (Lab):** Are you encouraging interventions, George?

Today's debate is clearly very significant, not only for the Parliament but throughout the country. It is a welcome opportunity to provide clarity, realism and reassurance. Forces of hysteria have stoked up a distasteful campaign, but we must listen to the voices of genuine concern. I share Annabel Goldie's sense of the significance of the debate, but I hope I will not be drawn into making personal comments such as have been made this morning, particularly by Mr Harding, whose comments were quite inappropriate.

I have been concerned for many years about a number of relevant issues: access to pornography and the effects of it, particularly among children; early sexual activity; bullying and wider issues of sexual violence; and the abuse of children. I could never be characterised as being soft on such issues. I strongly support the Executive's position.

Since its introduction, section 28 has been unworkable, unhelpful and short sighted. It is particularly misleading. Young people on the precipice of sexuality face myriad issues. Singling out one issue distorts the picture—young people need a range of supports. "Promoting" was always the wrong word. To promote or not to promote homosexuality is not the debate—that fundamentally misses the point. Repeal will not mean gay sex lessons; rather, we will have better guidelines to ensure sensitive and professional handling of all sexual issues.

All children and young people should be protected—

**Phil Gallie:** Will the member give way?

**Ms Curran:** Phil, I may as well, as—

**Phil Gallie:** Margaret comments on future guidelines, but the existing guidelines, which went out with section 28, mandate teachers to stop bullying and to counsel. The only thing they are stopped from doing is promoting homosexuality. What is the problem?

**Ms Curran:** Mr Gallie, research published in 1997 reported that 82 per cent of teachers feel that section 28 needs to be clarified and that 44 per cent have difficulty meeting the needs of gay young people because of their concern about the section. The guidelines are clearly not appropriate.

Section 28 legitimises the targeting of one section of the population. We cannot have the message in schools that the targeting of gay

people, from name calling to physical abuse, is acceptable. Section 28 suggests that there should be some hesitation and perhaps different treatment on the part of teachers when what all young people really need is clarity, guidance and support. The guidelines proposed by the Executive are far better.

I make a plea to the parents and others who have voiced concerns—which I understand. Please listen to the children's and teachers' organisations, Save the Children, Barnardo's and the Educational Institute for Scotland, which support repeal. None of those organisations treat children's emerging sexuality lightly. Rather, they are at the forefront of campaigns and services to protect and support children and young people. We cannot turn away when they tell us of the most horrifying catalogue of cruelty, abuse and violence that some young people have to face. It is our task to ensure that sensitive issues are discussed in an appropriate, informed, educational context.

I firmly believe that loving parents are the primary agents for the process of learning. However, we all know that our children are influenced by other things—by friends, by school and by the media. Young people know about gay issues not because of an uncontrolled gay campaign, but because they watch programmes such as "Emmerdale". We cannot leave the matter to be dealt with only by soap operas. We would fail our children profoundly if we were so naive as to fail to realise that these issues are discussed in the playground.

**Mr Brian Monteith (Mid Scotland and Fife) (Con):** Does Margaret Curran agree that one of the benefits of the representation of homosexuality in soap operas is that it is at least shown in the context of loving relationships?

**Ms Curran:** I do not particularly want to get into a debate about "EastEnders" and I am not saying that homosexual story lines should be banished from soap operas, but as a concerned parent I do not want my children's discussion of homosexuality to focus only on soap operas; I want them to discuss it in school as well. I say to Mr Monteith that we have to live in the world as it is and not as we hope it might be.

I hesitate to talk about my own children, because in politics we must be careful about that—I desperately want to protect my children from the horrible side of politics—but I have one son on the verge of adolescence and another a few years behind him. I do not treat these issues lightly, and I do not shirk the responsibility to provide a moral framework for their lives, but I would do them and others a disservice if I suppressed a proper discussion in schools. The guidelines are a much better alternative for my children.

In all honesty and sincerity, I would not support the Executive if I thought for a moment that it would damage the interests of my children. I profoundly believe that my children and Scotland's children will grow up much better in a tolerant and informed society.

11:32

**Michael Russell (South of Scotland) (SNP):** For the avoidance of doubt—and particularly Mr Harding's doubt—I shall make the SNP position quite clear. In September 1990, I proposed a motion at the SNP conference in Dundee. That motion was in favour of repealing section 28 or 2A, and it was overwhelmingly adopted by the SNP membership at that conference. That was the position in 1990; that is the position now.

**Mr Monteith:** Will Mr Russell give way?

**Michael Russell:** Perhaps Mr Monteith will allow me to begin my speech before I take any interventions. I have never seen the Tories so animated.

I hold that position, fully conscious of the fact that there are people in Scotland today who are genuinely afraid of the present situation. We have heard from many of those people in our constituency mailbags. I have answered every one of those letters positively and sympathetically, but saying what my position is: I shall vote for repeal. I have given my reasons, and they are the reasons that have been well outlined in the chamber today.

Our job is not to fear the fears, nor is it to scaremonger and fan up those fears with documents such as have been published by the Keep the Clause campaign. It is quite legitimate to argue to keep the clause; that is a considered position. It is not legitimate to head that document "Protect your children: Keep the Clause!". That is scaremongering. Our job as parliamentarians is to discuss, consult and reassure so that those fears should be assuaged. I suggest to the Conservatives that that is what political leadership is about. Their motion today is not about political leadership.

The fears centre around the reference in the legislation to "promoting homosexuality". Those words are unique in legislation; they occur only in section 2A and nowhere else. In no other legislation is there any mention of promoting any type of sexuality. That gives the clue to what section 28 or 2A actually is; it is not about sex education or about protection, it is about prejudice and discrimination. That is why it is there and why it has to be removed. It was put there to discriminate, but equality is indivisible. As I have said in this chamber before, one cannot believe in one form of equality and reject another. In these circumstances, we must remove that inequality.

What distresses me is that section 2A was not only put there to discriminate; it was also put there as a ticking time bomb of discrimination. It was designed to continue fear and prejudice. We must have the courage to defuse that time bomb. That is what political leadership is about, but we cannot do that in a vacuum. We have to accept that there are reservations, and we have to bring forward ideas and arguments about what will happen after repeal.

I commend to the chamber six principles for discussion that I received in the mail the other day, and which are important. The first is:

"Indoctrination, whether it be political, religious or sexual, has no place in . . . schools."

That is a fair principle. Secondly:

"Homophobia and its expression in abusive, violent and bullying behaviour in our schools must be challenged and eradicated."

Thirdly:

"All young people should be given accurate information on sexual relationships, regardless of their sexuality."

Fourthly:

"All young people, regardless of their sexuality, should learn about the importance of commitment, trust and respect in sexual relationships and the dangers of risk taking behaviour."

Fifthly:

"Young people should be made aware of the teaching of religious faiths on homosexuality."

And sixthly:

"Teachers should respect differing family backgrounds among their pupils. All young people should learn the importance of the family, recognising that families come in many different shapes and sizes, and the importance of marriage within heterosexual family relationships."

That does not seem to be wild, radical material. Indeed, the organisation that sent it to me made the point that all of those points must be taken together in balance. Those principles are from Stonewall's charter on education in schools. I commend it to the Conservative party as a responsible approach—an approach from people who are being demonised in this debate, but who are putting forward constructive ideas on how we might take this issue forward.

I will conclude by saying that it is an obligation upon everybody who was elected to this chamber to be involved in making laws that are fair to all members of our society. One cannot lift and lay that; it is an obligation upon us. Laws have to be based on the founding principles of this Parliament—as dictated by the consultative steering group—one of which is equality. That is what we are here for, and if we fall short of that out of fear of those who are not being helped by us, we do not do this Parliament, Scotland or

democracy any favours.

11:37

**Mr Duncan McNeil (Greenock and Inverclyde)**

**(Lab):** I would like to take a couple of moments to take part in this debate from a personal perspective. From a west of Scotland housing estate I entered the male-dominated, and sometimes brutal, world of a Clydeside shipyard. Coming from that community, and having been shaped by that environment, it will come as no surprise that I have no close gay friends—at least none that I know of. I have no connection with the gay community, but I recognise discrimination when I see it.

While I have no close gay friends, I would not wish them to be excluded, stigmatised or bullied. I take heart from the constituency letters and representations that I have received and the fact that 90 per cent of them accept and support that view. On the one hand they do not want homosexuals to be victimised; on the other they have expressed genuine concerns that we must respond to.

There is great apprehension that the repeal of section 2A would lead to the promotion of homosexuality, or classrooms being filled with sexually explicit material. People are afraid that their views are being ignored and that their children are being put at risk for the sake of political correctness. Do they believe that the parents and grandparents in this chamber will vote for something that would promote homosexuality or fill classrooms with pornography? Of course we would not. Like most of the grandparents who have contacted me, I would vigorously oppose any measure that placed our children at risk.

I welcome this debate, because it reminds us all that we have a long way to go before the final vote on the ethical standards in public life bill. I welcome the Executive's commitment to consult on the safeguards and to establish a working group—which will include parents, teachers and Churches—that will review the package of safeguards, including current teaching materials and support for teachers in relation to sex education.

We will have the opportunity to debate that package of safeguards. As Donald Dewar said during First Minister's question time last Thursday:

"The answer is to get a package of safeguards that reflect the values of family, marriage and stable relationships and which offer . . . children security . . . and, hopefully, happiness."—[*Official Report*, 3 February 2000; Vol 4, c 776.]

11:41

**Shona Robison (North-East Scotland) (SNP):** I welcome the tone of Annabel Goldie's opening speech. I think she was let down badly by the tone of some of her Conservative colleagues.

Today's debate has, unfortunately, been brought about for reasons of political opportunism. Whether we support or oppose the repeal of section 2A, it was clear that members would get their opportunity to give their view and cast their vote during the passage of the ethical standards in public life bill. There was no reason—other than political opportunism—for the Tories to introduce this motion today.

Although all parties occasionally indulge in political opportunism, there are times when they should not.

**David McLetchie:** As the whole country is talking about section 28 and substantial publicity campaigns are being run on the issue, does Shona Robison not accept that it is reasonable for Scotland's Parliament to discuss, in this chamber, the issue that Scotland's people are discussing outwith it?

**Shona Robison:** In some ways this is a false debate, because we will have the real debate in a few weeks' time. All of us are engaged in dialogue with the public about what has become an important issue. On some occasions one just does not exploit political opportunism—this is one of those occasions.

This issue has been terribly distorted, but it must be said that it was naive in the extreme for the Executive to think it could announce the intention to repeal section 28 without adverse reaction. The Minister for Communities should realise that although the people around her and her advisers may think like her, many members of the Scottish public do not and were likely to be concerned by the way in which the repeal was announced.

The lesson is that clear and early information—and proper consultation—must become the norm in this Parliament when changes such as this are announced. Would not it have been much better to take the entire Scottish public with us on this issue?

**The Deputy Minister for Local Government (Mr Frank McAveety):** Is Shona Robison arguing that the Executive did not give early indications of the issues relating to the repeal of section 2A? When Shona Robison considers the tone of the discussion on this issue, particularly the publicity campaign organised by Keep the Clause, does she not think that this is about more than the way in which the Minister for Communities introduced

this matter? We had to face fundamental issues, which are in Keep the Clause documents and have been raised by the proposed repeal of section 2A. Does Shona Robison accept that it would be inappropriate to state that the adverse reaction is solely the minister's responsibility?

**Shona Robison:** Something has gone wrong somewhere, given that we are in this position.

I am trying to say that when the Executive makes announcements such as the one on section 2A, information must be put in the public domain that counteracts some of the negative and discriminatory arguments before they can be made. Unfortunately, that did not happen on this issue. We must all learn from that experience, so that we handle matters differently in the future.

We have reached consensus that full and proper consultation on the guidelines for teachers must now take place—

**Jackie Baillie:** Will the member give way?

**Shona Robison:** I must move on.

Let us not fall into the trap of trying to prescribe the nature of those guidelines, or we might find ourselves open to further criticism. Rather, let us hear from people out there the kind of guidelines that will allay their fears.

Repealing section 28 is the right thing to do—not the politically correct thing to do. For me, the main reason for its repeal is that it is a symbol of discrimination. How do I know that? Because that was the intention when it was introduced by the Tories in 1988.

I would like to think that Scotland is ready to move on and to reject one of the last bastions of the Thatcherite legacy—I hope that we can do that in a rational manner. The Scottish National party amendment will go some way towards achieving that; I urge members to support it.

11:46

**Mrs Mary Mulligan (Linlithgow) (Lab):** I believe that it is the collective duty of the members here today to seek at all times to protect the children of Scotland. However, we do not have to retain section 2A to do that.

I welcome the motion, when it says:

"the Parliament affirms its belief in an open, democratic and tolerant society where all members are treated equally under the law".

However, I am not sure how that can be put into practice, when a piece of legislation could legitimise discrimination against a section of our society.

The other issues raised in the motion, regarding topics and materials and their appropriate use for

pupils of varying age, experience and maturity, are covered by the letter issued by the Minister for Children and Education to school boards and head teachers.

As convener of the Education, Culture and Sport Committee, I would like to contribute to today's debate by explaining how I believe that the genuine concerns of parents can be answered. It is the role of the committees in the Parliament to ensure that ministers act appropriately. I can assure the Parliament that the Education, Culture and Sport Committee will ensure that the minister delivers the package of safeguards set out in his letter.

Let us consider those safeguards. The minister says that clear guidelines, including consulting parents and listening to their concerns, will be given to education authorities. There would also be a requirement to consult parents when planning sex education. I am sure that I am not the only parent here who has attended their child's school to discuss the provision of education.

Nor can I be the only one who is impressed with the sensitive way in which teachers deal with the issues. We put a lot of trust in our teachers. Why should we doubt their integrity on this issue? It may help some parents, however, to have it said that if a teacher did act inappropriately, disciplinary action could be taken. It is worth repeating that the use of pornographic materials of any sort not only would be the subject of disciplinary procedure, but would constitute a criminal offence.

Another question that is frequently asked is how we, as parents and policy makers, can be sure of what is happening in the classroom when we are not there. Teachers will continue to work within the context of curriculum guidelines and advice, and within the context of local authority and school policies. The normal quality assurance arrangements regarding lesson delivery in schools would apply.

Removing the prohibition to promote homosexuality is not the same as encouraging its promotion. I question why anyone would believe that teachers would do that when, if we are being really honest, even with the existence of section 2A, that would not be stopped. If we trust teachers now, removing section 2A will not make them any less trustworthy.

I welcome the provision in the minister's letter to ensure that parents have a route to raise any concerns that they may have. It is important that such concerns could be raised with the teacher, with the school or with the education authority. The monitoring by the education authority, by the school and by parents of what is being taught will be as important as ever. We all have a responsibility to be vigilant to safeguard our

children.

Finally, the establishment of a working party to review curriculum advice and supporting materials is also to be welcomed. However, any move towards a statutory arrangement would be inappropriate in Scotland. Here, the curriculum is not set out in statute, but in national guidelines that are developed through very wide consultation. There appears to be no argument to change that. As has been said, section 2A has never been enforced. It is seen as an unworkable piece of legislation. However, the fact that it exists could lead to discrimination and therefore, if we are serious about being a tolerant society, the section should be repealed.

I want to end as I began, by saying that our top priority in the Parliament should be to protect the most vulnerable in our society. Scotland's children must be at the top of the list. I assure the Parliament that the Education, Culture and Sport Committee will continue to monitor the actions of the Executive, to ensure that our children are protected.

11:51

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** Over the past few weeks, I have been astonished and dismayed, as I am sure have many members, by the sections of the tabloid press that have delighted in stirring up people's fears and worries about the Executive's proposed repeal of section 2A. However, I have been heartened by the more thoughtful comments from newspapers such as the *Sunday Herald*, which told us that this is a defining moment for Scotland, as we stand on the brink of two very different countries—one a modern, tolerant and understanding country, the other defined by intolerance and a quickness to condemn.

As a parent of two boys aged 12 and nine, I understand the worries of parents about this matter. However, section 2A is clearly a law that discriminates against a minority of our fellow citizens. The evidence is clear: it has had a damaging effect on the ability of some of the teaching profession to treat issues of homosexuality in the sensitive way in which they need to be treated.

The Executive has made it clear many times that the guidelines for teachers will be updated before the section is repealed.

**Mr Monteith:** Will the member give way?

**Mr Rumbles:** No, I will not.

The debate is not about the issue of promoting homosexuality in schools. It is clearly about whether all our citizens are to be treated equally under the criminal law.

Shona Robison welcomed the tone of Annabel Goldie's speech, but I am not sure whether she listened to the words of that speech. The Conservative motion is the height of Orwellian doublespeak. Annabel Goldie is the real wolf in very gentle and fluffy sheep's clothing.

The motion begins by saying

"That the Parliament affirms its belief in an open, democratic and tolerant society where all members are treated equally under the law".

Unbelievably, it goes on to call upon the Scottish Executive to withdraw the proposed repeal of section 2A. I could vehemently disagree with, yet respect the Conservatives if they were open in their criticisms of section 2A. However, to pretend that section 2A is anything other than a clear attack on one section of our society is abominable. They hide behind words such as "openness", "democratic" and "tolerant", yet in the same breath call for the retention of this outrageous law.

**Miss Goldie:** Will the member give way?

**Mr Rumbles:** No. Annabel Goldie would not give way to me.

The repeal of section 2A is not about the promotion of homosexuality. It was never promoted in Scottish schools before the introduction of the legislation and it is not currently promoted in Northern Irish schools, where section 2A does not apply. The section is not needed to prevent the promotion of homosexuality in our schools now. Those of us who believe in a modern, liberal and tolerant society must be prepared to work at every turn to counteract the misinformation and propaganda which is being churned out.

Perhaps the Conservatives in this Parliament can learn something from Lord St John of Fawsley—[*Interruption.*] Listen and learn something.

**Mr Monteith:** Go on. Patronise us.

**Mr Rumbles:** This week, in the House of Lords, Lord St John of Fawsley said on this issue:

"Cardinal Winning of Glasgow, has spoken out in an unappetising way with which I certainly, as a Catholic, do not agree. I regret very much that the moderate voice of Cardinal Hume is no longer to be heard to guide us" — [*Official Report, House of Lords, 7 Feb 2000; Vol 609, c 403.*]

Lord St John's words certainly echo strongly with me.

This is the second issue of institutionalised discrimination that we have addressed in the Scottish Parliament. I am glad that Lord James is here. On the debate on the Act of Settlement 1701, I had great pleasure in congratulating Lord James on his speech as the very best I had heard

in the chamber to date. I remind the chamber of his words during the debate on the Act of Settlement:

"The important issue is whether there should be legislation that blatantly discriminates against a Christian religion. The subject is particularly relevant as we live in a multifaith community."—[*Official Report, 16 December 1999; Vol 3, c 1632.*]

Lord James also quoted from a letter from Cardinal Winning:

"Nevertheless its continued presence on the statute books is an offensive reminder to the whole Catholic community of a mentality which has no place in modern Britain."—[*Official Report, 16 December 1999; Vol 3, c 1633.*]

How right both these statements are. All I would ask those who made them to do, especially Lord James, is to recognise that these two issues—the institutional discrimination contained in the Act of Settlement and the institutional discrimination contained in section 2A—are not unrelated.

In closing, I will return to my main point. This issue really has nothing—nothing—whatsoever to do with the promotion of homosexuality in our schools. This is an issue of equality before the criminal law for all our citizens. I spoke out in this Parliament against the institutionalised anti-Catholic discrimination contained in the Act of Settlement and I am speaking out again now against the institutionalised discrimination contained in section 2A.

Because it is a reserved matter, the Scottish Parliament cannot do anything about the Act of Settlement; but, for goodness sake, we must not fail in our duty to get rid of section 2A. This is a defining moment for Scotland. We stand on the brink of there being two very different countries, and I know which country I want to live in.

**The Deputy Presiding Officer:** I express my regrets to the substantial number of members who have not been called because of overruns. Also because of overruns, we have a Liberal following a Liberal. I call Ian Jenkins to wind up for the Liberal Democrats.

**Tommy Sheridan (Glasgow) (SSP):** On a point of order. I appreciate what you have just said, Presiding Officer, but I ask that, in future, on a subject that has generated as much publicity as this one has, the smaller parties be allowed at least to make a statement of their position. Had that happened today, it would have shown that we are a tolerant Parliament.

**The Deputy Presiding Officer:** It may well be that members who are winding up will allow you in to satisfy that situation.

**Mr John McAllion (Dundee East) (Lab):** On a point of order. We have had a very serious debate, but a very short one. We have heard just seven

back-bench speeches, but the equivalent of eight front-bench speeches—four opening speeches and four closing speeches. Front benchers also get more time than back benchers. The Parliament has got the structure of debates wrong. It is time that the Procedures Committee considered that. *[Applause.]*

**The Deputy Presiding Officer:** I have now been informed that Mike Rumbles wound up for the Liberal Democrats. Is that correct, Mr Rumbles and Mr Jenkins?

**Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD):** Yes.

**The Deputy Presiding Officer:** In that case, we have gained—no, we have not gained anything. We are just back on schedule. I call on Nicola Sturgeon to wind up for the Scottish National party. You have five minutes.

11:58

**Nicola Sturgeon (Glasgow) (SNP):** For all that this debate was initiated this morning for purely opportunistic reasons by the Tories, whose position on this issue has—as demonstrated by Michael Matheson—shifted almost weekly, the debate has given Parliament a welcome opportunity to examine the issue calmly and rationally, in most instances, and to dispel some of the myths. Most important of all, it has given us an opportunity to address the very genuine fears and concerns of many people in Scotland.

The SNP supports, unequivocally, the repeal of section 28. That is, and will remain, our position. However, section 28 is not what people are being asked to vote on today. We support the repeal simply because it is right.

Let us be absolutely clear about one very important fact. Section 28 was not enacted as a reaction to any practice in Scottish schools. I challenge the Tories, when they wind up, to come up with even one example of homosexuality being promoted in any Scottish school, either before or after the enactment of section 28. I predict that they will not do that, because they cannot do that.

**Mr Monteith rose—**

**Nicola Sturgeon:** I believe that Mr Monteith is winding up, so he will have ample opportunity to answer the point then.

Section 28 is plainly and simply about discrimination. It is about singling out one section of the population and labelling it as unacceptable. That has been done in a way that, frankly, had it concerned any other minority in Scottish society, would have been unimaginable. Section 28 legitimises intolerance and prejudice, and it restricts the ability of responsible teachers to deal

with sensitive issues and to provide support and counselling to pupils who have anxieties about their sexuality. Section 28 has no place in the statute book in 21<sup>st</sup> century Scotland, and its removal will be an important step on the road to a more tolerant Scotland.

However, the fears being expressed by many people in Scotland about what will happen after the repeal of section 28 are genuinely held, even if they are being exploited by organisations that are intent on peddling misinformation. The Parliament's job is to reassure the Scottish people and to convince them that its priority is to safeguard our children. The repeal of section 28 will not lead to the promotion of homosexuality in schools: of that, I have no doubt.

**Dr Sylvia Jackson:** Will Nicola Sturgeon give way?

**Nicola Sturgeon:** Not just now. As Michael Matheson quite rightly said in his opening speech, the idea that homosexuality can be promoted is frankly ridiculous to most people in Scotland.

However, thus far, that assurance alone has not been enough; it is important to go further. The SNP welcomes the Executive's move to introduce a package of safeguards following wide-ranging consultation. I thank the Minister for Children and Education for his usual courtesy in providing an advance copy of the remit and membership of the working party.

The SNP believes that consultation should be as open and inclusive as possible, which is why our amendment suggests that the consultation should seek views on the content and status of guidelines. That debate is happening outside this chamber and will continue with or without this Parliament's agreement. I hope that the Executive has the confidence in its own position to embrace the debate.

Of course, we do not have a national curriculum in Scotland and the SNP certainly does not desire to go down such a road. Our education system works; however, that does not preclude consultation on whether local authorities should be obliged to have regard to guidelines on sex education to ensure that they provide protection for our children and support for our teachers, whose judgment is beyond doubt, as is the Scottish people's trust in them. The First Minister's spokesman was quoted this morning as saying that such consultation would be feasible. Although the SNP does not want to prejudge the issue, it is important that we listen to the views of the Scottish people to ensure effective guidelines that promote tolerance and understanding and have the Scottish people's confidence.

By making the consultation process over the next few months as open as possible, we can take

the heat out of the debate and allow much more light to be shone on it. This Parliament has a duty to take the lead against discrimination; and in repealing section 28—which will happen—we will take that lead. However, in doing so, we must listen to the people of Scotland and make sure that we take all of them with us down the road to a tolerant, equal and self-confident Scotland.

I support Michael Matheson's amendment.

**The Deputy Presiding Officer:** I have now had time to reflect on the points of order raised by Tommy Sheridan and John McAllion. Mr McAllion's point clearly has substantial support among back benchers. The best that I can do is to give an assurance that I will raise the matter next Tuesday at the Parliamentary Bureau and ask the managers to consider the matter.

Mr Sam Galbraith will now wind up for the Executive.

12:04

**The Minister for Children and Education (Mr Sam Galbraith):** Having listened to the debate this morning, I can say that I am proud to be a member of the Scottish Parliament. It has been conducted in a decent, considered, well-measured manner, and I hope that our behaviour is reflected by people outside who might wish to conduct the debate in a similar manner.

It is unusual for me, when winding up, to single out any individual member rather than to deal with the points that they raised. However, I want to commend Nora Radcliffe's speech, which was given with some feeling and moved many members in the chamber.

In contrast, I was disappointed by Keith Harding's speech, which was rather ill judged and mean spirited. I hope that that was a reflection merely of his inexperience in debating such subjects and that he will change his habits in future. In particular, Mr Harding should not seek to personalise the argument in the way that he did. The decision to repeal section 2A was taken by the whole of the Scottish Executive, in the full and certain knowledge that similar action was to be taken south of the border.

**David McLetchie:** Will the member give way?

**Mr Galbraith:** No, I have little time.

**David McLetchie:** Will Mr Galbraith—

**Mr Galbraith:** Please sit down.

There is not much that I can add to the debate, because most points that I would have wanted to make have been made already this morning, better than I could have made them.

**Nicola Sturgeon:** Surely not.

**Mr Galbraith:** Nicola is too kind, but I always like what she has to say, so I will go along with her on that.

As I said, I do not have much to add, but I will deal with Annabel Goldie's speech. I note that the Conservatives do not actually ask for retention of section 2A. I think that that is because, in their heart of hearts, they do not want retention—they just cannot bring themselves to say so. I say to them: "Be of good courage. Please, let us know your true feelings."

Although I enjoyed Annabel's speech, I thought that her logic failed her. She seemed to be arguing that, by raising the subject, the Executive somehow or other produced homophobia and drew a large number of people out of the woodwork, but to say that is just to respond to bigotry. Is she saying, in other words, that we should not dare raise the issue because all the bigots will come out of the woodwork? For goodness sake, that view reinforces bigotry rather than rejecting it. Please do not use that argument again.

**Tommy Sheridan rose—**

**Mr Galbraith:** I will give way to Mr Sheridan. Briefly please.

**Tommy Sheridan:** I appreciate that.

Does the minister share my concern that some gentle, well-dressed homophobia can lead to abuse—sometimes verbal and often physical—and can end up with the type of extremist, far-right, nail-bomb mentality that, sadly, we witnessed in London last year?

**Mr Galbraith:** Mr Sheridan makes points that I know are shared and that all of us would wish to make.

I am grateful to Michael Matheson for his contribution. He asked why we did not move earlier on the guidelines. The reason was that we were very sensitive to the Parliament and its rights, and to the correct procedures. We felt that we should not be seen to move on an issue on which Parliament had not yet decided to change the law. Once it became clear to us that Parliament wished us to move in anticipation of that decision, we did so as soon as we possibly could.

I am sorry that we were not able to agree with the SNP on an amendment. Let me make it clear that that was not because there are any great differences between us; our views on this matter are more than similar. Rather it was because of my genuine fear, which I am sure that the SNP would share, that the term "statutory guidelines" that is suggested in the SNP amendment is, in itself, an oxymoron. How can we have guidelines that are statutory?



In addition, the basis of Scottish education is that the curriculum is non-statutory; one of the pillars of Scottish education is that the curriculum is decided under guidance and by consensus. The minute that we raise even the spectre of a statutory curriculum, we set out on a road that is dangerous to tread. I am sure that the SNP would not want to be the first party to be seen to go down the English road of a statutory curriculum. I ask SNP members to reflect on that; I know that that is not what they want.

**Robin Harper (Lothians) (Green) rose—**

**Mr Galbraith:** I am sorry, but I must move on. I have already used five of my seven minutes.

There has been much talk today about fears. I can well understand the concerns and fears of many parents and many teachers, so I have sought to allay those fears. As everyone knows, I wrote on 27 January to the chairs of the school boards in Scotland and to all head teachers to set out the package of safeguards that will ensure that sex education in Scottish schools is of the highest standard and sensitive to parents' concerns.

In addition to that, I announced today, in reply to a parliamentary question from Kenneth Macintosh, that we have established a special working group, including representatives of parents and Churches, to examine the range of material dealing with sex education and to consider whether, in the light of the legitimate concerns of parents and the public, it provides appropriate advice to schools and teachers.

The composition of the working group has also been announced. I am sure that all members will agree that it is a widely representative and inclusive group. I am grateful to all members of the group for taking on the important task of reviewing existing guidance and considering whether any new material is needed. A copy of the answer to Kenneth Macintosh's question is available in the office at the back of the chamber.

When I look around the country and when I hear some of the things that have been said and see the actions of some people, I wonder whether this is the vision that we had when we built the new Scotland. My vision was of a tolerant, decent society in which we can live together in harmony, with confidence and at peace with one another, and in which we pursue our lives in the certain knowledge that we will be respected and tolerated by others. When I look around and listen to this debate, I wonder whether we have achieved that.

As many people have said, this debate is a defining moment for the Parliament and for this country. We better get the choice right. I therefore commend the amendment to the motion, in the name of Wendy Alexander.

**The Presiding Officer (Sir David Steel):** Before I call the final speaker, I remind members that this debate will end at 12.20 pm. There will then be a ministerial statement. The session will run until 12.50 pm.

12:12

**Mr Brian Monteith (Mid Scotland and Fife) (Con):** I, too, looked forward to a sensitive debate about section 2A, that is, a debate that was sensitive to the issues. I certainly do not feel that the way in which the Scottish Executive has handled the matter is sensitive.

When the matter was raised, we were concerned about homophobic bullying. Our view was that homophobic bullying could be dealt with. I quote an extract from the Scottish Executive-sponsored anti-bullying network's website.

"There is at present no legal bar to prevent teachers from explicitly condemning homophobic bullying or from discussing pupils' concerns about homosexuality in a balanced manner that is appropriate to the age of the young people concerned and sensitive to the beliefs and customs of the wider community."

The website also says:

"School managers should ensure that homophobic bullying is tackled with the same vigour as other forms of bullying, harassment and abuse."

We support that position. It is entirely right. Nevertheless, we consulted councils, because we were concerned that there could be a genuine risk that a teacher or local authority might be challenged legally. We were told that there was a slim chance—but a chance none the less—that a parent could take a teacher to court over the interpretation. In that spirit, it was our belief that if section 2A was to remain, there should be, at the very least, an explicit clause in it to allow teachers to deal with homophobic bullying. In that context, we announced that we would include such an amendment.

Not for a moment, however, did we pull back from the belief that section 28 should remain. Our position has been consistent all along. For the benefit of Michael Matheson and others, I will read it out.

"If the removal of Section 28 were to be pursued, it would only be acceptable against a background of devolving far more control over the running of schools to local communities and particularly to parents. In our manifesto for the Scottish Parliamentary elections we set out policies to remove schools from local authority control. That would give parents far more choice as to the school their children attended and far more power over how these schools were run. Parents are the best people to decide what is best for their children and we have faith in parents' ability to take these decisions on behalf of their children. If our amendment fails we will vote against the repeal of Section 28."

That has consistently been our position.

**Karen Gillon:** Can Mr Monteith confirm how many schools took up the option under the previous Conservative Government to remove themselves from local authority control and how many remained?

**Mr Monteith:** I must update Karen Gillon. The repeal of section 28 is a policy for all schools. There is no question of any opting out. In the light of the fact that the Conservatives are not presenting an education bill to the Parliament, we will not be delivering the sort of structure that Karen Gillon mentions. We have made it clear through our statements in the press that, if there is to be repeal of section 28, guidelines are not enough to replace it. There must be legal backing for parents and for teachers. I will explain why later.

**Nicola Sturgeon:** I can't wait.

**Mr Monteith:** I know you can't.

While I treat the issue of sex education and sexuality with sensitivity, the behaviour of the Scottish Executive has called into question the manner of the repeal. Wendy Alexander did not announce to the chamber the policy journey that has taken the Executive into a parallel universe that is completely divorced from the reality of what the Scottish people want. She announced it at the University of Glasgow in a return to her alma mater. She triumphantly announced, "I'm delivering this for you."

**Jackie Baillie:** For the purposes of accuracy, it might be worth reviewing when announcements about the repeal of section 28 were made. The announcement was made first to the Equal Opportunities Committee on 28 September 1999. Does Mr Monteith acknowledge that the Executive has used the passage of the local government bill as a vehicle for making it explicit that there would be a review of the national five to 14 curriculum guidelines, and that the Executive has undertaken to consult with parents on the matter? That review had started when the announcement was made.

**Mr Monteith:** It is clear to everybody that the announcement to Scotland came in the leaked news articles and the delivery of a speech at University of Glasgow.

**Dr Jackson:** Will Mr Monteith give way?

**Mr Monteith:** No. I am moving on to deal with the rest of my points.

While guidelines have been mentioned by the Executive, it is also the case that the only movement we have seen on guidelines has come as a result of pressure from the Conservative benches to provide a timetable for their introduction. No timetable was explicit in any of the Government's statements that have been made by the Executive. When Dr Sylvia Jackson asked

Wendy Alexander about guidelines, there was no mention of a timetable.

**Jackie Baillie rose—**

**Mr Monteith:** I must move on. If the ministers of the Scottish Executive announced their policies in the chamber, I would respect them enough to take more interventions from them.

We were told by the First Minister on "Newsnight" that—

**Dr Jackson rose—**

**Mr Monteith:** I am carrying on. Dr Jackson can sit down.

**Mr Galbraith:** Mr Monteith should stand up.

**Mr Monteith:** If the First Minister were here, might he be able to tell us on which page of the 1999 Labour manifesto the announcement appears? No, it is not there. I ask Mike Russell, who is still chortling at Sam Galbraith's joke, where in the SNP's manifesto there is mention of repeal of section 28. There is no mention of it in the Liberal Democrat manifesto either.

**The Deputy Minister for Parliament (Iain Smith) (North-East Fife) (LD) rose—**

**Ian Jenkins rose—**

**Mr Monteith:** I will not give way. I am moving on. I will take interventions later.

**The Presiding Officer:** Order. Members must sit down if the member speaking will not give way.

**Mr Monteith:** So out of touch was the Executive's announcement of the repeal of section 28 that other ministers had to be wheeled in to help. Jackie Baillie, Frank McAveety, then Donald Dewar and Sam Galbraith all tried to buttress the Executive's position.

**Mr McAveety:** I will accept Mr Monteith's argument if he will indicate to the chamber and to the people of Scotland where in the Tory manifesto it was proclaimed that they would introduce the poll tax to Scotland when they did.

**Mr Monteith:** What is interesting is—[*Laughter.*] I will answer: it was not in our manifesto. [MEMBERS: "Hooray."] We are clear that one of the reasons that this Parliament came about was the poll tax. One of the reasons—[*Interruption.*] We know that it is one of the reasons. There is nothing unusual in that.

In the debates about the setting up of a Scottish Parliament, in many of which I took part, Scotland was assured that it would not have laws like the poll tax that it did not want. What are we getting now? The repeal of something that the Scottish people do want.

Donald Dewar and Sam Galbraith say that we

should trust them. We cannot trust them, because guidelines are not enough. The Convention of Scottish Local Authorities has made it clear that guidelines can be overturned. We want not just guidelines that explain what materials may be made available and what discussion must take place—

**Mr Kerr:** Will Mr Monteith give way?

**Mr Monteith:** I will not. I will be finishing soon.

We must give parents legal protection. We must give parents the ability to withdraw, explicitly, their children from sex education in schools—  
[MEMBERS: “It is there.”] It is not there. If members check the Education (Scotland) Act 1980, they will find that it is not explicit on the question of sex education.

Furthermore, we should provide—

**Jackie Baillie** rose—

**Mr Monteith:** I am carrying on. Please sit down.

We must ensure that school boards have the ability to veto material provided to them by local authorities. Only in that way will parents and teachers be able to ensure that the material in the curriculum is in touch with what parents want. In that way, we can see if there is a change in law which gives parents and children protection. Then there might be a position in which the repeal of section 28 could take place. That is why we want a committee set up; that is why we want to consider guidelines; that is why we want to consider legal protection.

Wendy Alexander may be the high priestess of political correctness, but we in this party will not let Scottish schoolchildren be our sacrificial offering.

**Members:** Shame.

**The Presiding Officer:** Order. The member is winding up.

**Mr Monteith:** In speaking to the motion, I reaffirm that—and this is the test for the SNP—if we lose, we will still have voted for the retention of section 2A. I welcome the SNP moving towards us.

**Michael Matheson:** Don’t hold your breath.

**Mr Monteith:** I ask the SNP members, if there are no statutory guidelines or backing, will they vote for the retention of section 2A, or will they vote for its repeal? That is the test that they face.

**The Presiding Officer:** That concludes this debate. The vote—

**Phil Gallie:** On a point of order.

**The Presiding Officer:** Just a minute. Let me finish what I was going to say. The vote will take place at 5 o’clock as usual.

**Phil Gallie:** Earlier, Mr Galbraith referred to the adult way in which this debate was being conducted. In the wind-up speech, there was a rabble, which made it difficult for us to hear Mr Monteith. Is that not disgraceful? [*Interruption.*]

**The Presiding Officer:** Order. I was in the chair. There was no rabble.

**Dr Winnie Ewing (Highlands and Islands) (SNP):** On a point of order. In the hope of clarity in the press coverage which will follow today’s debate, will the Presiding Officer confirm that today’s vote does not determine the issue of the repeal, but that that decision will probably come in late May, and certainly after 16 March?

**The Presiding Officer:** I have not yet received the bill, and I cannot therefore say anything about its timing. Dr Ewing is right in principle: the substantive vote on this issue will happen if and when the bill comes before the chamber.

## Integrated Transport

**The Presiding Officer (Sir David Steel):** We now come to a ministerial statement. I say to ministers and particularly to their advisers that they must read rule 13.2 of the standing orders, about ministerial statements. I am required to give an opinion as to whether statements are urgent, and I cannot do that if I receive a statement only a minute before it is due to be given. I hope that that point will be noted by all concerned in the respective departments.

12:24

**The Minister for Transport and the Environment (Sarah Boyack):** Transport is at the heart of the Executive's vision for Scotland. We are committed to delivering a sustainable, effective and integrated transport system. Today sees another major step forward in the realisation of our ambitions, with the publication of our proposals for the integrated transport bill.

Since taking office, I have travelled the country seeing our transport problems and opportunities at first hand. I have met the Confederation of British Industry, the Automobile Association, the Royal Automobile Club, Transform Scotland, the Scottish Council Development and Industry, the chambers of commerce, the Freight Transport Association and the Road Haulage Association. I have spoken with local authorities and public transport operators across Scotland, listening and debating. All have strong views, forcibly argued, but there is agreement on many of the essentials, such as the need for partnership rather than confrontation; the need for increased investment in Scotland's transport infrastructure; the need to make hard choices; and the need to explain to the public what we are doing and why.

I have reflected carefully on those views in finalising our legislative proposals. I believe that our proposals will be supported by all those committed to delivering a step change in Scotland's transport. We have a vision for the future of Scotland's transport. We have an ambitious agenda, which cannot be delivered overnight. However, we are not starting from scratch. In the short time that this Parliament has been in existence, we have achieved a great deal.

We are investing in Scotland's key inter-urban links. Five major trunk road schemes are to proceed to construction over the next three years, drawing upon the additional £35 million for trunk roads announced in October. We are implementing the devolution settlement on rail, including new powers for the ScotRail franchise. Rail investment is on the increase and has

resulted in the new Glasgow-to-Edinburgh service that runs every 15 minutes, new railway stations in Fife and new diesel rolling stock right across the network.

We have announced five freight facilities grants totalling £7.25 million, which will save well over 6 million lorry miles a year. We are improving public transport at local level, supporting 32 schemes and awarding £55 million in the first two rounds of the public transport fund. We are promoting seamless travel for the public transport passenger with a national transport timetable that should be in place by the end of this year.

We are meeting the distinctive needs of Scotland's rural communities. The £14 million rural transport fund has so far supported 350 new and extended public transport services, 73 community transport projects and 10 refurbished petrol stations. Furthermore, support for Caledonian MacBrayne and Highlands and Islands Airports is at record levels. We are also committed to increasing investment by channelling any future above-inflation increases in fuel duty into extra spending on transport.

The integrated transport bill will build on that record of achievement and create the strategic framework by which central Government, local authorities, the private sector and others can plan and invest.

The bill will promote better integration at regional level. Local authorities have begun to work together in voluntary partnerships to deliver better co-ordinated and integrated transport services. I wish to build on the progress achieved by existing partnerships, while avoiding the disruption and costs involved in establishing the regional transport authorities that are advocated by some.

I propose to take enabling powers to require selected local authorities and, where relevant, Strathclyde Passenger Transport Executive, to develop strategies for tackling specific cross-boundary issues. I envisage that the first use of those new powers will be to require the public authorities in and around Glasgow and Edinburgh to prepare strategies for managing commuting flows in and out of those two cities.

The bill will also address the specific problems of ensuring accessibility across the Forth estuary, an issue of vital importance to communities on both sides of the estuary. Traffic levels on the Forth road bridge are increasingly unsustainable and daily flows are forecast to increase by 33 per cent by 2006. A second bridge is not a viable option because of cost, environmental impact and the implications for congestion elsewhere in the network. I therefore propose to set up a new joint board, building on the existing partnership between local authorities and the Executive. The

new body will take over the responsibilities of the existing joint board. It will also have wider strategic and funding powers to promote public transport, road works and traffic management measures relating to the Forth crossings.

There is growing support in the Highlands and Islands for the establishment of a transport authority. A transport authority could develop a vision for transport for the region and take responsibility for Caledonian MacBrayne and Highlands and Islands Airports. I am sympathetic to such aspirations, but I am aware that the issues are complex. I am, therefore, commissioning a thorough examination of the issues with the Executive, relevant local authorities and Highlands and Islands Enterprise. My aim is to reach a decision by the end of this year. Any decision to proceed would require primary legislation.

I now refer to my proposals for high-quality bus services. The Executive's vision is of a bus market that is growing rather than contracting. However, if people are to be encouraged to use local bus services, bus operators and local authorities will need to provide frequent, comfortable and reliable services, which operate at times when people want to travel, and to the places where they want to travel.

The bill will provide the tools for achieving that aim. We will give bus quality partnerships statutory backing to provide local authorities and bus operators with the confidence to work jointly to deliver improved services, through bus priority schemes and investment in new high-quality buses. We will give transport authorities increased powers to support additional services on existing routes, thus providing the means to deliver better, more frequent services.

Our preference is to move forward by means of partnership, to harness the talents of all parties and to build on the hard-won successes of recent years. If that fails to deliver the necessary improvements in service, we will have the power to allow local authorities to regulate bus services through quality contracts. Those will allow local authorities to make binding provision in respect of routes, quality of buses, fares and frequency levels. The Executive regards such contracts as a last resort, and would expect to approve them only when all other approaches to service provision had failed. Nevertheless, I serve notice that we will not hesitate to use them if circumstances require.

In addition, we will give local authorities new powers to provide better bus information to the public and to require through-ticketing, so that passengers need buy only one ticket per journey irrespective of the number of buses or bus operators that they use. We will also tighten the regulation of bus services and introduce more flexible penalties to tackle some of the worst

remaining problems of deregulation.

The bill will give local authorities powers to tackle the growing congestion and environmental problems in our urban areas. Traffic is projected to increase by 50 per cent over the next 30 years. To do nothing would be to abdicate responsibility. Traffic jams cost time and money—costs that Scottish business can ill afford. Traffic jams also pollute the air that we all breathe. We will therefore give local authorities the powers to introduce local congestion charging for driving in an urban centre and a workplace parking levy on employee parking at business premises. Let there be no confusion. As I stated to Parliament in November, we will not legislate to raise tolls on the motorway and trunk road network.

The Executive believes that charging has a role to play in reducing Scotland's traffic, but it is not a panacea for our congestion ills. It will be up to local authorities, acting singly or in partnership with neighbouring authorities, to decide whether to use those powers. All schemes will have to address a pressing congestion or air quality problem; all must fit into an authority's overall vision for transport, as set out in its local transport strategy; and all will have to win the support of local people and the approval of Scottish ministers. That is why we will require each local authority that wants to introduce a charging scheme to enter into a contract with the motorist—a public document against which the local authority can be held to account.

I make the following five pledges to the Scottish motorist: 100 per cent of the net revenue from charging will be ring-fenced for local transport; all the net revenue from charging will be genuinely additional expenditure on transport; motorists and businesses will be able to see where their money is going, through transparent accounting arrangements; there will be fair treatment for those paying and for those benefiting; and public transport improvements will be made before charging, with further improvements to follow.

It will not be easy to introduce a charging scheme, and local authorities that have the vision and determination to tackle congestion problems in their urban centres deserve our support. There are many ways in which the Government can help. Today I signal my support for authorities that are committed to developing a charging scheme, by offering, on a case-by-case basis, matching financial support towards their research and development costs. Over time, the revenue from charging will fund a step change in public transport, providing services that are comparable to the best in Europe. Let us keep that vision in mind as we discuss the bill over the coming months.

Finally, I wish to refer to an issue that will be

supported by everyone in the chamber and in Scotland. Our programme for government commits us to encouraging the improvement and integration of concessionary fares schemes on public transport for pensioners and those with special needs. In December, I was pleased to announce free travel for blind people throughout Scotland on rail, bus, ferry and underground services, which is the first and only such scheme anywhere in Britain.

MSPs of all parties know that funding is tight. We cannot always move as quickly as we would all wish to. In government, there will always be difficult choices but, in making those choices, we are determined to pursue social justice for Scotland's pensioners and people with disabilities. I am therefore delighted to be able to inform the Scottish Parliament of the first step towards delivering on our commitment. Today, I am commissioning a research project to examine all the options for improved concessionary travel for pensioners and people with disabilities.

When the results of that research are available, we will set a national level of concession for pensioners and disabled people throughout Scotland. The Executive's aim is to increase progressively that minimum level of concession as and when resources become available. A national concessionary fare will improve the quality of life of pensioners and people with disabilities throughout Scotland. Today's step is a positive indication of the Executive's priorities—translating social justice into action on the ground.

The Executive's ambition is to deliver a transport system that stands comparison with the best in Europe and that will meet Scotland's needs for the 21<sup>st</sup> century. While much remains to be done, a good start has been made. The legislative proposals that I am publishing today mark another major step forward in delivering that vision. I commend them to Parliament.

**The Presiding Officer:** I ask that members' questions be as brief as possible.

**Mr Kenny MacAskill (Lothians) (SNP):** I listened with interest to the list of representatives of various industries whom the minister has met and was surprised to note that there were no representatives from the air, rail or maritime industries. Are we not discussing an integrated transport policy?

I wish to deal with the proposals on the Forth road bridge and its trunk roads. The A8000 is a national trunk road, and trunk roads elsewhere have, to date, been paid for and provided by central Government funding. Will the minister guarantee that the motorist from Fife—or elsewhere—will not face a triple whammy from fuel duty, excise duty and tolls for evermore,

simply to pay for a national trunk road?

**Sarah Boyack:** Let me make the position clear. The people and organisations I consulted in producing the bill go way beyond the list that I mentioned at the start of my statement. However, that list contains the critical organisations that will be involved in delivering our partnership. Of course I have met people from other transport industries, which will play a major part in our overall transport strategy.

Today is about legislating on the key issues that I outlined. The Westminster Parliament is producing transport legislation on rail, through the devolution settlement—the McLeish settlement—but today I am focusing on our proposals. The Forth road bridge measures will enable us to tackle congestion and to ensure that the resources go where they are needed. I must make it clear that a lot of work has been done by the Forth transport infrastructure partnership, which includes all interested local authorities and the Forth Road Bridge Joint Board. I want to ensure that we can spread resources effectively. I invite members to check what I am saying about investment in local transport and in public transport to deal with the local congestion priorities as seen by the authorities in those areas.

I made it absolutely clear in November that the A8000 is not a trunk road, but it is a major priority for people who live in the Forth estuary area. We will deliver a contract with the motorist, on which people will receive annual reports, so that they can see where money is going and what it will be spent on. That is a good deal for motorists in Scotland.

**The Presiding Officer:** Sixteen members hope to ask questions in 10 minutes, which is impossible.

**Mr Murray Tosh (South of Scotland) (Con):** Will the minister confirm that she indicated in "Tackling Congestion" that a maximum period of 10 years should be set for toll tax schemes and that her position in the document issued today is that no national limit should be set? Does that mean that motorists in certain cities face indefinite tax increases for as long as councils are able to introduce schemes that meet the minister's criteria?

**Sarah Boyack:** It is a stronger commitment. We are not setting a limit on the ring fencing of new transport revenues for the schemes. I have made it absolutely clear that each local authority will have to consult on the principles of a charging scheme through its local transport strategy. It will have to involve the business community and the wider community in those discussions. It will then have to submit its proposals to me before it can proceed with the development of a scheme.

People will have to be able to see that these are value-for-money schemes, that the revenues will be used effectively and that they will be ring-fenced for public transport and local transport improvements. This is a stronger commitment than the one that we made in the consultation paper, "Tackling Congestion". I am not setting a limit because it will be up to local authorities to make the case and justify their proposals to each local community. I am not setting a limit on the amount of investment that can go into schemes.

**Tavish Scott (Shetland) (LD):** I welcome the minister's announcement and, in particular, the proposals for concessionary fares—which will be welcomed by the committee that Andy Kerr chairs—and for a Highlands and Islands transport authority.

I would like to ask the minister about congestion charging. Does she accept that it is important that people should be offered improvements in public transport before the charges come in, so that the choice is there and high-quality public transport alternatives are in place? In other words, does she agree that income and expenditure from charging must be utterly transparent?

**Sarah Boyack:** I agree absolutely. The provisions that we will make in the legislation will require each local authority to consult before it develops a scheme, to identify the new public transport provision that would be introduced under the scheme, to consult on the details of the scheme, and to make an annual report of how revenue is being raised and spent. We will need value for money.

In advance of that, we have the £90 million public transport fund and the £14 million rural transport fund. Investment is going in now. The new rail stations in Fife and the proposals for crossrail in Edinburgh and a new rail station in East Lothian show that public transport improvements are being delivered now. We will see more of them.

It would take at least another two years before a paper scheme could be introduced. We could not have an electronic charging scheme until at least 2005. Now is the time to make the public transport improvements—the step change—that everybody in the chamber wants.

**Dr Sylvia Jackson (Stirling) (Lab):** Having lodged the first motion on phasing in a national concessionary fares scheme, I am most pleased by what the minister has announced today.

The point that I want to make concerns child safety, for which the statistics comparing Scotland with Europe are particularly bad. There is great concern in my area about the fact that routes to school are unsafe for children walking. Will the minister agree to examine how further resourcing

of traffic calming and other measures on school routes might be included in future Executive policy?

**Sarah Boyack:** Dr Jackson is absolutely right to say that there is no room for complacency on child safety. We must ensure that we meet our targets. I see the safer routes to school scheme and "Tackling Congestion" as integrally linked. Members will recall that last year we launched our publication on safer routes to school in Stirling. I hope that local authorities, the police and parents will be able to work together to deliver on safer routes to school, which must be part of our overall priorities. Traffic calming is a key area where local authorities can act now.

**Mr Adam Ingram (South of Scotland) (SNP):** The minister seems to be using the bill to load responsibility for transport investment on to local government. The thrust of the bill appears to be either that the council should pay, or that—again—the motorist should pay, on top of the road tax and petrol tax of 80p in the pound. Leaving aside November's announcements, what new finance will the minister provide for Scotland's roads infrastructure?

**Sarah Boyack:** As we made absolutely clear in November, we have allocated an extra £35 million to our substantial roads programme. This is not about us asking the local authorities to do work for us, but about working in partnership. We are paying up front, putting in resources through the public transport fund, the rural transport fund and a variety of other mechanisms. The ScotRail franchise will yield more than £208 million, and we are providing our highest-ever support for Caledonian MacBrayne and HIAL. We have put in the investment. What we need are the complementary measures that will pull everything together—that will let local authorities work with us and with the transport operators. That is the exciting vision in our transport legislation.

**Elaine Thomson (Aberdeen North) (Lab):** I welcome the minister's statement, particularly in the light of the transport situation in Aberdeen. I welcome the fact that local authorities will be able to examine which schemes they need, such as the western peripheral route around Aberdeen. Is the minister aware of the costs to the Scottish economy that are caused by not tackling congestion? I believe that those costs are rising and are causing concern to the business community and—

**The Presiding Officer:** That is enough of a question. We will let Ms Boyack answer.

**Sarah Boyack:** Aberdeen Council and Aberdeenshire Council are two of the authorities that are leading the way. They are working together effectively, and their work on bus quality

partnerships is bringing about a real change for drivers and public transport operators in Aberdeen and Aberdeenshire.

Tackling congestion must be a priority for the Executive. Just-in-time deliveries mean that our lorries cannot afford to get stuck on our roads. We must ensure that we provide high-quality, convenient and hassle-free alternatives for people to get to work. The bill will provide major opportunities for the Scottish Executive, businesses, local authorities and transport authorities to do that in partnership. We must all work together to tackle congestion.

**Robin Harper (Lothians) (Green):** I welcome much of what I have heard today. Does the minister intend to set traffic reduction targets? If so, when will those targets be audited? Is there an audit system in place to establish whether traffic reduction targets have been met?

**Sarah Boyack:** I will address that issue in the new guidance for local authorities that are preparing the next round of local transport strategies. Each local authority has submitted a local transport strategy to us. We have taken on board what they have said and will issue revised guidance to take account of the requirements of the Road Traffic Reduction (National Targets) Act 1998.

**Helen Eadie (Dunfermline East) (Lab):** I welcome Sarah Boyack's statement. I particularly welcome what she said about community transport, in which I am very interested. What other plans does she have for community transport?

**Sarah Boyack:** Helen Eadie may be interested to learn that we fund a full-time staff member to work on community transport in Scotland. Community transport is vital for many of our rural areas, where we need to provide a much more localised and focused type of transport. It is a key part of our overall integrated transport strategy.

**Ms Sandra White (Glasgow) (SNP):** I take on board what the minister said, particularly about not legislating to raise tolls on the motorway and trunk road networks—I welcome that U-turn. Will she guarantee that new road infrastructure will not be subject to tolling?

**Sarah Boyack:** I guarantee that the bill does not give me powers in relation to tolling on trunk roads and motorways—it is clear about that. We have consulted for the past eight months and there has been extensive discussion in Scotland on that issue. Today's announcement is the point that we have reached.

Sandra White talks about U-turns. The U-turns that the SNP has made on transport in the past few months are legendary. For example, the SNP

included the fuel tax escalator in its budget for independence. She should look to other people for road tolls.

**Cathie Craigie (Cumbernauld and Kilsyth) (Lab):** I, too, welcome the minister's statement. It is refreshing that the Executive has taken on board the partnership approach of the Parliament, and that it will involve all those who are concerned with transport issues and devolve power to local government. I particularly welcome the minister's comments on the concessionary fare scheme. What is the time scale for the research project to which she referred?

**Sarah Boyack:** I expect that we will have the results of that research by the time the legislation is enacted this year.

**David Mundell (South of Scotland) (Con):** I acknowledge what the minister said about tackling congestion. Is she aware of recent research indicating that it would take a charge of £8 to influence people on their journeys? Is that the level of congestion charge that she will recommend that local authorities introduce?

**Sarah Boyack:** Absolutely not—I will not be recommending an appropriate level of congestion charging to local authorities. That is for local authorities to resolve, in consultation with local and business communities. They must work out what local transport priorities are and what is right for them. It would be inappropriate for me to tell them what to do.



## Business Motion

**The Presiding Officer (Sir David Steel):** We now come to business motion S1M-514, in the name of Tom McCabe, on behalf of the Parliamentary Bureau. I ask Iain Smith to move the motion.

*Motion moved,*

That the Parliament agrees  
the following programme of business—

Wednesday 16 February 2000

2.30 pm Time for Reflection

*followed by* Executive Debate on the Census  
(Scotland) Order 2000

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business – Debate on the  
subject of S1M-303 Dr Winnie  
Ewing: Sign Language

Thursday 17 February 2000

9.30 am Executive Debate on Tourism

*followed by* Business Motion

*followed by* Parliamentary Bureau Motions

2.30 pm Question Time

3.10 pm First Minister's Question Time

3.30 pm Debate on the Standards Committee  
Report on the Code of Conduct

5.00 pm Decision Time

*followed by* Members' Business

Wednesday 23 February 2000

2.30 pm Time for Reflection

*followed by* Executive Business

*followed by* Parliamentary Bureau Motions

5.00 pm Decision Time

*followed by* Members' Business

Thursday 24 February 2000

9.30 am Executive Business

*followed by* Business Motion

*followed by* Parliamentary Bureau Motions

2.30 pm Question Time

3.10 pm First Minister's Question Time

3.30 pm Executive Business

5.00 pm Decision Time

*followed by* Members' Business—[Iain Smith.]

**The Presiding Officer:** The question is, that motion S1M-514 be agreed to.

*Motion agreed to.*

## Parliamentary Bureau Motions

**The Presiding Officer (Sir David Steel):** The next item is consideration of Parliamentary Bureau motions S1M-511 and S1M-512, in the name of Tom McCabe, on behalf of the Parliamentary Bureau. We shall take them together. I ask Iain Smith to move the motions.

*Motions moved,*

That the Parliament agrees that Lewis Macdonald be appointed to the Education, Culture and Sport Committee.

That the Parliament agrees that The Scotland Act 1998 (Transitory and Transitional Provisions) (Appropriations) Amendment (Scotland) Order 2000 be approved.—[Iain Smith.]

**The Deputy Minister for Parliament (Iain Smith):** I should also move motion S1M-513.

**The Presiding Officer:** That is correct. There are three separate motions in the name of Tom McCabe, on behalf of the Parliamentary Bureau. It is unusual to take three together, but in the interests of time, we shall do so.

*Motion moved,*

That the Parliament agrees that the summer recess should begin on 10 July 2000 and end on 3 September 2000, the autumn recess should begin on 9 October 2000 and end on 22 October 2000 and the winter recess should begin on 21 December 2000 and end on 7 January 2001.—[Iain Smith.]

**The Presiding Officer:** No one is indicating a wish to speak against any of the motions. I will put all three together. The question is, that motions S1M-511, S1M-512 and S1M-513 be agreed to.

12:51

*Meeting suspended until 14:30.*

14:30

*On resuming—*

**Bruce Crawford (Mid Scotland and Fife) (SNP):** On a point of order. Before lunch, half an hour was allowed for a ministerial statement and questions, starting at 12.20 pm. The statement lasted almost 13 minutes and 16 people wanted to speak. Will you ensure that, in future, ministerial statements are made when there is ample time for questions afterwards?

**The Presiding Officer (Sir David Steel):** Thank you for that point of order. I have the matter in hand.

## Question Time

### SCOTTISH EXECUTIVE

#### STUC Conference

**1. Rhoda Grant (Highlands and Islands) (Lab):** To ask the Scottish Executive what reports it has received on the recent conference of trade unions and trade union councils in the Highlands and Islands. (S1O-1115)

**The Deputy Minister for Highlands and Islands and Gaelic (Mr Alasdair Morrison):** My colleague, Ross Finnie, attended the Scottish Trades Union Congress Highlands and Islands conference on 29 January and addressed delegates on the priorities of the Scottish Executive for the Highlands and Islands. I believe that the conference was highly successful and demonstrated the welcome recognition by the STUC of the important and distinct issues facing the Highlands and Islands.

**Rhoda Grant:** Does the minister agree that the best way of encouraging businesses to invest in the Highlands and Islands is to create a climate in which they have confidence in the skills and abilities of workers, and that the best way of encouraging workers to stay in the Highlands is to ensure that employers, particularly in the service sector, recognise the benefits of having a well-paid and well-motivated work force?

**Mr Morrison:** I agree with Rhoda Grant. We should certainly be building on the excellent skill base that exists in the Highlands and Islands. There is a climate of change in the Highlands; it is a vibrant place in which to live and work and it is enjoying pleasant times at the moment.

**Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP):** Has Mr Morrison or his colleague, the Minister for Health and Community Care, recently met representatives of Highland health unions? If so, is the Minister for Health and

Community Care concerned about the fact that 40 per cent of workers at Raigmore hospital have not yet received their pay award for last year, never mind this year? If she is concerned, what will she do to deal with that situation?

**The Presiding Officer (Sir David Steel):** The question is to Mr Morrison.

**Mr Morrison:** As the matter does not fall within my portfolio, I have not met officials from Raigmore hospital or from Highland Health Board. I would appreciate it if Mr Ewing would put his question in writing to my colleague, Susan Deacon. I have no doubt that she will give him a full response.

#### Home Office (Meetings)

**2. Shona Robison (North-East Scotland) (SNP):** To ask the Scottish Executive when it last met representatives of the Home Office and what matters were discussed. (S1O-1095)

**The Deputy Minister for Community Care (Iain Gray):** The Scottish Executive is in regular contact with the Home Office on a wide range of issues.

**Shona Robison:** As part of the discussions with the Home Office on the Immigration and Asylum Act 1999, what views did the Scottish Executive give on the introduction of a more expensive and demeaning voucher system to replace the cash payments system, which worked well in Scotland?

**Iain Gray:** The consultation and discussions on the implementation of the Immigration and Asylum Act 1999 took place in the lead-up to the passage of that legislation at Westminster. The legislation deals with a reserved matter and was already under way when this Parliament was formed, as the First Minister said in this chamber last June. The representations were, therefore, not made by the Scottish Executive; they were made in 1998 by the then Secretary of State for Scotland.

**Phil Gallie (South of Scotland) (Con):** What discussion took place on the provision of accommodation for asylum seekers? Has the Home Office approached private contractors to bid for accommodation for asylum seekers in Scotland?

**Iain Gray:** The arrangements to which Mr Gallie refers, as he indicated in his question, are a matter for the Home Office. The Convention of Scottish Local Authorities and all local authorities have been involved in discussions with the Home Office regarding the possibility of providing accommodation for asylum seekers under the planned dispersal. The Home Office has also held discussions with potential private sector providers throughout the United Kingdom.

**Mr John McAllion (Dundee East) (Lab):** Does

the minister accept that, while they are here, asylum seekers will be part of the community in Scotland, and that few Scots and even fewer MSPs would want them to live at 30 per cent below the minimum subsistence level or to be stigmatised by a voucher system? When he next meets the Home Secretary, will the minister stress to him the views of the Scottish Parliament, and inform him that, if he continues to impose these restrictions over the heads of the Scottish Parliament and the Scottish people, he will be of no assistance whatever to those of us in Scotland who want devolution to work?

**Iain Gray:** Scotland has a proud record of welcoming and giving hospitality to those who seek asylum on our shores. It is the Scottish Executive's wish that that continue. The best way in which we can do that is to ensure that we play a full and proper part in the national scheme that is being administered by the Home Office. However, as we announced in this Parliament, we will review the operation of the new arrangements 18 months after they come into force. That will give us the information that we need to discuss with the Home Office the way in which the scheme is operated.

### Voluntary Sector

**3. Tricia Marwick (Mid Scotland and Fife) (SNP):** To ask the Scottish Executive what recognition and support is being given to the voluntary sector to ensure that its work is able to continue and be developed over the coming year. (S1O-1080)

**The Deputy Minister for Social Inclusion, Equality and Voluntary Sector (Jackie Baillie):** The Scottish compact, which sets out the Executive's commitment to recognising the value of the voluntary sector, was endorsed by the Scottish Parliament on 3 November. The compact is being implemented across the Executive, along with associated good practice guidance for departments.

**Tricia Marwick:** If the Executive's policy and the much-vaunted compact are so successful, can the minister explain why local authorities are having to decide which voluntary sector projects should be cut? Will she explain why Fife Council is being forced to choose between East Fife Women's Aid, the Drug and Alcohol Project in Leven, the Fife Racial Equality Council, and Fife Furniture Stockpile for funding next year?

**Jackie Baillie:** As Tricia Marwick will appreciate, there is a 3.4 per cent increase in revenue funding for local government in 2000-01. It is for local councils to establish their priorities for that expenditure, but I strongly encourage them to ensure that the voluntary sector is adequately funded at a local level.

**Tricia Marwick:** Is the minister aware that in most local authorities in Scotland, the restraints and pressures that have been placed on their budgets by the Minister for Finance mean that there is a shortfall in the amount of money that is available to the voluntary sector? She says one thing here, but the reality—

**The Presiding Officer:** That is enough. We have heard the question.

**Jackie Baillie:** We have worked closely with the Convention of Scottish Local Authorities in developing the guidance and in ensuring that it is implemented on the ground. We do not want the voluntary sector to bear the brunt of any changed priority expenditure decisions that are made by local government.

### Amputations

**4. Lord James Douglas-Hamilton (Lothians) (Con):** To ask the Scottish Executive whether it will issue guidelines preventing the amputation of healthy limbs. (S1O-1089)

**The Minister for Health and Community Care (Susan Deacon):** It is for individual surgical consultants to assess each patient, in consultation with psychiatrists and other experts in the field, before undertaking any surgical procedures. It will be for each trust, in consultation with its ethics committee, to reach properly informed decisions.

**Lord James Douglas-Hamilton:** Whatever the circumstances of mental anguish that give rise to requests for amputations of healthy limbs as a cure for psychiatric problems, does the minister agree that such operations should not be carried out merely on the judgment of an individual surgeon?

**Susan Deacon:** As I indicated in my earlier answer, I would expect decisions in such cases to be taken in consultation, not only with a range of health professionals, but formally with national health service trusts. As we know, the case in question was unusual and sensitive, which is why it was considered by Forth Valley Acute Hospitals NHS Trust ethics committee. Because I want to ensure that we have effective procedures across the country, I have asked the chief medical officer to liaise with the medical directors of all NHS trusts in Scotland to ensure that robust procedures are in place at a local level to consider similar cases.

### Minister of Agriculture, Fisheries and Food (Meetings)

**6. Mr Jamie McGrigor (Highlands and Islands) (Con):** To ask the Scottish Executive when the Minister for Rural Affairs last met the Minister of Agriculture, Fisheries and Food and what issues they discussed. (S1O-1104)

**The Deputy Minister for Rural Affairs (Mr John Home Robertson):** Ross Finnie is in London meeting the Minister of Agriculture, Fisheries and Food, as well as the Northern Ireland Minister of Agriculture and Rural Development and representatives of the Welsh Assembly Secretary for Agriculture and the Rural Economy. The agenda for the meeting covers a range of issues of concern to farmers in Scotland, England, Wales and Northern Ireland. My last meeting with the MAFF Minister for Fisheries and the Countryside was in Brussels in December.

**Mr McGrigor:** I thank the minister for his reply. When he next meets the Minister of Agriculture, Fisheries and Food, will he discuss the issue of farmers' incomes, which have fallen to the lowest level since 1930 and average about £75 a week? Will he ask him whether he agrees with the principles of the common agricultural policy as laid down in article 39(b) of the Treaty of Rome, which are designed to ensure

"a fair standard of living for the agricultural population, particularly by raising the individual earnings of persons engaged in agriculture"?

**Mr Home Robertson:** I have no doubt that in London just now Ross Finnie will be discussing those points with Nick Brown and his colleagues.

I recognise that Scottish farming faces serious problems, although it must be said that Scottish farmers have the benefit of £500 million of taxpayers' support every year. It cannot be said that lack of taxpayers' money is causing the problem.

On agri-monetary compensation, Scottish farmers received £33 million last year and they will certainly get £13 million again this year. It is possible to get more from UK resources but, under that mechanism, 85 per cent of any extra support for British farmers would have to be paid for by British taxpayers because of the arrangements made by Margaret Thatcher in Fontainebleau some years ago.

**Bruce Crawford (Mid Scotland and Fife) (SNP):** Will the minister say whether the discussions will cover payments to our hard-pressed farmers for compensation for the effects of the introduction and fluctuation of the euro? Given that the European Union is prepared to release many millions of pounds, provided that the UK Government matches that money, is the minister demanding, as Scottish farmers have requested, that the UK Government release the matched funding? Is the Executive doing enough to represent Scotland or, like Alun Michael in Wales, should the minister and his boss be considering their positions?

**Mr Home Robertson:** I have already indicated that Scottish farmers have £500 million of support

from public sources. There are mechanisms for agri-monetary compensation, which was paid last year. At least £13 million will be paid in the current year. There is scope for extra payment. As I said to Mr McGrigor, because of the deal entered into by the lamented Margaret Thatcher, at least 85 per cent of any extra money has to be funded by the British taxpayer.

### Health Service (Hospital Beds)

**7. Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** To ask the Scottish Executive what is the total number of beds currently in use at Craig Dunain and the total number of beds that will be available at the new Craig Phadrig. (S1O-1114)

**The Minister for Health and Community Care (Susan Deacon):** There are at present 134 beds in Craig Dunain hospital. The same number of beds will be provided for mental health patients in the new facility at Craig Phadrig and in new community-based facilities in Inverness.

**Mr Stone:** I thank the minister for her answer. Will she reassure me that the same standard of quality care will be maintained at the new establishment?

**Susan Deacon:** I am pleased to give that assurance. I hope that, in many cases, an improved standard of care will be offered to individuals, who will now be housed in modern, high-quality facilities, as befits a modern health service. It is time that we ensured that those who are mentally ill are housed in the proper locations, in our communities where possible, and are taken out of long-stay Victorian institutions, in which they have been far too often in the past.

### Drug Abuse and Street Crime (Aberdeen)

**8. Lewis Macdonald (Aberdeen Central) (Lab):** To ask the Scottish Executive what arrangements will be made for liaison between the new drugs enforcement agency and Grampian police in order to tackle the problems of drug abuse and street crime in Aberdeen. (S1O-1120)

**The Deputy First Minister and Minister for Justice (Mr Jim Wallace):** That will be a matter for the director of the Scottish drugs enforcement agency and the chief constable of Grampian police to determine once the director of the SDEA is appointed and the agency is duly established.

**Lewis Macdonald:** Is the minister aware of recent vicious attacks, in broad daylight, on pensioners in Aberdeen? Does he share my concern that those random and heartless assaults are related to the increasing supply of hard drugs in the city? Does he agree that the best way of protecting our pensioners is to tackle the root cause of the problems by cutting off the supply of

those drugs?

**Mr Wallace:** Yes, I am aware that there have been a number of particularly vicious assaults in the streets of Aberdeen, some of them on vulnerable and elderly people. Robbery to obtain money for drugs seems to have been the motive for those crimes—crimes that are to be particularly deplored.

I am assured by Grampian police that the current vigorous action by the force to arrest those dealing in drugs will continue. I am advised that further initiatives by the force against drug-related crime are being planned and will be put in place within a few weeks. Although it is important that we attack the availability and supply of drugs, I am sure that Mr Macdonald will agree that a strategy that embraces prevention, treatment and rehabilitation to cut demand is an important part of our overall approach.

**Irene McGugan (North-East Scotland) (SNP):** Is the minister aware that police officers in Grampian have the heaviest case loads of any force in Scotland, that there are fewer officers per head of population in Grampian than in almost any other police force and that the north-east force has the second lowest funding in Scotland? What action does the Scottish Executive propose to take to alleviate those problems of lack of manpower and chronic underfunding?

**Mr Wallace:** Ms McGugan will be aware that the deployment of the resources made available to the Grampian police force is a matter for the chief constable. However, I have received representations from the Grampian police board in recent weeks, and my colleague Angus MacKay, the Deputy Minister for Justice, has agreed to meet the police board when he is in Aberdeen next month, when he will no doubt address those matters.

**Mr David Davidson (North-East Scotland) (Con):** The original question referred to the relationship between the drugs enforcement agency and Grampian police force. We know that individuals trained in drugs enforcement are to be shifted from Grampian police force into the DEA. What can the minister offer us today in the way of firm support for the police, so that the force can train people in order to restaff itself?

**Mr Wallace:** Mr Davidson is probably aware that the resources that the Executive is making available to tackle drugs are to ensure not only that top-quality officers are engaged in the Scottish drugs enforcement agency, but that there will be an opportunity for restaffing in the various police forces around Scotland. That will have to be done in a structured way, because it will not be in anyone's interests to deplete any force—Grampian or any other—of its main officers all at

the one time.

Those matters have been the subject of consultation with the Association of Chief Police Officers in Scotland. As I have indicated, bringing the SDEA into being and staffing it will be done in close consultation with and partnership between Scotland's eight police forces and the SDEA.

### Population Change (Highlands and Islands)

**9. Maureen Macmillan (Highlands and Islands) (Lab):** To ask the Scottish Executive what statistical information it has for population change in the Highlands and Islands over the past five years. (S10-1119)

**The Deputy Minister for Highlands and Islands and Gaelic (Mr Alasdair Morrison):** The Registrar General estimates that, between 1993 and 1998, the population of the Highlands and Islands fell by 1,200, a reduction of 0.3 per cent.

**Maureen Macmillan:** It is a bit disappointing that the population has fallen over the past five years. Can those statistics be disaggregated? Can the minister say which parts of the Highlands and Islands are losing population? What strategy does the Executive have for redressing that? Are there any projected population trends for the Highlands and Islands?

**Mr Morrison:** There is an obvious reason why the population in the Highlands and Islands has decreased, which is that the number of military personnel in the Highlands has been greatly reduced in recent years. The general trend is that there will be an increase in population across the Highlands and Islands—it is estimated at about 1.6 per cent—which runs against national trends.

Let us take the example of Skye. In the 1840s, the population peaked at 24,000. For reasons that are well documented, that figure plummeted to 6,000. In recent years, the population has increased to some 10,000. Areas that are suffering from depopulation are my constituency—the western isles—and Caithness. *[Interruption.]*

**The Presiding Officer:** There is too much chattering on my right, if I may say so.

### Mental Health

**10. Pauline McNeill (Glasgow Kelvin) (Lab):** To ask the Scottish Executive whether it will report on the summit for mental health interests recently held in Edinburgh. (S10-1130)

**The Minister for Health and Community Care (Susan Deacon):** A full report of the proceedings of the summit meeting will be made widely available. Iain Gray and I attended the meeting, which was also attended by more than 30 organisations, representing a wide range of mental

health interests and services. We discussed constructively how we could work together to promote positive mental health and to improve services to people who need help. I am pleased to report that the summit endorsed the Executive's proposal to establish a new mental health support group for Scotland.

**Pauline McNeill:** Does the minister agree that we have made remarkable progress in moving away from outdated views that stigmatise mental illness? Does she also agree that, for too long, mental health services have been a poor relation to acute services? Does the Executive have any short-term or long-term plans that she can outline to Parliament this afternoon?

**Susan Deacon:** I agree that, for too long, mental health problems have been stigmatised and that mental health provision has been treated as a cinderella service. That was the theme of the summit. In discussion with organisations interested in mental health, we considered ways in which we could de-stigmatise mental illness. There is still far too much fear in society about illnesses such as schizophrenia and Alzheimer's disease. We must work together as politicians, with the public and the various representative bodies, to ensure that we change the situation.

We will press on with the implementation of the mental health services framework and we will ensure that the pace of implementation is accelerated so that we make positive progress on those matters.

**Dr Richard Simpson (Ochil) (Lab):** Are the organisations and the minister satisfied with the progress that is being made on the mental health framework that was published by her predecessor in the Scottish Office, Sam Galbraith?

**Susan Deacon:** One of the positive elements of last week's discussion was that everyone was united in their support for the mental health framework. We all agreed that there was a need for us to work together and to work hard to ensure that the framework is fully implemented. One of the main requirements for doing that is effective joint working between the national health service, local authorities and the voluntary sector. Many of the discussions identified practical steps that could be taken to accelerate the pace of implementation.

### Care of the Elderly

**11. Mary Scanlon (Highlands and Islands) (Con):** To ask the Scottish Executive what plans it has to improve care of the elderly. (S10-1109)

**The Deputy Minister for Community Care (Iain Gray):** We have a wide range of plans to encourage the delivery of integrated, person-centred health and social care services for older people.

**Mary Scanlon:** Does the minister agree that the 2,000 patients who occupy blocked NHS beds due to problems with social work funding are seriously disadvantaged? Does he agree that a two-tier system has been created under which those who can pay access care, whereas those who cannot pay are stuck in vital NHS beds?

**Iain Gray:** No one thinks that a delay in someone's discharge is acceptable. All local authorities and health boards are working together to reduce those delays. One problem is, as I have suggested to Mrs Scanlon before, that there is a significant lack of consistent information across Scotland on the matter. We have set up a pilot project to establish the exact position. The pilot project has already shown that there are 40 different reasons for a delayed discharge, which is defined as a discharge delayed for more than two days. The situation that Mrs Scanlon referred to is only one of the reasons for delayed discharge.

**Kay Ullrich (West of Scotland) (SNP):** It is almost a year since the report by the Royal Commission on Long Term Care for the Elderly was presented to Westminster. Given that most of the recommendations can now be implemented by the Scottish Parliament, will the minister explain which areas of the report are giving him difficulty? Does he agree that the delay in the implementation of, for example, charges for personal care and the three-month disregard means that thousands of elderly people are being denied the dignity and security that should be their right in a decent and civilised society?

**Iain Gray:** On 2 December, I responded to exactly the points that Mrs Ullrich has just made. She was in the chamber at the time—perhaps her attention was elsewhere. The report by the Royal Commission on Long Term Care for the Elderly makes several recommendations, including two key recommendations. The first recommendation is for a national commission to ensure consistent standards of care. We are undertaking to implement that in legislation, which we expect to bring before the Parliament in the autumn. Its other recommendation, which was about the funding of long-term care, will be dealt with in the spending review that has already begun. That was the position put forward on 2 December. Of the two key recommendations, one is under way and the other will be dealt with as part of a process that has already begun.

**Tommy Sheridan (Glasgow) (SSP):** Does the minister accept responsibility for the £535,000 of cuts that have been recommended for the home help service for Glasgow's elderly residents—cuts that are due to a lack of funding from the Executive?

**Iain Gray:** The grant-aided expenditure guidelines for the funding for social work services

this year give a figure of £1.1 billion. That figure will increase by a further £43 million in the next financial year. Of that funding, 80 per cent goes towards community care and 80 per cent of the community care budget is spent on older people. Significant and increasing resources have been put into that area.

### Air Freight

**12. Mr Kenny MacAskill (Lothians) (SNP):** To ask the Scottish Executive what plans it has to encourage and facilitate air freight into Scotland. (S10-1082)

**The Minister for Enterprise and Lifelong Learning (Henry McLeish):** The Scottish Executive recognises that the continuing growth and development of air freight is vital to the Scottish economy. The enterprise networks are working with Scottish airports, Scottish industry and freight carriers to build on the strong growth seen in air freight traffic over the past 10 years.

**Mr MacAskill:** Does the minister accept that an opportunity exists for increased freight and refuelling business for Inverness airport, if it is open for 24 hours a day? Assuming that he accepts that, will he provide additional financial assistance to ensure that Highlands and Islands Airports Ltd can pursue that economic opportunity for the betterment of the area?

**Henry McLeish:** We hope that HIAL and other airports in Scotland will seek to maximise their freight traffic. We are seeing real success stories in every part of Scotland. I want to build on that—it is vital that we do. Tremendous effort is being put in, not only by the international carriers, but by all the airports. I would like to think that HIAL will develop as much as it can. The Scottish Executive and the whole community in the north of Scotland will be willing to assist.

**Mrs Lyndsay McIntosh (Central Scotland) (Con):** Given the importance of air traffic control to air freight, what representations is the Executive making to Her Majesty's Government to make a decision on an early start?

**Henry McLeish:** That is a good question. We all want a solution. It is vital for Ayrshire, for Scotland and for the United Kingdom that the project gets under way. We believe that things are moving forward. There is a very good two-centred settlement. It will provide safeguards for jobs and pensions and, of course, it will provide a state-of-the-art facility in Scotland for the years ahead.

Part of the question was about air freight. In that same part of Scotland, a brilliant success story is unfolding every year. In 1992, Prestwick dealt with 16,000 tonnes of cargo; in 1999, it dealt with 56,000 tonnes of cargo; and the projection for 2005 is for 100,000 tonnes of cargo. In terms of

the development in air traffic control and the increase in cargo, Ayrshire is doing spectacularly well. We must work as an Executive—and, I hope, as a Parliament—to ensure that that success continues.

### Prison Service (Dungavel House)

**13. Linda Fabiani (Central Scotland) (SNP):** To ask the Scottish Executive whether the Scottish Prison Service has had any discussions with potential buyers of the former prison at Dungavel House. (S10-1128)

**The Deputy First Minister and Minister for Justice (Mr Jim Wallace):** No.

**Linda Fabiani:** Can the minister confirm the article in *The Scotsman* on 25 January, which said that Premier Prison Services had shown interest in purchasing the prison? Is he aware that there would be a public outcry if Dungavel were sold to a private company for prison use?

**Mr Wallace:** I am not in the business of confirming any article in *The Scotsman*. As for the disposal of prisons, sales agents have been appointed, an advertising campaign has been agreed on and, after offering properties on the open market, the agents will advise on which offer should be accepted. The properties will be sold to the highest bidders, who will decide on the future use of the sites.

**Alex Fergusson (South of Scotland) (Con):** Does the minister agree that the unique and successful rehabilitation regime at Penninghame prison in Galloway will be greatly missed after its closure in March? That closure will leave the prison service—certainly in the south of Scotland—very much the poorer.

**The Presiding Officer:** Order. The question was specifically about Dungavel, and not about anything else.

**Alex Fergusson:** Pity.

### Victims of Crime

**14. Paul Martin (Glasgow Springburn) (Lab):** To ask the Scottish Executive what measures are being taken to provide detailed and comprehensive assistance to families who are victims of crime. (S10-1131)

**The Lord Advocate (Lord Hardie):** In my evidence to the Justice and Home Affairs Committee in August last year, I advised that my officials and officials at the justice department were working on a joint paper to consider how services to victims could be improved. As a result of that exercise, the Crown Office and Procurator Fiscal Service and the Scottish Executive justice department are in the process of commissioning a

feasibility study, to be conducted by management consultants, which will examine existing and planned arrangements and consider models for the delivery of better, integrated and comprehensive services for victims, witnesses and bereaved next of kin in cases reported to the procurator fiscal.

**Paul Martin:** I thank the Lord Advocate for his positive reply. Taking into consideration the circumstances of Margaret and Jim Watson, who so tragically lost their son Alan and daughter Diane, does he agree that the present framework for victims of crime is inadequate, and will he consult such families to ensure a framework that will deliver for victims?

**The Lord Advocate:** I understand that Mr Martin has already written to the Minister for Justice on this matter, and a very full reply will be given. The feasibility study that I mentioned is only one of the many initiatives being introduced to improve services for victims and witnesses. In December 1999, the Minister for Justice announced an additional £2 million over three years to extend the witness service throughout Scotland.

Furthermore, the Crown Office has translated many leaflets into ethnic minority languages. It is developing information leaflets for rape victims and next of kin in homicide cases and it is planning to undertake a local pilot scheme to examine the provision of victim and witness support in serious cases and cases involving bereavement. All those measures will involve consulting people with a genuine interest and victims of crime. We will continue to listen to the experience of people such as Mr and Mrs Watson; we will consider what lessons can be learned from that tragic case and how the system can be better improved.

#### **Law Review (Foreshore and Sea Bed)**

**15. Tavish Scott (Shetland) (LD):** To ask the Scottish Executive what progress the Scottish Law Commission has made in its review of the law of the foreshore and sea bed and when it is expected to submit its report to the Scottish Executive. (S10-1094)

**The Deputy First Minister and Minister for Justice (Mr Jim Wallace):** The Scottish Law Commission has now completed its consideration of the detailed content and process of the review. It will now begin reviewing the full range of relevant Scottish law and consider experience in other countries. The commission will then develop a discussion paper and, after consultation, will publish its final recommendations by the end of 2002.

**Tavish Scott:** Does the minister accept the

need for the Executive to examine the functions of the Crown Estate in Scotland and to seek to influence and control some of those activities? Does he recognise the unfairness of the Crown's role, when ports such as Lerwick in my constituency currently have to pay the Crown Estate for dredging the sea bed to improve the facilities? Furthermore, Scottish salmon farmers, in addition to paying corporation tax, are also paying a production tax to the Crown.

**Mr Wallace:** Like any other landowner, the Crown Estate in Scotland will be subject to any laws passed by the Scottish Parliament in respect of its land and property. However, as Mr Scott will be aware, the Crown Estate's functions and the statutory position of the Crown Estate commissioners are reserved to Westminster. As a result, he may wish to take the matter up with his Westminster MP.

**George Lyon (Argyll and Bute) (LD):** Is the minister aware of the continuing dispute between Tarbert harbour authority and the Crown Estate commissioners over the rental of the foreshore and sea bed? Furthermore, can he confirm that the Scottish Law Commission's review might have an effect on the outcome of that dispute?

**Mr Wallace:** I am certainly aware of the dispute, not least because of Mr Lyon's persistent representations on the matter. As issues concerning the law of the foreshore and sea bed are exceptionally complex, the review will take some time. The rights and privileges of the Crown Estate will undoubtedly form part of that review, but it would be premature for me to say anything about the review's outcome. I repeat that any changes the Parliament makes to the law of property that affects land and property will apply to the Crown Estate as to any other landowner in Scotland.

#### **Prison Service (Trade Unions)**

**16. Roseanna Cunningham (Perth) (SNP):** To ask the Scottish Executive when ministers last met representatives of the Scottish Prison Service trade union side and what matters they discussed. (S10-1106)

**The Deputy First Minister and Minister for Justice (Mr Jim Wallace):** On 5 November, when I discussed our decision to redistribute £13 million of SPS savings within the justice programme.

**Roseanna Cunningham:** Will the minister confirm that, with that sole exception and despite repeated requests, he has refused to meet representatives of the SPS trade union side? Is he aware that the trade union side wishes to discuss with him a wide range of concerns that go well beyond the issue of closures? Does he agree that such a refusal is an astonishing response from a



Labour-led Administration? Is such a refusal to meet union leaders now Executive policy?

**Mr Wallace:** I rather suspect that Ms Cunningham drafted her question on the basis of an inaccurate report in *The Herald* this week. That shows why one should not confirm newspaper reports. The report said that I have refused totally ever to meet the SPS trade union side; my earlier answer explained that I had such a meeting, little more than three months ago. We had a very good and constructive discussion on the redistribution of the £13 million that was being taken from the SPS to be distributed elsewhere in the justice department's programme. The discussions were frank and useful. In no way would I, or indeed any of my fellow ministers, wish to insult the trade union side of the SPS as suggested by Ms Cunningham.

**Roseanna Cunningham:** Notwithstanding that answer, does the minister realise that the position of the leaders of the Scottish Prison Officers Association and other trade unions is that he has rebuffed consistently their requests for a meeting to talk not about the specific issue that he refers to, but about general issues? They have wide-ranging concerns beyond the closure issue and he has point-blank refused to meet them. He refers all requests to the chief executive of the Scottish Prison Service.

**Mr Wallace:** As convener of the Justice and Home Affairs Committee, Ms Cunningham will appreciate that many of the detailed matters that the trade union side wishes to discuss can be discussed far more appropriately with the chief executive of the Scottish Prison Service, who has executive, day-to-day responsibility for the operation of the service.

I have never ruled out any future meetings with the bosses of the SPS trade union side. I rather think that Ms Cunningham has worked herself up into a bit of a frenzy on the basis of false information in the article in *The Herald*.

**The Presiding Officer:** Another try, Alex Fergusson?

**Alex Fergusson:** If the minister were to meet the trade union side, does he agree that one of its principal concerns would be that the unique rehabilitation regime—[*Applause.*] Thank you, ladies and gentleman. Does the minister agree that the unique regime that is currently in force at Penninghame will be greatly missed after the prison's closure in March? Does he also agree that the prison service in the south of Scotland will be much the poorer for that closure?

**The Presiding Officer:** That one is in order.

**Mr Wallace:** I congratulate Mr Fergusson on his ingenuity.

I pay tribute to the staff at Penninghame open prison, where there has been a good regime. Penninghame was a very successful prison, but as I have explained on a number of occasions, there is considerable overcapacity in open prisons in Scotland. There are three such prisons and the relevant prisoner numbers—for obvious reasons, not all prisoners can go to open prisons—suggest that two would be far more suitable in terms of efficiency in running the prison service. The decision, which was taken by the Scottish Prison Service, was difficult, but it was thought that there was a need to rationalise from three open prisons to two. Regrettably, Penninghame has had to close, but that in no way detracts from the good and valuable work that it has done in past years.

### Food Labelling

**18. Mr John Munro (Ross, Skye and Inverness West) (LD):** To ask the Scottish Executive, further to the answer to question S1W-3200 by Ross Finnie on 24 December 1999, what plans it has developed, in the light of the responses received during the consultation exercise that ended on 14 December 1999, to ensure that all meat products are clearly labelled with their country of origin. (S1O-1129)

**The Deputy Minister for Rural Affairs (Mr John Home Robertson):** Following consideration of responses to the consultation exercise, the Scottish Executive has issued new guidance notes on place-of-origin labelling. That guidance has been issued to interested parties and to local authority environmental health departments, which are responsible for enforcing food labelling legislation in Scotland. The new guidance emphasises that practice must change so that origin information on food labels, including labels on all meat products, should be clear and unambiguous.

**Mr Munro:** Does the minister agree that in spite of the National Farmers Union's best efforts on behalf of its members, little has been achieved over the past year in this regard? Is he aware that many of the major suppliers in this country supply meat products that are imported and do not show clearly the country of origin?

**Mr Home Robertson:** That is precisely why we have taken this initiative. We are very concerned about the problem of confusing or misleading labelling of place of origin on foods. That is why we need clearer guidelines. The Scotch quality assured pork label denotes pork that comes from farms with high standards of welfare. Anything without that mark may well be imported. Consumers who want quality food from farms with high welfare standards would be well advised to buy British. If they want the very best, they should buy Scottish.

## First Minister's Question Time

### SCOTTISH EXECUTIVE

#### Scottish Executive Cabinet (Meeting)

**1. Mr Alex Salmond (Banff and Buchan) (SNP):** To ask the First Minister what issues were discussed at the most recent meeting of the Scottish Executive's Cabinet. (S1F-101)

**The First Minister (Donald Dewar):** We discussed several matters of significance to the Executive and to the people of Scotland.

**Mr Salmond:** Will the First Minister lead a discussion on joined-up government in the Cabinet, after a week in which it emerged that the Scotland Office has disappeared from the Scottish Executive's phone book, the Secretary of State for Scotland has recalled the Scottish Grand Committee with only passing reference to the First Minister, who will not turn up anyway, and the First Secretary of Wales resigned without telling the Prime Minister?

Also this week, Mr Brian Wilson blew his top on "Newsnight" and attacked the concept of a Scottish Six on the ground that BBC Scotland is not fit to run it and runs "a Mickey Mouse operation". On behalf of the Scottish Executive, will the First Minister repudiate the comments made by Mr Brian Wilson in a blatant attempt to undermine the campaign for a Scottish Six?

**The First Minister:** I did not have the pleasure of seeing that particular edition of "Newsnight", which seems to have been a splendid intellectual version of a good-going stairhead brawl.

I congratulate the programme on achieving an increased number of viewers—100,000. That is encouraging. I have always made clear my view that the important thing is that current affairs broadcasting in Scotland is of a good standard, serious of intent and fair of presentation. I hold to that.

I find the other examples advanced by Mr Salmond very odd. I see nothing objectionable—indeed, I welcome it—in my colleagues at Westminster's interest in the Scottish Grand Committee's consideration of areas of reserved responsibility, which are of such importance. At the moment, for example, Scottish MPs are examining the new deal. I know that Mr Salmond will join me in rejoicing at the fact that, during the past 18 months, youth unemployment in Scotland has been cut by 59 per cent, which is excellent.

I notice that in the very paper that reported the discussion on "Newsnight", the SNP's Margaret Ewing complained about the broadcasters sending

Scotland to sleep. She said that, frankly, she was bored by their efforts. I would not agree with her about that. Everyone is entitled to their opinion.

**Mr Salmond:** Mr Brian Wilson said of BBC Scotland:

"on the basis of the Newsnight Scottish opt-out, I wouldn't trust them to run a raffle."

Clearly, there is disagreement between the First Minister and the Minister of State in the Scotland Office.

Does the First Minister recall telling this to the chamber only three weeks ago?

"I can assure the chamber that an Administration or Government that tried to bully or to over-influence the broadcasting process would be open to very considerable criticism."—[*Official Report*, 20 January 2000; Vol 4, c 359.]

Is Mr Brian Wilson open to "very considerable criticism" or not?

**The First Minister:** I have said that I was not involved in the discussion. As I ought to be even-handed, when I praise, I may also criticise. I was amused—I hope that he will not resent this—by the Deputy First Minister's predicament on the Scottish opt-out of "Newsnight" when there was a technical difficulty, which turned out to be that they had forgotten to unlock the studio door. The Deputy First Minister therefore had to be interviewed on his mobile phone while standing in the street. I do not know the particular circumstances that raised the temperature of the discussion with Brian Wilson.

If Mr Salmond is telling me that there are no disagreements about individual television programmes and their merit among his number, the SNP is reaching a level of discipline that is unbelievable and undesirable. I am always interested in controversy, and I hope that it will continue.

I worked with Alun Michael, my colleague in Wales, when he was minister of state at the Home Office and when he was Secretary of State for Wales. He has made a considerable contribution to setting up the National Assembly for Wales. I am sure that his race is not run and that he will contribute again to the politics of his country. Wastage among First Secretaries for Wales is as nothing compared with the wastage that we see among, for example, managers of Celtic Football Club or editors of *The Scotsman* newspaper.

**Mr Salmond rose—**

**The Presiding Officer:** Hang on a second, Mr Salmond. We are in grave danger of moving away from the First Minister's responsibilities, on which he is required to answer by standing orders.

**Mr Salmond:** The First Minister will recall that Mr Alun Michael opposed the concept of a Welsh

Six, and look what happened to him. Will the First Minister join me in making representations to the BBC's new director general during this period of consultation to disregard Mr Brian Wilson's comments on the quality of Scottish journalism, or will he sit on the fence while Brian Wilson puts the boot into BBC Scotland?

**The First Minister:** I think about the great issues that face Scotland, such as unemployment and the economy, and I shake my head in puzzlement—although not necessarily in anger—at the choice of subject of the leader of the Scottish National party.

### **Prime Minister (Meeting)**

**2. David McLetchie (Lothians) (Con):** To ask the First Minister when he next intends to meet the Prime Minister and what subjects he intends to raise in discussion with him. (S1F-96)

**The First Minister (Donald Dewar):** I welcome the change—the question usually relates to what we did discuss, but on this occasion it relates to what we intend to discuss. However, I am not a futurologist. It will be an interesting and full agenda, highly relevant to the interests of Scotland.

**David McLetchie:** I hope that the First Minister will convey to the Prime Minister that this side of the chamber looks forward to his visit next month to address members of the Parliament. As befits the dignity of his office, he will receive the warm and courteous welcome that last week the Parliament accorded to his successor. [*Laughter.*]

**The Presiding Officer:** Order.

**David McLetchie:** Will the First Minister also raise with the Prime Minister the subject of asylum seekers, which was referred to last night in the Parliament and earlier today at question time by Shona Robison? As a result of the dispersal programme, we are about to receive 6,000 asylum seekers. Although people in Scotland recognise that we must play our part in helping genuine refugees, the source of the problem is the failure of the Labour Government at Westminster, which has made us not so much a safe haven for refugees as a soft touch for bogus asylum seekers. Will the First Minister ask the Prime Minister to ensure that Jack Straw sorts out this problem at source so that it does not become a permanent problem for local authorities in Scotland?

**The First Minister:** I understand that the consortium of local authorities in Scotland that is talking to the Home Office is anxious to offer assistance to asylum seekers who find themselves in this country. It is important that that is done properly, and I agree with Mr McLetchie if that is the point he is making. I thought he was about to

announce a conversion to a rather different point of view on how these people should be treated, but it turns out that he is back on the soft touch argument, which I rather regret.

I must confess that I cannot remember anything that the leader of the Conservative party said. I thought that he had bad luck in being rather overshadowed by the coincidence of George Foulkes's visit to the Parliament. However, I thank Mr McLetchie for his remarks about the courteous welcome that ought to be accorded to all distinguished visitors.

**David McLetchie:** I want to return to the subject of asylum. The Labour Government has declared an amnesty for 30,000 asylum seekers. As 70 per cent of all applications are refused, it is likely that a high proportion of those people should not be resident in this country today. The Labour Government also abolished the list of safe countries from which applications could be fast-tracked, so that we now have a backlog of more than 100,000 applications for asylum, costing the taxpayer £600 million. That is a very serious problem. Is it not another example of the Government failing to think through the consequences of its decisions and actions for which councils in Scotland will have to pick up the pieces?

**The First Minister:** I do not want it to look as though I am sheltering behind this, but that is, to say the least, rather far from my remit and responsibilities.

We have to give proper refuge to those who make application, but we must also try in every way possible to expedite examination of their cases quickly, so that people know where they stand, and so that they can either stay or depart as circumstances and judgment demand. It does not help us if we stray into what I would say are rather intemperate statements that suggest that there is wide abuse and that we ought somehow to take a tougher line than we are presently taking.

**Dennis Canavan (Falkirk West)** Will the First Minister be in Westminster on 29 February for the meeting of the resurrected Scottish Grand Committee, or will he stay here, just in case—

**The Presiding Officer:** Order. This question is about the Prime Minister.

**Dennis Canavan:** I am coming to the Prime Minister.

Will the First Minister stay here just in case there is a coup in his absence, and he ends up like the Prime Minister's other poodle, Alun Michael?

**The Presiding Officer:** That is not in order.

**The First Minister:** I think that that was a somewhat offensive presentation. I have already

said this to Alex Salmond, and I will repeat it for Dennis Canavan's benefit: it is not a resurrection of the Scottish Grand Committee, which was never disbanded. There are substantial areas of policy on which my colleagues at Westminster can very properly take an interest, but which are not within the remit of this Parliament.

I was consulted about the programme of the Scottish Grand Committee this year and I warmly welcome the fact that it is examining youth unemployment and the new deal. I think that that is admirable and entirely appropriate.

### National Parks

**3. Dr Sylvia Jackson (Stirling) (Lab):** To ask the First Minister what progress is being made towards the introduction of national parks in Scotland. (S1F-106)

**The First Minister (Donald Dewar):** Good progress is being made on national parks. The consultation paper on the draft bill was launched on 21 January. That keeps us on track to meet our commitment in our programme for government to

"establish the first National Park for Scotland in Loch Lomond and the Trossachs by summer 2001."

I hope to progress with some speed to the establishment of a similar national park in the Cairngorms.

**Dr Jackson:** Will the First Minister comment on my view that the setting up of the first national park in Loch Lomond and the Trossachs, which fall within my constituency of Stirling, will be both exciting and challenging in bringing together groups and individuals to devise a new model for rural sustainability?

**The First Minister:** I can agree with that. I know Sylvia Jackson takes a great interest as a local constituency member and that she will shortly meet my colleague, Sarah Boyack, who has responsibility to consider the interim budget for the current year.

I agree that the point about rural sustainability is one of the really interesting aspects of national parks. We will have a system that allows us to monitor events and developments closely. It is inevitably a matter of balance to consider the interests of residents, tourists and visitors passing through, wildlife and agriculture. I hope that, within the rational framework that we are establishing, we will have real success in getting the balance right and in justifying both the expenditure involved and the effort from local authorities, local interests and Government.

**Mr Duncan Hamilton (Highlands and Islands) (SNP):** As a regular holiday visitor to Argyll, can the First Minister tell us whether he has noticed the perilous economic condition of Dunoon? Does

he also recognise the economic advantage to Dunoon of being a gateway town to the new national park? If he does realise that advantage, will he give us a commitment to include the area of Loch Eck and Argyll forest park in the new boundary, so that Dunoon can once again prosper?

**The Presiding Officer:** This question is about national parks, not Dunoon.

**The First Minister:** I think that this is a time for being quite shameless: I am not at all familiar with the arguments going on about the boundary of the national park. When the legislation is debated, there will certainly be opportunities for discussing the matter Mr Hamilton raises. If he has adopted Argyll as his particular interest and wishes to make representations, I am sure that they will be listened to carefully.

**Mr Brian Monteith (Mid Scotland and Fife) (Con):** I heard the First Minister's comments with interest. Can he allay the concerns of many residents of the Trossachs area who are fearful of the large increase in the number of visitors, for whom there will be insufficient numbers of toilets, lay-bys and other resources and who will bring only traffic jams, pollution and erosion to a lovely area that we seek to preserve?

Can the First Minister tell us what finance he will make available to local authorities to alleviate that problem?

**The First Minister:** Mr Monteith approached the word "Trossachs" with all the diffidence of a foreigner, but I am glad to say that he got there.

We want to establish proper control of visitors and associated issues. The land erosion and damage to tree roots, which can be seen, and the problem of water skiing on Loch Lomond, are good examples of why we must strike a balance. The point of a national park is to create and enforce that balance.

We provide the interim authority with 80 per cent of its revenue. If I remember rightly, that figure will rise to 85 per cent next year. Sylvia Jackson, along with other interested people, is holding discussions with the minister about finance and future structures.

We should all unite in welcoming this long-overdue initiative that is an important part of our legislative programme. We want to ensure that the machinery that we put in place is effective and has the desired results. That means that we have to have the wherewithal to carry out the policies that are agreed.

### Scottish Media Group

**4. Richard Lochhead (North-East Scotland) (SNP):** To ask the First Minister whether he or any

member of the Scottish Executive has met the Scottish Media Group to discuss the implications of its current plans for regional identity in Scotland. (S1F-98)

**The First Minister:** I have had no recent meeting with the Scottish Media Group. I have contact with the management from time to time. Clearly the fate of the SMG and the way in which it conducts its business are of general interest, but it is an independent company that is not and should not be under the control of government.

As I suspect that this is what Mr Lochhead is getting at, I will say that I strongly favour broadcasting that reflects local interests and local needs. I recognise that there should be a regional dimension to broadcasting. That is as true of Scotland as part of the United Kingdom as it is within Scotland. I hope that I have the support of every member on that point.

**Richard Lochhead:** Does the First Minister accept the view that proposals by the Scottish Media Group to downgrade its regional television division will erode regional identity in Scotland? Pay levels and jobs are under threat at SMG—all four producer-director posts at Grampian Television could go. If they do, that will be devastating for the station. Since its takeover of Grampian, SMG has disregarded its obligation under its franchise and is doing its best to take the Grampian out of Grampian Television.

Will the First Minister and the Executive join the campaign to remove the threat to regional identity in the north and north-east of Scotland—and throughout the country—express his concerns to the Independent Television Commission and demand action to promote regional broadcasting in Scotland?

**The First Minister:** I cannot go down that road with Richard Lochhead. That would be extremely unwise. I know that the matter concerns an industrial dispute involving the Broadcasting Entertainment Cinematograph and Theatre Union and I know that it is an important matter for the area. It is not for me to take sides in that dispute. I appreciate the importance of the conditions that are imposed by the ITC and I expect them to be fully honoured.

**Mr Kenneth Macintosh (Eastwood) (Lab):** Further to Mr Salmond's comments, does the First Minister agree that, unlike the worrying situation at Grampian Television, the BBC has made a substantial investment in its Scottish service, including a commitment to full and impartial coverage of this Parliament? Does he agree that that shows the benefits of being within a British public broadcasting service?

**The Presiding Officer:** We are discussing the Scottish Media Group, not the BBC.

**The First Minister:** I have already said that we want very high standards of reporting and commenting on Scottish politics and current affairs. That is part of the tradition of public service broadcasting to which the BBC tries hard to cleave.

### NHS (Temporary Nurses)

**5. Mary Scanlon (Highlands and Islands) (Con):** To ask the First Minister whether he will outline the Scottish Executive's response to the Accounts Commission report regarding the £25 million per year spent on temporary nurses by the NHS in Scotland. (S1F-107)

**The First Minister (Donald Dewar):** I am aware of the report from the Accounts Commission, and I welcome it. It will insist that employers make more effective and appropriate use of bank and agency nurses to the benefit of patient care. It is important that we organise our resources effectively, to get the best possible return for patients.

**Mary Scanlon:** I am grateful for the First Minister's response. In light of his recent staffing problems, how would he advise the NHS in Scotland to correct the management difficulties that are outlined in the report, to ensure better staff management, rigorous employment checks and effective induction and appraisal?

**The First Minister:** I am sure that Mrs Scanlon, as a front-bench spokesperson, recognises that we do rather well in Scotland. According to the last official figures, from April 1999, the vacancy rate was 1 per cent. Given the inevitable turnover, that is very low indeed. Mrs Scanlon will know that the number of nurses who are employed per 100,000 of population means that we are much better placed than the rest of the country, and we want to maintain that.

I do not know whether Mrs Scanlon heard Margaret Pullin, the acting Scottish secretary of the Royal College of Nursing, being interviewed on the radio the other day. She said:

"This Government is saying all the right things and to be fair they are trying to come through and deliver what they are saying."

She finished by saying:

"I do honestly believe we have a Government that listens now, and I think that is helping, but you are not going to overturn the situation overnight."

We have a good, strong situation, we are making progress, and I hope that we have the support, in that, of Mrs Scanlon.

**Robert Brown (Glasgow) (LD):** Does the First Minister accept that the thrust of the Accounts Commission report on agency nurses is to highlight the need for more sensitive management by local NHS trusts? Does the Scottish Executive

intend to issue guidelines to health boards and NHS trusts governing the administration of nurse banks, to include safeguards to record the number of hours that are worked? That would ensure the presence of key skills in the nurses who are chosen for particular jobs in the workplace, following examples of current good practice among wards.

**The First Minister:** I agree that it is important to have close co-operation in this matter. I deliberately referred to good management in my first reply, as that is as important as anything else. I know that the Minister for Health and Community Care, Susan Deacon, is working closely on that.

We are also anxious to retain and encourage people in the nursing profession. That is why, in this year's pay review, there was 7 to 8 per cent for senior nurses. Last year, for nurses at grade D—which is at the bottom end of the grading system—there was a 12 per cent increase. The first increase was to encourage entry, the second to encourage retention. That, plus good practice, good management and the high base from which we work, will mean that the service will be well looked after in the years ahead.

**The Presiding Officer:** That concludes question time.

**Mrs Margaret Ewing (Moray) (SNP):** On a point of order. In an earlier response, during First Minister's questions, a reference to me was made by the First Minister. I was surprised to find that Uncle Donald, who is not listening now, could be so ungracious—

**The Presiding Officer:** Order. I am sorry to interrupt you, but I looked at the screen to see whether you were pressing your button to seek to intervene. However, you did not do so at the time.

**Mrs Ewing:** I did.

**The Presiding Officer:** No, your name was not on the screen. I looked very carefully.

**Mrs Ewing:** I pressed my button.

**The Presiding Officer:** We cannot continue the argument, as it is not a point of order.

**Mrs Ewing:** I am sure that it was not the intention of the First Minister to mislead the Parliament. He knows full well from my voting record, speeches and comments, that I support—

**The Presiding Officer:** I am sorry, but that is not a point of order. It is a point of continuing argument, and you must resume your seat.

## Budget (Scotland) Bill: Stage 3

**The Presiding Officer (Sir David Steel):** We now move to the debate on motion S1M-498 on stage 3 of the budget bill.

15:34

**The Minister for Finance (Mr Jack McConnell):** I am glad to be able to present to the chamber today this new Parliament's first ever budget bill.

For the first time, this Executive and this Parliament have been able to examine and debate properly Scotland's budget and how it should be spent. It is a privilege to ask members to vote for the allocation of our £16 billion budget.

This is a budget for the people of Scotland. For the first time in our recent history, we are debating the spending priorities for Scotland in our own Parliament. Our new processes are innovative and participative, but we must not forget the responsibility that lies firmly at our door as the first members of this Scottish Parliament.

Let us pause for a moment to consider what that responsibility means. It is not about arithmetic, juggling the numbers or winning points against the Opposition, however enjoyable that might be. It is about spending the people's money well on the people's priorities. We have a fixed budget—a budget of the people's money. We are here today to allocate £16 billion, which we are able to allocate well, without using our tax-varying powers.

I am sure that we all take that immense responsibility seriously. I, too, take it seriously. As the Minister for Finance, I have a few rules that guide my thinking—and that of my ministerial colleagues—on our budget proposals.

As with everything else that we do, I am determined that our budgets represent best value for the Scottish taxpayer. I want to squeeze more from each pound of taxpayer's money to ensure that every pound is prudently spent. I am committed to challenging the status quo. We have a new Parliament with a new Executive in a new, devolved Scotland. We must seek continuous and radical improvement to how we spend our money and how we deliver public services.

I repeat: no one here should be in any doubt about today's budget bill, which is about ensuring that we find the right balance between our hospitals and our schools, our social justice programme and our assistance to industry. There are no easy answers. We must be guided by the principle that this is not our money that we are spending, but that of the people of Scotland.

At times the emphasis in our debates on our spending allocations for next year may have been more towards political sound and fury than quiet reflection, but the debate itself has been an achievement, as it has been carried out in full view of the public whom we represent. It is another excellent example of how the Parliament is working, making a difference and modernising Scotland.

By necessity, the arrangements have been slightly curtailed this year, in advance of the full process, which will begin next year. Even so, it has been a far more open and democratic process than ever before.

Our priorities in the budget bill are the priorities of the Scottish people. There is a consensus over the key areas of spending, such as health and education, where our budget for next year is concentrated.

This budget does many things. It meets needs throughout Scotland's communities and for all Scots, young or old. It takes the best of existing practice and, by building on it, makes it better. It delivers more spending on the key programmes, as we promised in our programme for government.

The budget marks new opportunities to use our devolved powers to regenerate Scotland and to build the kind of society that we require for the new millennium—a society where the idea of social justice is accepted by all and where everyone is valued and has the opportunity to achieve their full potential. That means that we must deliver a budget for our children, our young people, our families, our older people and our communities. That is what we are doing.

As a result of the budget there will be nursery places for all four-year-olds and progress towards our target of places for all three-year-olds. It allocates £8 million in 2000-01 to support 46 community schools by the end of that financial year, £16 million to establish class sizes of 30 and under for primary 1 and primary 2 in 2001 and £16.5 million to honour our partnership commitments on schools next year. There is £9 million to ensure that we achieve our target of 2,000 more students in higher education and £29 million to increase enrolments in further education institutions by 21,000 students next year.

The budget will also lead to better trained, paid and supported staff in the NHS and will support a drive for patient-centred care throughout the NHS, with NHS Direct, more one-stop clinics and electronic booking systems. There will be better facilities for staff and patients, including new investment in hospitals. It also provides for the establishment of a new food standards agency and a high-tech NHS that retains a human touch.

Under the budget free admission to National

Museums of Scotland will be extended. It allocates £5 million to the Scottish university for industry to connect people and businesses that want to improve their skills with people who can offer them the learning that they need in the format required.

The budget will provide for the establishment of a drugs enforcement agency, a greater range of court-based support services for witnesses and a new domestic violence fund to improve a range of services, including more refuge spaces.

The budget allocates £3 million to support access to the countryside and £500,000 to develop proposals for the national parks that were mentioned earlier. It backs agri-environment schemes with an extra £250,000 in the next year to support environmentally sensitive areas.

There is a comprehensive package for tackling dampness and condensation and for providing warm and healthy environments for low-income householders, especially pensioners.

There is provision for 6,000 new and improved homes, and the five major trunk road schemes that are planned will have a total capital cost of £140 million over three years. Thirty million pounds from the public transport fund will be spent.

In each spending programme real improvements will come about because of the new spending—improvements that raise the quality of life for all Scots at every stage of life. As a result of cross-departmental co-operation, such improvements will no longer work in isolation. That is exemplified by the launch of the social justice strategy. Our initiatives can, at last, reinforce each other and lead to the delivery of truly ambitious goals.

All that is being delivered at a time when the Scottish economy is in excellent shape. The policies of the Parliament and the platform of stability provided by our close connections with an equally strong UK economy have given us the lowest unemployment figures for a quarter of a century, low and stable inflation and continuing growth in gross domestic product.

**Andrew Wilson (Central Scotland) (SNP):** I am grateful to the minister for giving way.

On the equality of the market within the UK, does the minister recognise the concerns among the Scottish business community about his decisions on the uniform business rate? Will he guarantee, before announcing that the provisional business rate is the final rate, to meet representatives of the Scottish business community such as the Scottish Council Development and Industry?

**Mr McConnell:** I wrote to the SCDI some 10 days ago, asking them to convene a meeting of representative business organisations to discuss

the plans. I hope, when points such as Mr Wilson's are made in budget discussions in future years, that they are backed up by examples of where the money would come from to fund the gaps that Mr Wilson and others have identified in debate from time to time. We look forward to those improvements as we look forward to the improvements in services and expenditure that have already been identified.

**Andrew Wilson:** Will the minister give way?

**Mr McConnell:** I have just done so. I have made my point.

Our programme includes targets and commitments up to 2003. A spending review is under way that will add two years to the spending plans. The Executive will, in the coming months, develop plans for those years. Those plans will carry forward our programme for government through 2003 and, I am sure, beyond.

Unlike this year, in future the decisions will be taken in the light of an allocation that has not been inherited. Decisions about where new money might be spent will be made, rather than decisions being made on how to reallocate an existing budget. In the coming months we will scrutinise carefully all the programmes for which we have responsibility, including those that straddle a number of ministerial and departmental responsibilities, such as the programmes for social justice, sustainable development and the fight against drugs.

We will continue to look for efficiency savings and to consider whether there are areas where we can reduce spending, because another challenge to us all is the reality of a fixed budget. Savings can be made in order to make way for increases in spending elsewhere. Calls for higher expenditure without explaining how that will be achieved do not impress anybody, and they add nothing to the quality of debates.

**Mr Andrew Welsh (Angus) (SNP):** I am sure that the minister will agree that it is important to maximise every pound so that more money is available for spending on public services in an open and fair way. Will he, therefore, look again at the system of self-financing public sector pay awards? That is a very unfair system for local government and can only result in money being taken away from services.

**Mr McConnell:** I hope that Mr Welsh, as convener of the Audit Committee, will agree that, in this atmosphere of increased expenditure in so many budget areas, it is right and proper that we continue to press down on other areas of expenditure to achieve the balanced budget that we seek.

At central, Scottish and local government levels

there is a constant need for us to review efficiencies and previous services and to ensure that the services that we have are fit for the new century, rather than the past century. I hope that the ways in which we tackle the issue in the years ahead—working together with other levels of government—will achieve that goal.

I will conclude by saying that the bill sets out our proposals for the next financial year. Those proposals are firmly rooted in our programme for government and they will support our progress in implementing that programme. The proposals promote equality and opportunity. They are realistic and fair and, in a Scotland where everybody matters, they represent a good deal for Scots and for all Scotland.

Members of the Scottish Parliament should know that today we are once more making history. This is the first Scottish budget and it will be good for Scotland. It is a tribute to all involved: to the Finance Committee and to the architects of the Scottish Parliament's financial procedures. We have reached, on target, the culmination of our budget discussions for the coming financial year. I urge members to join me in voting for the Scottish Parliament's first budget bill.

I move,

That the Parliament agrees that the Budget (Scotland) Bill is passed.

15:45

**Andrew Wilson (Central Scotland) (SNP):** I welcome the final stage of the first budget process. We look forward to a more substantial consultation on and wider consideration of next year's bill.

At this late stage we will not obstruct the course of the bill. However, we will not actively support or promote this bill or the financial structure that underpins it. The harsh reality is that in no way does that financial structure adequately meet the needs of Scottish local government, schools, hospitals or the full range of Scottish public services.

It is the structure of Scotland's finances that concerns SNP members and many other people across Scottish society. The budget is one-sided and is entirely dependent for its content on decisions that are made elsewhere. Those decisions are made according to an artificial formula and priorities in the rest of the UK that do not reflect those in Scotland.

Most absurd, the bill is based on the decisions of the increasingly bizarre holders of the offices of Secretary of State for Scotland and deputy Secretary of State for Scotland. How is it sustainable that the so-called Scotland Office



should have responsibility for allocating its own budget out of Scotland's financial allocation and then passing the remainder to the Scottish Parliament?

The sums may not be vast, but we know that, in its first year, the Scotland Office has recorded a financial cost overrun of 138 per cent, the worst performance of any central department in history. Perhaps that happened because the leaders of that office spend all their time ranting against the SNP and other respected institutions in Scottish society rather than focusing on their own role. Those two men—in search of a role and insulting all-comers—undermine the office that they hold and the seriousness in which they can be held.

The official Scotland Office website shows one speech by the Secretary of State for Scotland, which was delivered in July last year—every other speech was of political content. No speeches of Brian Wilson are logged on the website. That office is paid substantial sums to represent Scotland's interests. The need for that office must be called into question. The money that would be saved by abolishing it would pay for 250 teachers in one year, or for a similar number of much-needed nurses.

**Mr Kenneth Macintosh (Eastwood) (Lab):** Does the SNP have anything to contribute to this debate other than questioning the constitutional settlement? That is a boring theme. We are here to make this Parliament work, and not to rewrite the constitution.

**Andrew Wilson:** I remind the member that his role as a backbencher is to question, and not toady to, the Executive.

It is our job to highlight the wider structural issues that affect the budget—this is more than a one-sided debate. There is the key issue of the Barnett squeeze, which is exercising the minds not just of SNP members, but of academics and business commentators across Scotland. It was identified a year and a half ago in a series of academic papers, key among which was that by Professor Brian Ashcroft of the Fraser of Allender Institute. Professor Ashcroft pointed out that spending in key areas will increase two and a half times more quickly in the rest of the UK than in Scotland. That matters because either one regards Scotland's share of UK spending as justified or one does not; either that share of UK spending meets Scotland's needs or it does not.

**Mr Macintosh rose—**

**Andrew Wilson:** I have taken the member and am now moving on. Either that share of spending meets the choices of the Scottish public about the allocation of our nation's resources or it does not.

**Mr McConnell rose—**

**Andrew Wilson:** I will be grateful if the Minister for Finance takes the opportunity in this intervention to say whether he regards Scotland's current per capita share of UK spending as correct.

**Mr McConnell:** It is an interesting adaptation of the intervention to ask questions of the member intervening. I want Mr Wilson to give a clear answer to this question: does he accept that increases in expenditure in relevant areas of public expenditure in England will be matched pound for pound in Scotland?

**Andrew Wilson:** The formulaic response that that question calls for is that it is correct. The issue at stake, however, is whether Scotland's per capita share is being preserved or undermined. Will we in future have the same proportion of teachers and nurses that we have today? The squeeze is happening and it is up to the Minister for Finance and the Parliament to recognise that.

**Mr Macintosh rose—**

**Andrew Wilson:** If I can finish—I know Mr Macintosh is seeking a ministerial role but perhaps listening rather than speaking would be the best tactic for him.

Future allocations depend on a formulaic structure that is undermining Scotland's spending in key areas. Even Professor Arthur Midwinter, a man with whom I rarely concur, in a paper published this week concluded that our per capita share of UK spending will fall by 0.5 percentage points year on year. That can only mean that public servants will lose their jobs or public services will be cut. We cannot sustain that.

**Dr Richard Simpson (Ochil) (Lab) rose—**

**Andrew Wilson:** It amounts to hundreds of millions of pounds a year. As I said—before I take Dr Simpson—even the Scottish Parliament information centre found that, through the Barnett squeeze, Scotland would lose £500 million from the health budget. That is something Dr Simpson would, I am sure, be exercised about.

**Dr Simpson:** On Mr Wilson's calculation of a 0.5 per cent squeeze, which I do not fully accept because it assumes things will stay the same every year, does he agree that it would then take 36 years for us to reach the average expenditure of the United Kingdom? Does he accept that the amount of increase in the total sum of money we receive will put our health spending above the average for Europe within five or six years?

**The Presiding Officer:** You are on your last minute, Mr Wilson.

**Andrew Wilson:** I do not accept that for the current course of expenditure. That is not my analysis but Arthur Midwinter's, and he, like Dr

Simpson, denies the existence of the Barnett squeeze. It is vital that we address the issue because the current situation is not sustainable. Members can take a party line on the matter or they can think more deeply about what it means for Scotland's budget. The issue is being debated in the rest of the UK and we need to catch up.

Why do we never hear from Labour or anyone else that, despite the fact that our per capita spend in certain areas may be higher, even on the Government's own discredited analysis, Scotland's per capita revenue contribution is considerably higher than the UK average? We are generating the wealth and it should be up to us how we allocate it. Instead we have a structure that does not suit the Scottish position. We have the highest-taxed businesses and the highest council taxes in the UK, the highest fuel taxes in Europe, soaring taxes on pensions and soaring water charges, and a cluttered and inefficient tax system. Even the Prime Minister has admitted that the proposed cut in income tax is to compensate for tax rises elsewhere. Where is the sense or the efficacy of moving the burden from open, progressive taxation to back-door, indirect, regressive taxation?

All we can do is stand by and watch. We have no power or control over processes that are unsustainable and do not meet the needs of a modern country. Without such power we cannot improve local government, health and education, although that expectation is placed on this Parliament. It will be unable to fulfil it unless we change that.

15:53

**Mr David Davidson (North-East Scotland) (Con):** I was pleased to hear the Minister for Finance say that he has stopped juggling. Perhaps we will get some real economics in future.

In his last attempt at a presentation on this bill he said we do not have a bottomless purse. I agree but I suspect that that is the only thing on which we agree. I am disappointed that some of our colleagues in other parties still see Scotland as undertaxed. We have had comments to that effect from the SNP and the Liberal Democrats and I hope we will hear no more of them.

There are many demands on the budget, especially from the multitude of ministers and advisers that surround us these days. The Minister for Finance mentioned efficiency savings. I trust that he has given each of the ministers clear indications of the percentages of savings he expects them to produce and what they will be spending the money on. I am disappointed that information is not in the supporting papers on the budget that we have received. I think it would

show that there is a lot of slippage—something that the minister has commented on in the past—within public services, including the Executive, that we need to attack. There is room to get more for the buck that we spend and I hope that, in next year's more prolonged budget exercise, the minister will address that issue and make clear his expectations for departmental management.

**Mr Keith Raffan (Mid Scotland and Fife) (LD):** Mr Davidson is talking about savings and reallocation within the budget, so I wonder whether he will clarify a point of Tory policy. On 4 November 1999, Murray Tosh called for cuts in the enterprise budget to allow increased spending on the roads programme; yet on 26 January 2000, Annabel Goldie expressed deep concern about any reductions in the enterprise budget. There is clearly a problem. Will he sort out with Miss Goldie and Mr Tosh exactly what their policy is?

**Mr Davidson:** I would be delighted to sort it out with them. We have two different stresses. We have said throughout this Parliament that there is a need to put more impetus into enterprise and into the development and creation of wealth. Without that, we will not be able to deliver the social programmes that the people of Scotland expect. I expect that Mr Tosh's point about transportation was to do with the moving of budgets, but I shall certainly clarify that matter for Mr Raffan later.

I am coming to the crux. Andrew Wilson mentioned certain aspects of the budgetary process and the basis of the budget. I would rather turn to the way in which we focus on economic management. This week, the Finance Committee heard a good presentation from Mr Graham Leicester, the director of the Scottish Council Foundation. He stated:

"If I had to point to a weakness in it, it would be its lack of strategic direction."—[*Official Report, Finance Committee*, 8 February 2000; c 329.]

In his summing-up, I would like the minister to say which minister has specific responsibility for the direction of the economic strategy in this Parliament. To date, there seem to have been certain rivalries in that area and it is about time we heard an absolutely clear position on that matter.

I turn now to spending on core services, which the Conservatives would like to be directed in slightly different ways. After last week's health debate, I was pilloried by some Labour members in the tea room for daring to suggest that we get some money back from Westminster, from the stealth taxes that have been gathered under Labour during the past two or three years, to use in our health service, for example.

Funnily enough, the good Professor Midwinter, who was quoted earlier by Andrew Wilson, said in

a report released on Monday:

"Scottish Ministers may be unable to meet their commitments on health spending unless they go direct to the Treasury for extra cash."

I am grateful to the professor, but I remind the members that they heard it from us first.

There has recently been a furore in local government over some of the problems there. I ask the minister to ignore some of the pleas to give councils the freedom to raise council tax and put the whole burden on the less than 40 per cent of people who pay it. Settlement should be based on improved outturns, core service focus and service delivery efficiency. It would be nice to see the formula mention the expected collection of uncollected taxes from the past—money that belongs to the public purse and should be in the cash flow going into service delivery.

This budget was supposed to be a justification for the trust that Scotland's people placed in new Labour. I am somewhat disappointed that it seems not to be delivering on many of the manifesto pledges to enhance public services and to secure a future for those who work in them and rely on them.

**Andrew Wilson:** I agree with Mr Davidson's criticisms of the current position. Will he comment on the fact that Conservative party policy is to cut taxation as a proportion of the national income, which must result in the allocation from Westminster falling even further under a Conservative Government, should there ever be one?

**Mr Davidson:** I am surprised at the naivety of Mr Wilson's question. Obviously, if money is spent wisely on wealth creation, the same low or even lower tax percentages will bring in more tax—it is called fiscal drag, but that may be something that he has not come across. Put simply, if one increases the economy, which is what it is all about, one will increase opportunity, get people into work, collect far more tax and get the national insurance contributions required to deliver the services that Scotland really needs.

A couple of weeks ago, I said that I felt that this was a smoke-and-mirrors sham of a budget, starving our key services of support. I have not moved far from that position. However, to be fair to the minister, we have not really had a full opportunity in this short year to expose the budget process to scrutiny by having this Parliament's committees going through it line by line.

I look forward to that process next year, but in the meantime, I trust that the minister will use his supplementary estimates prudently—a word that seems to be a favourite of his—and not just look to them to steer the economy. We need to have a better reaction to what is going on, and better

anticipation. I look forward to seeing that from the minister, unless he feels that someone else may be stepping into his shoes.

16:00

**Mr Keith Raffan (Mid Scotland and Fife) (LD):** I was interested by Mr Davidson's speech. Of course, he was not able to reconcile the competing bids of Mr Tosh and Miss Goldie. Clearly, they do not speak to each other, and I hope that he will perform independent mediation and try to sort out exactly what the Tory priority is. Is it enterprise, or is it the roads budget?

**Miss Annabel Goldie (West of Scotland) (Con)** rose—

**Mr Raffan:** I will give way in a second.

It is not only that they do not speak to each other here; they do not speak to their counterparts in Wales. I congratulate the minister on taking this budget through. It is the first budget bill of the Scottish Parliament, albeit it went through a compressed process. It is a trailer for what will happen next year.

I know that my review may be regarded as somewhat subjective, so let me quote a distinguished, objective and independent source, namely, Mr Nicholas Bourne, the leader of the Welsh Tories in the National Assembly for Wales. So impressed was he by the way in which the Scottish Executive is run that, after a recent visit here, he waxed lyrical in *The Western Mail*. He said that what has been achieved through a coalition in Scotland is exactly what he wants to see in Wales. He said:

"As a result of the coalition Scotland has a much more stable administration and that showed in the way business was conducted. There is a lot to be said for stability."

I pay tribute to the minister for the part that he has played in achieving successful coalition Government and stability. Oh, would that the Scottish Tories had such intelligent and perceptive leadership.

This budget reflects the priorities of the partnership—the need for better public services, with more than £80 million more for education, in particular.

**Mr Davidson:** In the middle of Mr Raffan's theatricals he talked about the Liberals supporting the budget, and he acknowledged the support that was being given to core services. If that is the case, can he explain why two of his colleagues, the members for Gordon and for West Aberdeenshire and Kincardine, wish a special deal to be done for Aberdeenshire Council, on the basis that the minister has been niggardly with it. Obviously, not all the Liberals agree; yet he talks about us not agreeing.

**Mr Raffan:** We do agree, and I will come to that later in my speech. I am delighted to inform Mr Davidson—because I do not want to keep him in suspense—that Mr Rumbles, who will be winding up for us in this debate, will highlight those concerns about the local government financial settlement. I would like the minister to show greater flexibility. I would like the formula to be changed. I would like an independent review of local government finance. However, that does not mean that we disagree fundamentally with the minister. It means that I hope we can edge him in that constructive direction.

Having said that the minister expresses the priorities of the partnership in this budget, I hope that the Chancellor of the Exchequer's budget on 21 March also will reflect our priorities in Scotland. For it to do so, he must abandon the 1p tax cut and spend the extra revenue on the national health service. As Iain Gray conceded last Thursday, 18 of our health service trusts have forecast deficits, amounting to more than £50 million. I realise that that is a small proportion of the total NHS budget, but we need urgently a cash injection.

**Andrew Wilson rose—**

**Mr Raffan:** I do not want to miss giving way to Andrew Wilson, but I will not do so quite yet.

I hope that the Minister for Finance will put pressure on the Chancellor of the Exchequer, and I hope that Labour non-Executive members will follow me and—not too Don Corleone-like—put pressure on the minister to ensure that he puts pressure on the chancellor. Better services must come before lower taxes. We in the partnership stand unequivocally for better services.

The *Financial Times* said last Friday, in its editorial entitled "Portillonomics":

"The Tories have become ensnared in the contradiction of promising lower taxes and better public services simultaneously."

In fact, they seem to be advocating cuts and public service increases without consulting each other, as I have pointed out already. Not that I want to be too cruel to the Tories. After all, they spent most of the past week adopting good, sensible Liberal Democrat policies, particularly on the independence of the Bank of England and the setting of interest rates. Michael Portillo is the architect of those U-turns. Ladies may not be for turning, but that gentleman certainly is. He has told us repeatedly that one cannot run a cigarette paper between him and Mr William Hague on policy issues. Now we see why: Mr Hague does what Mr Portillo tells him.

Although there have been clear U-turns on both the monetary policy committee and the minimum wage, the position on the Tories' tax guarantee, to

which Andrew Wilson referred, is anything but clear. We started the week with a guarantee, then Mr Portillo refused to confirm that it was a guarantee, so Mr Hague said that it was an aspiration expressed in a guarantee, and then the position went back to being that a guarantee is a guarantee. Mr Portillo's refusal to confirm that it was a guarantee then became "theoretical".

Tory policy making is now so chaotic and it is chopping and changing so rapidly that we do not have to wait in suspense for a couple of days to find out the next instalment, like we do for "EastEnders"; it happens within hours. It is no wonder that leading Tory and right-wing commentator Simon Heffer wrote in desperation last week:

"Just when you feel that the Conservative party might be turning a corner, or at least that it cannot become any more absurd, it proves you monumentally wrong."

I said that the budget reflects the priorities of the partnership, but that does not mean that there are not concerns. Concerns about the local government financial settlement will be addressed by my colleague Mr Rumbles in his winding-up speech and will be addressed by me when we debate the local government financial settlement.

16:06

**Malcolm Chisholm (Edinburgh North and Leith) (Lab):** It is hard to believe that, only 12 months ago, the Scottish budget was dealt with by a statement. If we were lucky, we got one debate thereafter, so this has been an important step forward.

We have begun the process of opening up what has, historically, been the most secretive and under-examined part of Scottish government. We should congratulate everybody—and especially the Finance Committee—on all the work that has been done.

I look forward to much more progress next year, because the other committees could not be involved this year. The big change next year will be that every member of the Parliament—through the committees—should get involved in examining the budget, because it is at the heart of everything that happens in the Parliament.

**Dr Simpson:** Does Mr Chisholm agree that as we make the process more transparent and change the way in which the budget is written, we will also engage the public in relation to the committees, which will be equally important?

**Malcolm Chisholm:** I agree with Richard Simpson. The key word is transparency. The problem with the budget process is that it has never been very transparent, although it is sometimes not easy to make it so, because it is

very technical. However, that must be our intention.

Much of the debate this year has been conducted in terms of headlines, which is perhaps inevitable, so I might as well use some headlines of my own, as I, too, have been reading Arthur Midwinter's essay this week. I noticed two figures, which have not yet been mentioned in the debate today. They show that in the three-year period that started with this Parliament last spring, the real growth in public expenditure in Scotland is 2 per cent a year. In contrast, during the final three years of the previous Government, real-terms public expenditure fell by 1.6 per cent a year. I am sure that Andrew Wilson will welcome the massive difference that a Labour Government has made.

**Andrew Wilson:** Despite having increased by 2 per cent a year, public expenditure still lags behind the increase in average earnings. Given that 60 to 65 per cent of the overall Scottish budget goes on wages and salaries, that can only mean a cut in public sector pay or a loss of jobs.

**Malcolm Chisholm:** That is not right, because there is 2 per cent real growth over and above inflation, which is beyond the level of pay awards.

The Scottish National party has also been using its headlines, although to be fair to Andrew Wilson, perhaps he did not use so many in his speech today. We have become used to its headlines during the budget debate. The one that I have got used to, as a member of the Health and Community Care Committee, is the figure of 0.8 per cent real-terms increase in the health budget for next year. That is an artificial figure because of the massive in-year increase in this year's health budget. The real figure for growth in the health budget over three years is 11 per cent, which is the largest increase that we have known over a three-year period.

Andrew Wilson's main point has been about what he calls the Barnett squeeze. I welcome the discussion about that, because we must go behind the headlines. One of the key issues that we must consider is the effect of the Barnett formula. Let us have transparency about that as well. As Jack McConnell said, the key thing is that per person, increases in expenditure will be the same in Scotland as in England.

Andrew Wilson was not quite right to say that our priorities must be based on the rest of the UK's priorities because, as health or education expenditure increases in England, we will receive the same money in our budget. However, we can spend that in whichever way we want, on our own priorities.

Once again, I welcome the process that we have engaged in this year and look forward to going behind the headlines next year to examine Barnett

and to pick up on what Jack McConnell said about best value. To add a new dimension to that, we need to consider not only cost and quality, but expenditure over time. I have seen the correspondence between Mike Watson and Jack McConnell on public-private partnership projects—we must consider the effect of those projects over time. There has been much controversy about that issue in the newspapers this week—it is one that the Parliament should deal with next year.

16:11

**Mr Adam Ingram (South of Scotland) (SNP):** I take this opportunity to question the financial responsibility in the budget. I have taken the trouble to look at the Executive's press release, dated 15 December 1999, which proudly trumpeted an increase in local government spending ahead of inflation.

Jack McConnell announced that he had been able to increase finance to councils—grant-aided expenditure—ahead of inflation, by 3.7 per cent. He said:

"I want to give local authorities a stable financial regime . . . We will build on our constructive dialogue with local government to respond to the issues which affect vital local services."

Perhaps Mr McConnell would like to explain why it is that all over Scotland, councils are crying out in pain, warning that massive cuts in services and in jobs will have to be imposed so that they can balance their books next year.

In Ayrshire, for example, East Ayrshire Council has announced a shortfall of £7 million, to keep services at the same level as last year. In South Ayrshire, the shortfall is £4 million to £5 million. In North Ayrshire, Labour councillors are to meet officials from their district party to alert them to a financial disaster in the council to the tune of £7 million. That will mean the closure of two old people's homes and two children's homes, the possibility of an entire tier of middle management having to be paid off, education and social work departments being merged, opening hours for main libraries being cut and so on.

Is the minister aware that Labour insiders in North Ayrshire have said in the local press:

"The voters aren't going to forgive us for what we're going to have to do. And that is before we even consider the council tax?"

Will the minister take any responsibility for the crises that are being visited upon our local authorities by his management of Scotland's financial affairs, or are those Labour-run councils being visited with a less than divine retribution for years of mismanagement at local level?

The minister often accuses the Scottish National

party of financial irresponsibility. I put it to you, Presiding Officer, that it is this Administration that demonstrates financial irresponsibility daily, by stripping resources from our local authorities and preventing them from delivering essential services to our old, our young and the most vulnerable in our society.

Why, then, is all not as rosy in the local government garden as the minister's stunning increase of 3.7 per cent would have us believe? The minister might have increased local authorities' budgets, but he has also increased their work load. The 3.7 per cent increase diminishes quickly when we consider the amount of new work that local government has to undertake. According to the Convention of Scottish Local Authorities, costed new burdens alone come to some £120 million. Taking account of those costed new burdens, the increase in grant-aided expenditure falls to 1.1 per cent.

The Executive does not appear to believe that local authority workers deserve any sort of wage rise and, as a consequence, like the Tories before it, it has included no provision for pay awards. A further £100 million must be deducted from local authority spending power, to cover that burden. It is little wonder that, under scrutiny, the minister's budget increase of almost 4 per cent falls rapidly, to the point at which current service levels can no longer be met.

Despite the prevalence of ex-council members in the Parliament, the Executive seems to have forgotten the importance of allowing local communities to spend their money as they see fit. Consequently, councils find that specific grants are set to increase by more than 7 per cent, further restricting their ability to determine spending. How does that square with the minister's statement on 15 December?

I am sick and tired of listening to announcements from the Administration of trendy new initiatives with ring-fencing attached, the impact of which, if any, will be marginal. To say that the minister's presentation of council budgets is done by smoke and mirrors is to be polite. The Administration cannot escape the financial recklessness for which it is responsible simply by expecting councils to make cuts.

16:16

**Mike Watson (Glasgow Cathcart) (Lab):** I was disappointed to hear Adam Ingram's rather cynical speech. His dissection of the speech of the Minister for Finance was cynical in a similar way to Andrew Wilson, although he dressed it up rather more attractively. Adam Ingram continually runs down the budget, attacks it for not being good enough and, as Andrew Wilson did, attacks it for

not being in line with Scotland's priorities. However, if the budget is not in line with Scotland's priorities, Andrew Wilson had better tell us what those priorities are and how they will be financed.

It is not good enough to say, "Our manifesto will contain all the details; just hold on," because that means holding on for three years. The Scottish National party cannot get away with that. Mr Ingram talked of smoke and mirrors—one cannot conceal things behind smoke and mirrors for three years. What is particularly depressing about the open process to which Malcolm Chisholm referred—Andrew Wilson can smile as much as he likes, but he has no answer to this—is that at no stage has the SNP offered an amendment or an alternative proposal.

**Andrew Wilson:** Will the member give way?

**Mike Watson:** I will allow Andrew Wilson to intervene in a moment, because I would like to think that he had something to say in reply.

It is wrong simply to criticise without being willing to offer something to replace the thing that is criticised. Budgeting is about priorities. Those priorities have been identified and the challenge is to go as far as possible within those parameters. If the SNP thinks that those parameters should be widened, it should tell the Parliament and the country how that could be done.

**Andrew Wilson:** I am grateful to the convener of the Finance Committee for giving way. We have consistently argued that there should be much more scope in the devolution settlement to do such things.

On the subject of openness, will Mike Watson tell the Parliament why, as convener of the Finance Committee, he injudiciously used his casting vote to prevent an opening up of the Barnett formula through a proper inquiry backed by the Liberal Democrats, the Conservatives and the SNP? Why did he not back the cross-party approach that would have judiciously opened up the Barnett formula?

**Mike Watson:** That is rather injudicious. As a member of the Finance Committee, Andrew Wilson knows that the committee will be examining the Barnett formula. The way in which the discussion has gone shows that the Barnett formula is an issue that exercises the Parliament widely. The formula will be considered by the Finance Committee—there is no doubt about that and it would be disingenuous to suggest otherwise.

The BBC—whatever one thinks of it—has costed the SNP's proposals at £2.5 billion. That figure was raised in the previous debate on the matter and the SNP disowned it—the SNP cannot

disown it now. It is not a Labour party or Scottish Executive figure—it came from the BBC. The SNP must say where that money will come from. The budget that we are discussing today will produce a real increase of 6.8 per cent over the complete programme of the comprehensive spending review. Over and above that, due to the carry-forward from one year to the next, it will produce a further £130 million. Why do we get no credit for that?

I suppose that it would be too much to ask Andrew Wilson, Adam Ingram and other SNP members to shut up, but I must tell them that now is the time for them to put up and tell us how they propose to fund a budget to replace this one. Why do they not use the mechanisms available so that they can constructively criticise the proposals by saying “Delete this,” or “Move that budget from here to there”? At the moment, the SNP is sniping from the sidelines, taking it easy, but failing to come up with specifics. That is not the purpose of a debate such as this. The budget process is open and transparent. If Andrew Wilson has figures for an alternative budget, I urge him to use them.

Earlier on, Andrew Wilson referred to the Scottish National party as a respectable institution. That organisation, respectable or not, has intelligent researchers who can come up with figures. The SNP must know what the figures are, and if it believes that the priorities in the budget are not correct, it is about time that it began to tell the people of Scotland what its priorities would be.

Jack McConnell, the Minister for Finance, has identified the appropriate priorities. We are approaching the end of our first process in dealing with a budget bill. Next year's will give us full openness and accountability. I hope that the SNP, the Conservatives and others—including the Scottish public—will use that process fully to say what they would put in place of budget proposals that they are not satisfied with. The people of Scotland deserve no less from this Parliament.

16:20

**Nick Johnston (Mid Scotland and Fife) (Con):**

It is most unlike me, but I wish for once to be parochial. Last Thursday, I sat in on the meeting between the minister and Perth and Kinross Council on its budget difficulties. Mr Raffan, who has left the chamber, was there, too. I am not trying to pre-empt the local government settlement debate, but I feel that what I will say is relevant to the budget debate.

I would like to highlight the concerns of my local council, which are reflected across Scotland. I will do so to illustrate the impact of the Executive's agenda on people in our towns and villages. Perth and Kinross Council is one of the most efficient in

Scotland. It has developed innovative solutions to service provision, which are bringing positive financial benefits. However, those benefits will be fully realised only in the longer term. The council is also fully committed to the principle of best value, and it is delivering the class sizes that the minister mentions. We should acknowledge that its expenditure on service delivery per head is the eighth lowest in Scotland, and further acknowledge that only East Renfrewshire Council and City of Edinburgh Council have fewer staff per head of population. Its council tax levels are among the lowest in Scotland, with increases in council tax in Perth and Kinross of 8 per cent over the past three years compared with a Scottish average of 26 per cent.

The council faces difficult decisions, because of population growth both among the elderly and among what have been described as breeding pairs. Of the schools in Perth and Kinross, 90 per cent are nearing full capacity.

The council's provisional revenue budget is estimated to be £12 million in excess of the expenditure guidelines. In building up the budget, the council believes that it has accurately and honestly reflected the true cost of delivering the same level of service to the citizens of Perth and Kinross as it did in 1999-2000.

The council has identified approximately £8.3 million of savings measures. Those savings represent demanding steps that the council will be forced to adopt in meeting the budget deficit. That is relevant to the debate, because it highlights the impact on the citizens of Scotland of the cuts that are being imposed.

Among the savings are a 10 per cent reduction in school supplies; a reduced budget for behavioural support; a cut of one third in the budget for visiting specialists—for example, music, physical education and art teachers; a reduced budget for roads maintenance; a reduction in the operating budget for residential homes and other social work facilities; a reduction in the budget for the maintenance of playgrounds; a reduced provision for clothing grants; and a reduction in the budget for street sweeping. Other measures include the introduction of a £2-a-week charge for the community alarm service; increased charges for home care; increased senior citizens' fares from a quarter to a half; and an introduction of charges for child health services. Finally, the council will cease all high school bursaries, cease all pre-school home visiting, and freeze the Perthshire Tourist Board grant.

I know that the minister will respond in due course, and I am happy to let him do that. I wanted merely to point out that if that efficient and well-run council can find savings and can collect its arrears in council tax—and I believe that that collection is

running at about 94 per cent—there is no reason why every other council in Scotland should not do the same.

I want to put on record the pressures placed on even the most efficient of councils by the Executive's actions. I know that hard decisions have to be made, and we supported the minister when he said that the pot was only so big. But let us have some flexibility in local government settlements, and let us ease the burdens on local councils and local people.

16:24

**Mr Kenneth Macintosh (Eastwood) (Lab):** This is our first Scottish budget. It is another milestone on our journey to devolution. But it is not the sort of occasion that our colleagues would see at Westminster. Obviously, the Chancellor of the Exchequer's budget is on a different scale and provides a different type of political drama.

There is another crucial difference in which we should take pride. The Minister for Finance has not gone into weeks of purdah, closeting himself with his coterie of advisers, and emerging like a magician with his red box and his solution to all our worries. This is a budget that we can take part in, as many have. The Scottish Executive has published its plans and objectives for all to see, and both MSPs and the wider community have been able to contribute to and participate in the decision-making process.

This year, the budget process has been curtailed because this is the Parliament's first year and there has been a lack of parliamentary time. However, we can already see that the process is being approached in the right manner.

What is that process? As many of my colleagues have pointed out, it is about money. Everyone is always asking for more money; budgets prioritise such claims, and this one is no exception. Difficult decisions have been taken, but they have been taken in the context of our programme for government, which is a set of short-term and long-term objectives that will deliver social justice. The budget is about hard cash being directed at the people who need it most.

What does that mean for the people of Scotland? As with the rest of the UK, the budget means a real-terms increase in health spending, which means fully funded pay awards for nurses and other health service staff.

**Mr Davidson:** I find Mr Macintosh's previous comment a little strange. I have received communications from many health board areas and hospital trusts saying that although they have received an above-inflation increase, it is not sufficient for next year and they will have a hard

struggle. Although I do not disagree with the fact that efficiency savings must be found, the situation is not all milk, roses and honey.

**Mr Macintosh:** I agree with Mr Davidson that the situation is not all milk, roses and honey; difficult choices have to be made. However, even Mr Davidson will recognise that we have found billions of pounds over and above the spending plans that we inherited from the previous Administration. We have invested that money in the health service to increase substantially health service pay in a way that the previous Administration could not. We should all welcome that as a recognition of the hard work and commitment of health service staff throughout this country.

The budget does not echo decisions that are being taken in the UK; specific decisions have been taken for Scotland. The budget means extra millions for our roads, not for an airy-fairy wish list of roads that will never be built but, thanks to difficult decisions made by the Minister for Transport and the Environment, for projects such as the upgrading of the A77 death trap in my area.

For young families in every constituency, the budget means nursery places for all three and four-year-olds who want them. That is a huge investment for both the children concerned and the whole community. Furthermore, in Scotland, we have made a commitment to find an extra £50 million for higher and further education, which will be directed at people who are least able to afford a university place and will encourage greater access for all.

I am not sure which side of the coin has the greatest merit. Is it the fact that we share with our neighbours in the rest of the UK and our colleagues in Westminster the desire to invest huge amounts of money in our schools, hospitals and homes; or is it our ability, in this Parliament and budget, to make our own decisions, set our own priorities and pursue our own agenda?

Whether the issue is where we differ or where we agree on common priorities, I particularly welcome the fact that the people of Scotland can now actively participate in the spending decisions that affect their lives. The decisions that have been taken are realistic, achievable and responsible and they are seen to be so because the process is open, accessible and participative.

In the future, we will be able to look back and measure what we have done to tackle poverty and social exclusion, and to raise standards, expectations and attainment levels. Although this year we are limited to agreeing priorities and objectives, we can unite behind those objectives. I commend the budget.



16:28

**Alex Neil (Central Scotland) (SNP):** I will begin by disagreeing with a comment made by the Minister for Finance in his opening statement. He said that

"the Scottish economy is in excellent shape."

That is one of the most complacent statements that the Parliament has heard in the past 10 months.

Let us examine the state of the Scottish economy. There are still about 130,000 people on the dole; that is not an excellent state for them to be in. Secondly, Scotland is suffering from depopulation and a brain drain.

**Dr Simpson:** Will Alex Neil give way?

**Alex Neil:** I am sorry—I have only four minutes.

Earlier this week, a forecast suggested that, if the depopulation in Scotland continues at its present rate, the country's population will be down to just over 3 million by the end of the next century. Scotland is the only country in western Europe that is suffering from such a level of depopulation.

Depopulation and unemployment feed on each other. We should not underestimate the structural problems in the Scottish economy that result from depopulation, in particular the brain drain of the young and the bright—the very people whom we need to rebuild the Scottish economy.

Our industrial base is one of the narrowest in western Europe. We rely on three or four industries, each of which faces particular difficulties. We rely on only three or four sectors for 75 to 80 per cent of all our exports.

On priorities, the Minister for Finance should look at the budget of Scottish Enterprise, which spends £30 million a year on consultants and £7 million a year on export promotion. As a country, we spend less on the promotion of all our exports than the Danes spend on promoting their bacon abroad. Surely we should get our priorities right and turn those figures round—we should be spending £30 million on export promotion and perhaps £7 million on consultants.

We are suffering because of the inflation—in particular, the 30 per cent hike in house prices in the south of England—that has forced the Bank of Scotland to jack up interest rates to twice their real level in mainland Europe. That means that our businesses—big, medium or small—pay twice as much to borrow money as do their competitors in euro-land. It is commonly accepted in the City of London that the exchange rate is overvalued to the tune of about 25 per cent.

Look at the other structural problems in the

Scottish economy, such as the fact that we rely almost totally on inward investment for the growth of wealth and jobs in Scotland. Until three years ago, Labour members agreed that we had such problems, but now that they are in office everything has suddenly become rosy. We still face those structural problems. We do not have the indigenous growth that a modern economy requires from its small and medium businesses, and a high percentage of our businesses is owned by foreign companies.

To say that the Scottish economy is in excellent shape is a statement of complacency that is beyond belief. We need a budget that will tackle Scotland's fundamental economic and social problems. Spending on health and education may be going up, but that is because spending on housing, transport and enterprise is going down. The Executive is robbing Peter to pay Paul.

**Mike Watson:** What is the alternative?

**Alex Neil:** The alternative is to have fiscal autonomy, so that instead of giving a 1p tax cut to those who do not need it, we invest the money in essential services in Scotland. Another part of the solution would be for us to get our share of the budget surplus of £7 billion to £12 billion this year, which would be well over £1 billion. From those two measures alone, we would have an extra £1.5 billion to spend on essential services. That would help to generate jobs, tackle poverty, solve the housing problem and all the rest of it. The answer is there; the problem is that we need fiscal autonomy to be able to implement it.

16:34

**Des McNulty (Clydebank and Milngavie) (Lab):** Andrew Wilson summed up the SNP's position on the Executive's budget clearly and effectively when he said that he would not support it, oppose it, or present any alternative to it.

The whole purpose of introducing a transparent budgetary process is that people can be clear about their options, the alternatives and where they stand. We have heard none of that from the SNP.

Mike Watson made the point that the SNP has not offered one amendment or proposed any alternative during the entire debate. If the SNP's priorities differ from ours, why does it not state them clearly so that we can discuss them budget head by budget head so that we know where the SNP stands?

Instead, all we get from the SNP is a series of statements about what it would do, based on economics that remind me of the stories my mother told me when I was young about finding leprechauns at the bottom of garden and digging

up pots of gold. The SNP is waiting for the pot of gold and looking for the leprechauns in the hope that they will deliver.

I feel sorry for Andrew Wilson, because he cannot sit in the chamber all the time with his wee pocket calculator, totting up the commitments as they are made. It is unfortunate for him that his experience as shadow Minister for Finance is of being force-fed junk commitments by his front-bench colleagues.

Earlier in the week, I was interested to read in a newspaper that the singer who wears the Mr Blobby costume has lost his voice as a result of the demands of the role. Sometimes, Mr Wilson must feel like the Mr Blobby actor, because he has commitments coming at him all the time and all he can do is mouth the same old platitudes. It is a difficult role. I feel some sympathy for him.

There is a level of dishonesty in the SNP's approach, which must be picked up. Every local cause across Scotland—every campaign—is being promised that the SNP will find additional resources, whether in Tayside, the Highlands or South of Scotland. Everything is on offer from the SNP.

Dorothy-Grace Elder probably leads the way for the SNP in shamelessness, but her colleagues are not far behind. In some ways, that reflects the experience of the SNP in local government, where it has a separate policy for every street of every district of every town. The same approach is being adopted by the SNP in the Parliament. The SNP's lack of success in local government should alert it to the fact that voters are aware of the incompatibility of the promises that are being made.

Some of the comments that have been made about the Barnett formula beggar belief, or at least beggar understanding. People are not interested in arcane debates about percentages. They are interested in whether there is more money. The question is not whether there is a higher percentage of growth here or there, but whether there is more money for schools, hospitals and other services.

Jack McConnell has detailed, point by point, what Labour will spend its money on. Commitments on nursery schools, the health service and education have all been mentioned. Each time, the commitment has been costed. The extra money per capita that is available in Scotland is the same, pound for pound, as the extra money that is available south of the border. Andrew Wilson cannot deny that, so he tries to talk about percentages instead.

I would quite like some real comparisons to be made, because some of them—on the health service, for example—would be very positive.

Percentages are sometimes misleading, but I believe that the fact that Scotland spends more of its total expenditure on health than does England means that we have prioritised a better health service.

**The Deputy Presiding Officer (Mr George Reid):** Will you close, please?

**Des McNulty:** If I may make a European comparison—

**The Deputy Presiding Officer:** Very briefly.

**Des McNulty:** A European comparison would not show our health spending in an adverse light.

In conclusion, there is a question of honesty in the way arguments are presented. At the end of the day, the SNP will have to defend its case on the basis of its economic competence, which nobody will be able to judge unless it puts its cards on the table. What would the SNP do? Where would it spend money? What positive choices would it make? Unless the SNP is prepared to answer those questions, the people of Scotland will not take it seriously.

16:39

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** I take the opportunity of this debate to highlight the severe difficulties facing councils, such as Aberdeenshire Council, as a result of the Minister for Finance's proposed budget. I understand that the local government settlement will require separate approval by Parliament and that a debate is scheduled for the end of the month. However, I want to take the opportunity now—as Nick Johnston, who unfortunately has left the chamber, and Adam Ingram did earlier—to register my objection to the fact that the Minister for Finance's funding formula has resulted in a real crisis for councils. I want to highlight the issue by looking at the situation of Aberdeenshire Council.

Evidence from the Accounts Commission, Her Majesty's inspectorate of schools, the Chartered Institute of Public Finance and Accountancy and the Manpower Services Commission shows that Aberdeenshire's services cost less than those of most other councils. That cost-effectiveness has been achieved while Aberdeenshire's population continues to rise at a rate more than five times the Scottish average, resulting in an increasing need to spend more just to maintain present services.

In education, Aberdeenshire's need to spend is set to outstrip the Scottish average while the formula Mr McConnell is operating will provide a less-than-average grant. As we know, support from the Executive is the main basis of council funding. As a result, Aberdeenshire needs to cut nearly £13 million from its budget. That represents

real cuts in basic services, and people's jobs are on the line.

At this point, I would like to remind the Executive that Aberdeenshire's spending per head of population is only 89 per cent of the Scottish average, and that it has a staff ratio 12 per cent below the average. In other words, it is already operating with nearly 1,150 fewer staff than the average Scottish council. I believe that Mr McConnell has some experience of Stirling Council. If Aberdeenshire had the same level of funding per head of population, the council would be £25 million better off. That would address the crisis of the £13 million shortfall, and more.

I believe that Mr McConnell has recognised that Aberdeenshire Council is a model council. I want to know how such a model council, so prudent in its spending, can be treated in this way. Giving one year's flexibility is simply not good enough, as the problems are just put off for a year. We need greater flexibility and a proper use of funds that are, as Adam Ingram pointed out, currently ring-fenced by the Executive.

I will give members one example. Next year, the schools excellence fund will put £1.75 million into Aberdeenshire. That money is aimed at adding value to the educational experience. We trumpet that, but it just adds insult to injury if at the same time the council is forced to make secondary school teachers redundant—and that is the plan. We have got something fundamentally wrong here, and it is up to the Minister for Finance—not anybody else—to address the problem. Both Nora Radcliffe and I are very conscious that the voters of Aberdeenshire did not send us to the Scottish Parliament to ditch teaching jobs and cut central services.

I end by making it absolutely clear to the Executive—and to the Minister for Finance in particular—that although today Nora Radcliffe and I will vote for the Executive's overall budget proposal, Mr McConnell does not have our support for the local government settlement. There must be movement before that debate is held if our support and that of others is to be forthcoming. We thank the Minister for Finance and other ministers for the constructive and businesslike meetings that we have had so far, but it is no good telling us that it is out of the minister's hands because of the formula. The Minister for Finance is in charge of the formula, not the other way around.

It is up to the Minister for Finance to come up with the flexibility on funding that Aberdeenshire Council and so many other councils need. Essential services are in real danger and people's jobs are on the line.

16:44

**Miss Annabel Goldie (West of Scotland)**

**(Con):** I thank the minister for his explanation of the Budget (Scotland) Bill. I noted particularly his phrase

"spending the people's money well on the people's priorities".

It is right that this party should affirm that there is no bottomless purse and that we are committed to no new or higher taxes. However, I must suggest to the minister that that makes analysis of

"spending the people's money well on the people's priorities"

particularly critical.

I suggest that we consider the first component, spending well. I presume that that means not spending freely, but spending prudently. That brings me to words that I regard as helpful, such as "efficiency" and "savings".

I had hoped that this bill might have been accompanied by a projection of efficiency and savings from the minister, in particular of what specific efficiency and savings directives he has issued to his ministerial colleagues. The Parliament needs to identify a base cost for core services. Without that, fire-fighting supplementary estimates will be a fact of life.

I think that economic management requires strategic direction, which currently seems to be lacking. I fully accept that there may not be culpability on the minister's part, and I acknowledge that we are working in a new system and in a new structure, but we have to begin asking the question, "Who is responsible for strategic direction in economic management?" Without that direction, we are being led to a budget that is rather like a wheel with no spokes.

I share the view of my colleague, Mr Davidson, that some rigorous discussion with the Chancellor of the Exchequer about the tax take from Scotland is long overdue, and Professor Midwinter's warning about the health service should not go unheeded.

Efficiency in local authorities needs to be demonstrated. They should be rewarded for better outturns, core service focus and delivery efficiency. I echo the sentiments of Mr Johnston and Mr Ingram, and even the comments of the wolf in fluffy pink clothing, Mr Rumbles: attention demands to be paid to what local authorities are doing. The efficient ones have to be acknowledged, but I am not sure that there is any formula that does that. I also feel that, given the recent disclosures about uncollected community charge and council tax, this matter is long overdue for attention, and I would like to think that within the minister's formula, whatever it is, there is

provision for that facility. It seems that the minister requires an intimate knowledge about what is going on in local government. Only then will the phrase "spending well" have a ring of conviction.

As for the people's priorities, it is clear that we are running short on essential public services. The rural economy is in a state of unprecedented disintegration, we underperform in business expansion and there are huge questions about the health service. What is disclosed in the bill is that more remains unexamined, uninvestigated and unmeasured in terms of outturn and efficiency. In those circumstances, I regret that this party is unable to support the minister's budget, and we shall feel it necessary to abstain when the question on the motion is put at decision time.

16:47

**Andrew Wilson:** I am grateful for the opportunity to close for the SNP in this historic stage 3 debate on the first Budget (Scotland) Bill.

I begin by congratulating Malcolm Chisholm on his excellent speech. He was absolutely correct: we should always point to the positive where possible. The bill represents a step forward from the current process operating at Westminster.

We should not kid ourselves, however. The budget process here is no benchmark of what goes on elsewhere in the world. I can find out more from a trip to the website of the Finnish finance ministry about what is going on in Finland than I can about what is going on here in Scotland. We have a lot of work still to do, and some openness from the Government would be helpful as we progress. We are not there yet.

**Mike Watson:** On the theme of openness as displayed by Andrew Wilson's colleague, Alex Neil, in an illuminating speech, will Andrew confirm that the two aspects of change in the budget to which Alex Neil referred are in fact SNP policy and that Andrew subscribes to them?

**Andrew Wilson:** I am not aware of the specific points that Mike Watson refers to, but the key point that Mr Neil made was that if Scotland had the normal powers of a normal country, such as Finland or indeed Ireland—not richer countries than Scotland—we would have the opportunity to access the surplus in the nation's finances, which at present more than meet the Maastricht criteria. That would amount to an excess of 10 per cent of the Scottish budget at present.

Added to that is the fact that the SNP has a commitment from the last election to freeze, not cut, income tax. Ten per cent is not a small amount of money, and accessing that surplus is the sort of thing that we could do if we were a normal country with normal powers. The budget,

with the constraints placed upon it, is not a normal country's budget; it is a cake division—robbing Peter to pay Paul.

Mr Watson agrees. He asks what we would do. He has to rob Peter to pay Paul. I did not come into politics to argue about divisions of a cake when we should be arguing about how to allocate the nation's finances. We need to think about both revenue and expenditure. That is real politics and it is what a national Parliament should be discussing. Normal budgets go much wider.

The SNP is the only party that entered the election in May with the honesty to say how we would implement a serious programme of value release across Scotland instead of simply making efficiency savings. We listed in detail each one of the SNP's spending commitments from the penny for Scotland. Incidentally, the penny for Scotland was pilloried by new Labour from the right wing of the political spectrum and yet is agreed with by the Liberals in this debate. It would make a serious contribution to tackling the crisis that faces us.

I see that a wannabe—if not gonnabe—minister is seeking to intervene. I am delighted to give way.

**Mr Macintosh:** I would prefer not to be subjected to personal insults in the chamber. I know that that was not a terribly personal one, but Andrew Wilson and I get on well and I do not want to start name calling in the chamber.

Contrary to what Andrew Wilson said, the SNP proposed efficiency savings. It suggested a huge programme, based on an efficiency saving of something like 5 per cent across the budget. However, the party never specified where the savings would come from.

**Andrew Wilson:** Mr Macintosh should ask the numerous advisers who sit in the back of the chamber. The target across the Scottish block was 0.75 per cent, which Professor Arthur Midwinter described as a modest programme. The target can still be achieved if the Government follows through on its commitment to release value across the budget. Mr Macintosh's numbers are wrong, but we will forgive him, as the debate is very detailed.

This Parliament must tackle the Barnett squeeze. Every party, with the possible exception of Labour, agrees with that. If we do not tackle it, we will not meet the priorities of the people of Scotland. Arguing about the division of a cake is not enough. A national legislature should have the normal powers that a normal country would have. Why run away from normal powers? What does the Executive fear?

16:52

**Mr McConnell:** I am delighted to wind up the debate and to wind up a process that began last

June with our decision not to use the tax-varying power and the early discussions on the financial procedures legislation. We have conducted the most open and transparent discussion about Scottish public spending ever. Next year's will be even more open and transparent. There have been a number of good, solid contributions to our discussion today and I would like to respond to a few points.

I will return later to the issue of local government finance that Adam Ingram and Nick Johnston raised. However, I would say to Nick Johnston, who boasted about the 94 per cent council tax collection rate in a council in his area, that that rate is still below the average collection rate in England. Our attempts to improve the collection rate across Scotland will include Perth.

Malcolm Chisholm was right to point out the substantial increases in all the budgets. It is not true to suggest that the budgets for transport, enterprise or housing are being reduced. The figures before us today show real-terms increases in all those budgets. Malcolm was also right to point out that this bill is about this Parliament deciding its priorities in an open and transparent way.

Mike Watson made that same point when he talked about the important role played by the Finance Committee and other bodies in the deciding of those priorities. He again exposed the disappointing record of the Conservative and Scottish National parties on the budget. Never have they suggested an amendment to the budget. Since the announcement of a large part of the budget in the comprehensive spending review, they have had more than a year to suggest alternatives, but they have not done so. Mike Watson also referred to the £2.5 billion-worth of spending commitments from the SNP's front-bench spokespersons. I might return to that point before I finish.

Ken Macintosh made the solid point that we are going to allocate—not only next year, but the year after as well—some £50 million extra for student financial support. That is just one of the real improvements that I did not list in my opening speech, although I could have done.

Alex Neil was wrong to say that the Scottish economy is not in a strong and improving position. The truth is that unemployment is at its lowest level since 1976—lower than the EU average and lower than in France and Germany. Youth unemployment has decreased by 60 per cent in two years and long-term unemployment has decreased by 30 per cent in the same period. Output is rising and services are showing growth. Unlike the rest of the UK, Scotland is experiencing growth in the manufacturing sector. To the third quarter of 1999, we experienced export growth of

almost 8 per cent. All recent surveys have shown that the Scottish economy is in an increasingly healthy position. Our job in this Parliament is to talk that up and improve it, not to talk it down or run it down.

It is also important to address the point that Andrew Wilson made—very quickly, so that we would not notice it—at the end of his winding-up speech. He described how, in the eyes of SNP members, fiscal autonomy might improve the position of Scottish public spending. Andrew Wilson is keen on quoting Brian Ashcroft in his speeches in these budget debates, but he never mentions the fact that Brian Ashcroft has been quoted as saying that

“the net transfer from England to Scotland is an unavoidable fact.”

Brian Ashcroft recognises the structural budget deficit. I presume that Andrew would too—if he was honest and quoted a bit more of what Brian Ashcroft has said in recent years. Andrew Wilson is also keen on making cheap jibes about speakers in the chamber. Given the SNP finance spokesman's record on facts and figures about independence and the financial position of Scotland and England, he cannot say much that we should take too seriously.

Mike Rumbles made several points about Aberdeenshire Council. As some of them were made in an over-personal way, it would be appropriate for me to respond briefly. The formula for the distribution of local government finance in Scotland—which will be addressed in more detail in the debate on the settlement in two weeks' time—is agreed after long discussion with the Convention of Scottish Local Authorities. The leader of Aberdeenshire Council sits on the committee that agrees that formula with me. That formula is a collective agreement between Scottish local government, this Executive, ministers and, eventually, this Parliament. It is important that that procedure remains.

I first met Aberdeenshire Council in June. Its members made a coherent case to me and John Reid that day concerning why they had gone over guidelines. They apologised and said that they would not have gone over guidelines if they had known that that would have posed a difficulty or problem. They wished—

**Mr Rumbles:** Will Mr McConnell give way?

**Mr McConnell:** I apologise to Mike, but I gave him a chance to say what he had to say without interrupting him. I want to clarify several points that he raised.

It is important to note that Aberdeenshire Council asked us not to cap its spending; we did not. It then asked us to give it an extra year to

return to guidelines; we have.

**Mr Rumbles:** Will Mr McConnell give way?

**Mr McConnell:** I would welcome any proposal from Aberdeenshire Council that helps it to deal with problems in its budgets. It is important that its members are factually accurate about its current budgetary position and that they recognise that they were participants in the making of decisions that led to the distribution formula. Until they make some—

**Mr Rumbles:** Will Mr McConnell give way?

**Mr McConnell:** I ask Mike Rumbles to let me finish this point.

Until they make some specific suggestions as to the flexibility they require, I cannot respond. As soon as they do, I shall respond. I want to make it clear to everyone who lives in Aberdeenshire that there is no need for Aberdeenshire Council to make any teacher redundant next year as a result of the budget settlement.

**Mr Rumbles:** Disgraceful.

**Members:** Ooh.

**Mr McConnell:** I shall finish by addressing the overall nature of this budget, and the so-called underspending that was referred to by Andrew Wilson. In committee and in this chamber, we have heard several points over recent months about spending levels. There has been a distortion of the health spending real-terms increase for next year and a distortion of other budgetary increases as well. We have also heard a number of promises.

I suspect that we may have a new game from the SNP's commercial company, which was set up to boost the fortunes and finances of the party—presumably, it lost so much after it lost its able chief executive to this Parliament last year. I thought for a minute that Andrew Wilson might do a Michael Portillo and announce a U-turn in his speech on the tax position, but he did not.

Perhaps Andrew Wilson should be aware that the company might be about to advertise a new game called, "Who wants to spend like a billionaire?" I believe that the game has three options. One is to ask the audience, but if he were to ask the audience sitting behind him, he might find that Richard, Nicola, Kay or Kenny—or some of the others—propose to spend so much money that he cannot afford to address those proposals. He might then want to take the 50:50 option, which involves deleting two options—or two people—from those available. I can tell him that, by my calculation, if he deletes the two Kennys, he would halve his budget deficit overnight.

There is, of course, a third option—Andrew could phone a friend. However, given the history

of budget deficits in the 1990s promoted by the party sitting opposite the SNP, he could phone any number of Conservative friends to find a way of keeping things going for a few years.

We have had another good budget debate. One of the main purposes behind the establishment of this Parliament was to ensure that Scotland's finances came under Scotland's control. It is a fundamental purpose of the Parliament that we agree our budgets. We are spending more than £16 billion. We must spend that money well on the right priorities and we must debate those choices in the year ahead. I strongly commend the Budget (Scotland) Bill to everyone.

## Decision Time

17:03

**The Presiding Officer (Sir David Steel):** I have nine questions to put to the chamber as a result of today's business. Before I start, may I ensure that all members are seated at functioning consoles, so that there is no need for me to extend the voting time? Is anyone in any doubt about that? Members can sit anywhere to vote, it does not matter—they might even make new friends. Members will know which consoles are functioning, as they have microphones attached—those without microphones are not working. Shall we begin?

The first question is, that amendment S1M-510.1, in the name of Henry McLeish, which seeks to amend motion S1M-510, in the name of Nick Johnston, on Scottish Enterprise, be agreed to. Are we agreed?

**Members:** No

**The Presiding Officer:** There will be a division.

### FOR

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Canavan, Dennis (Falkirk West)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Dewar, Donald (Glasgow Anniesland) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)  
 Gillon, Karen (Clydesdale) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (Edinburgh Pentlands) (Lab)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Kerr, Mr Andy (East Kilbride) (Lab)

Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 Lyon, George (Argyll and Bute) (LD)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 MacDonald, Ms Margo (Lothians) (SNP)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Mr Tom (Hamilton South) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
 McGugan, Irene (North-East Scotland) (SNP)  
 McLeish, Henry (Central Fife) (Lab)  
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Quinan, Mr Lloyd (West of Scotland) (SNP)  
 Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Robson, Euan (Roxburgh and Berwickshire) (LD)  
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Mr Alex (Banff and Buchan) (SNP)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Sturgeon, Nicola (Glasgow) (SNP)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 Welsh, Mr Andrew (Angus) (SNP)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Allan (Cunninghame North) (Lab)  
 Wilson, Andrew (Central Scotland) (SNP)

### AGAINST

Aitken, Bill (Glasgow) (Con)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Fergusson, Alex (South of Scotland) (Con)  
 Gallie, Phil (South of Scotland) (Con)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Johnston, Nick (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North-East Scotland) (Con)  
 McGrigor, Mr Jamie (Highlands and Islands) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLetchie, David (Lothians) (Con)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Mundell, David (South of Scotland) (Con)  
 Scanlon, Mary (Highlands and Islands) (Con)

Tosh, Mr Murray (South of Scotland) (Con)  
Wallace, Ben (North-East Scotland) (Con)  
Young, John (West of Scotland) (Con)

#### ABSTENTIONS

Sheridan, Tommy (Glasgow) (SSP)

**The Presiding Officer:** The result of the division is: For 91, Against 18, Abstentions 1.

*Amendment agreed to.*

**The Presiding Officer:** The second question is, that motion S1M-510, as amended, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

#### FOR

Alexander, Ms Wendy (Paisley North) (Lab)  
Baillie, Jackie (Dumbarton) (Lab)  
Barrie, Scott (Dunfermline West) (Lab)  
Boyack, Sarah (Edinburgh Central) (Lab)  
Brown, Robert (Glasgow) (LD)  
Canavan, Dennis (Falkirk West)  
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
Crawford, Bruce (Mid Scotland and Fife) (SNP)  
Cunningham, Roseanna (Perth) (SNP)  
Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
Dewar, Donald (Glasgow Anniesland) (Lab)  
Eadie, Helen (Dunfermline East) (Lab)  
Elder, Dorothy-Grace (Glasgow) (SNP)  
Ewing, Dr Winnie (Highlands and Islands) (SNP)  
Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
Ewing, Mrs Margaret (Moray) (SNP)  
Fabiani, Linda (Central Scotland) (SNP)  
Ferguson, Patricia (Glasgow Maryhill) (Lab)  
Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)  
Gillon, Karen (Clydesdale) (Lab)  
Grahame, Christine (South of Scotland) (SNP)  
Grant, Rhoda (Highlands and Islands) (Lab)  
Gray, Iain (Edinburgh Pentlands) (Lab)  
Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
Harper, Robin (Lothians) (Green)  
Henry, Hugh (Paisley South) (Lab)  
Home Robertson, Mr John (East Lothian) (Lab)  
Hughes, Janis (Glasgow Rutherglen) (Lab)  
Hyslop, Fiona (Lothians) (SNP)  
Ingram, Mr Adam (South of Scotland) (SNP)  
Jackson, Dr Sylvia (Stirling) (Lab)  
Jackson, Gordon (Glasgow Govan) (Lab)  
Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)  
Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
Kerr, Mr Andy (East Kilbride) (Lab)  
Livingstone, Marilyn (Kirkcaldy) (Lab)  
Lochhead, Richard (North-East Scotland) (SNP)  
Lyon, George (Argyll and Bute) (LD)  
MacAskill, Mr Kenny (Lothians) (SNP)  
Macdonald, Lewis (Aberdeen Central) (Lab)  
MacDonald, Ms Margo (Lothians) (SNP)  
Macintosh, Mr Kenneth (Eastwood) (Lab)  
MacLean, Kate (Dundee West) (Lab)  
Macmillan, Maureen (Highlands and Islands) (Lab)  
Martin, Paul (Glasgow Springburn) (Lab)  
Marwick, Tricia (Mid Scotland and Fife) (SNP)  
Matheson, Michael (Central Scotland) (SNP)  
McAllion, Mr John (Dundee East) (Lab)

McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
McCabe, Mr Tom (Hamilton South) (Lab)  
McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
McGugan, Irene (North-East Scotland) (SNP)  
McLeish, Henry (Central Fife) (Lab)  
McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
McNeill, Pauline (Glasgow Kelvin) (Lab)  
McNulty, Des (Clydebank and Milngavie) (Lab)  
Morrison, Mr Alasdair (Western Isles) (Lab)  
Muldoon, Bristow (Livingston) (Lab)  
Mulligan, Mrs Mary (Linlithgow) (Lab)  
Murray, Dr Elaine (Dumfries) (Lab)  
Neil, Alex (Central Scotland) (SNP)  
Paterson, Mr Gil (Central Scotland) (SNP)  
Peacock, Peter (Highlands and Islands) (Lab)  
Peattie, Cathy (Falkirk East) (Lab)  
Quinan, Mr Lloyd (West of Scotland) (SNP)  
Radcliffe, Nora (Gordon) (LD)  
Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
Reid, Mr George (Mid Scotland and Fife) (SNP)  
Robison, Shona (North-East Scotland) (SNP)  
Robson, Euan (Roxburgh and Berwickshire) (LD)  
Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)  
Russell, Michael (South of Scotland) (SNP)  
Salmond, Mr Alex (Banff and Buchan) (SNP)  
Scott, Tavish (Shetland) (LD)  
Simpson, Dr Richard (Ochil) (Lab)  
Smith, Elaine (Coatbridge and Chryston) (Lab)  
Smith, Iain (North-East Fife) (LD)  
Stephen, Nicol (Aberdeen South) (LD)  
Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
Sturgeon, Nicola (Glasgow) (SNP)  
Thomson, Elaine (Aberdeen North) (Lab)  
Ullrich, Kay (West of Scotland) (SNP)  
Watson, Mike (Glasgow Cathcart) (Lab)  
Welsh, Mr Andrew (Angus) (SNP)  
White, Ms Sandra (Glasgow) (SNP)  
Wilson, Allan (Cunninghame North) (Lab)

#### AGAINST

Aitken, Bill (Glasgow) (Con)  
Davidson, Mr David (North-East Scotland) (Con)  
Douglas-Hamilton, Lord James (Lothians) (Con)  
Fergusson, Alex (South of Scotland) (Con)  
Gallie, Phil (South of Scotland) (Con)  
Goldie, Miss Annabel (West of Scotland) (Con)  
Harding, Mr Keith (Mid Scotland and Fife) (Con)  
Johnston, Nick (Mid Scotland and Fife) (Con)  
Johnstone, Alex (North-East Scotland) (Con)  
McGrigor, Mr Jamie (Highlands and Islands) (Con)  
McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
McLetchie, David (Lothians) (Con)  
Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
Mundell, David (South of Scotland) (Con)  
Scanlon, Mary (Highlands and Islands) (Con)  
Tosh, Mr Murray (South of Scotland) (Con)  
Wallace, Ben (North-East Scotland) (Con)  
Young, John (West of Scotland) (Con)

#### ABSTENTIONS

Sheridan, Tommy (Glasgow) (SSP)

**The Presiding Officer:** The result of the division is: For 90, Against 18, Abstentions 1.

*Motion, as amended, agreed to.*

*Resolved,*

That the Parliament supports the Executive's publication



of a consultation paper seeking views on the future of the enterprise networks as part of its drive to encourage a more entrepreneurial culture in Scotland and to provide a modern framework for economic development.

**The Presiding Officer:** The third question is, that amendment S1M-509.1, in the name of Michael Matheson, which seeks to amend motion S1M-509, in the name of Mr Brian Monteith, on section 2A of the Local Government Act 1986, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Canavan, Dennis (Falkirk West)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Grahame, Christine (South of Scotland) (SNP)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 MacDonald, Ms Margo (Lothians) (SNP)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McGugan, Irene (North-East Scotland) (SNP)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Quinan, Mr Lloyd (West of Scotland) (SNP)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Mr Alex (Banff and Buchan) (SNP)  
 Sheridan, Tommy (Glasgow) (SSP)  
 Sturgeon, Nicola (Glasgow) (SNP)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Welsh, Mr Andrew (Angus) (SNP)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Andrew (Central Scotland) (SNP)

**AGAINST**

Aitken, Bill (Glasgow) (Con)  
 Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Dewar, Donald (Glasgow Anniesland) (Lab)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Fergusson, Alex (South of Scotland) (Con)  
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)  
 Gallie, Phil (South of Scotland) (Con)  
 Gillon, Karen (Clydesdale) (Lab)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Grant, Rhoda (Highlands and Islands) (Lab)

Gray, Iain (Edinburgh Pentlands) (Lab)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Johnston, Nick (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North-East Scotland) (Con)  
 Kerr, Mr Andy (East Kilbride) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lyon, George (Argyll and Bute) (LD)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Mr Tom (Hamilton South) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
 McGrigor, Mr Jamie (Highlands and Islands) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLeish, Henry (Central Fife) (Lab)  
 McLetchie, David (Lothians) (Con)  
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Mundell, David (South of Scotland) (Con)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Robson, Euan (Roxburgh and Berwickshire) (LD)  
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Scott, Tavish (Shetland) (LD)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Wallace, Ben (North-East Scotland) (Con)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 Wilson, Allan (Cunninghame North) (Lab)  
 Young, John (West of Scotland) (Con)

**The Presiding Officer:** The result of the division is: For 32, Against 78, Abstentions 0.

*Amendment disagreed to.*

**The Presiding Officer:** The fourth question is, that amendment S1M-509.2, in the name of Ms Wendy Alexander, which seeks to amend motion S1M-509, in the name of Mr Brian Monteith, on section 2A of the Local Government Act 1986, be agreed to. Are we agreed?

**Members: No.**

**The Presiding Officer:** There will be a division.

**FOR**

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Canavan, Dennis (Falkirk West)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)  
 Cunningham, Roseanna (Perth) (SNP)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Dewar, Donald (Glasgow Anniesland) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)  
 Gillon, Karen (Clydesdale) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (Edinburgh Pentlands) (Lab)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Kerr, Mr Andy (East Kilbride) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 Lyon, George (Argyll and Bute) (LD)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 MacDonald, Ms Margo (Lothians) (SNP)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Mr Tom (Hamilton South) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
 McGugan, Irene (North-East Scotland) (SNP)  
 McLeish, Henry (Central Fife) (Lab)  
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)

Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Robson, Euan (Roxburgh and Berwickshire) (LD)  
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Mr Alex (Banff and Buchan) (SNP)  
 Scott, Tavish (Shetland) (LD)  
 Sheridan, Tommy (Glasgow) (SSP)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)  
 Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Sturgeon, Nicola (Glasgow) (SNP)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Allan (Cunninghame North) (Lab)  
 Wilson, Andrew (Central Scotland) (SNP)

**AGAINST**

Aitken, Bill (Glasgow) (Con)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Fergusson, Alex (South of Scotland) (Con)  
 Gallie, Phil (South of Scotland) (Con)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Johnston, Nick (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North-East Scotland) (Con)  
 McGregor, Mr Jamie (Highlands and Islands) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLetchie, David (Lothians) (Con)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Mundell, David (South of Scotland) (Con)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Wallace, Ben (North-East Scotland) (Con)  
 Young, John (West of Scotland) (Con)

**ABSTENTIONS**

Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Welsh, Mr Andrew (Angus) (SNP)

**The Presiding Officer:** The result of the division is: For 88, Against 18, Abstentions 3.

*Amendment agreed to.*

**The Presiding Officer:** The fifth question is, that motion S1M-509, as amended, be agreed to. Are we agreed?

**Members: No**

**The Presiding Officer:** There will be a division.

**FOR**

Alexander, Ms Wendy (Paisley North) (Lab)  
 Baillie, Jackie (Dumbarton) (Lab)  
 Barrie, Scott (Dunfermline West) (Lab)  
 Boyack, Sarah (Edinburgh Central) (Lab)  
 Brown, Robert (Glasgow) (LD)  
 Canavan, Dennis (Falkirk West)  
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
 Crawford, Bruce (Mid Scotland and Fife) (SNP)

Cunningham, Roseanna (Perth) (SNP)  
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
 Dewar, Donald (Glasgow Anniesland) (Lab)  
 Eadie, Helen (Dunfermline East) (Lab)  
 Elder, Dorothy-Grace (Glasgow) (SNP)  
 Ewing, Mrs Margaret (Moray) (SNP)  
 Fabiani, Linda (Central Scotland) (SNP)  
 Ferguson, Patricia (Glasgow Maryhill) (Lab)  
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)  
 Gillon, Karen (Clydesdale) (Lab)  
 Grahame, Christine (South of Scotland) (SNP)  
 Grant, Rhoda (Highlands and Islands) (Lab)  
 Gray, Iain (Edinburgh Pentlands) (Lab)  
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
 Harper, Robin (Lothians) (Green)  
 Henry, Hugh (Paisley South) (Lab)  
 Home Robertson, Mr John (East Lothian) (Lab)  
 Hughes, Janis (Glasgow Rutherglen) (Lab)  
 Hyslop, Fiona (Lothians) (SNP)  
 Ingram, Mr Adam (South of Scotland) (SNP)  
 Jackson, Dr Sylvia (Stirling) (Lab)  
 Jackson, Gordon (Glasgow Govan) (Lab)  
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)  
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)  
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
 Kerr, Mr Andy (East Kilbride) (Lab)  
 Livingstone, Marilyn (Kirkcaldy) (Lab)  
 Lochhead, Richard (North-East Scotland) (SNP)  
 Lyon, George (Argyll and Bute) (LD)  
 MacAskill, Mr Kenny (Lothians) (SNP)  
 Macdonald, Lewis (Aberdeen Central) (Lab)  
 MacDonald, Ms Margo (Lothians) (SNP)  
 Macintosh, Mr Kenneth (Eastwood) (Lab)  
 MacLean, Kate (Dundee West) (Lab)  
 Macmillan, Maureen (Highlands and Islands) (Lab)  
 Martin, Paul (Glasgow Springburn) (Lab)  
 Marwick, Tricia (Mid Scotland and Fife) (SNP)  
 Matheson, Michael (Central Scotland) (SNP)  
 McAllion, Mr John (Dundee East) (Lab)  
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)  
 McCabe, Mr Tom (Hamilton South) (Lab)  
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
 McGugan, Irene (North-East Scotland) (SNP)  
 McLeish, Henry (Central Fife) (Lab)  
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
 McNeill, Pauline (Glasgow Kelvin) (Lab)  
 McNulty, Des (Clydebank and Milngavie) (Lab)  
 Morrison, Mr Alasdair (Western Isles) (Lab)  
 Muldoon, Bristow (Livingston) (Lab)  
 Mulligan, Mrs Mary (Linlithgow) (Lab)  
 Murray, Dr Elaine (Dumfries) (Lab)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Peacock, Peter (Highlands and Islands) (Lab)  
 Peattie, Cathy (Falkirk East) (Lab)  
 Radcliffe, Nora (Gordon) (LD)  
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Robson, Euan (Roxburgh and Berwickshire) (LD)  
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Mr Alex (Banff and Buchan) (SNP)  
 Scott, Tavish (Shetland) (LD)  
 Sheridan, Tommy (Glasgow) (SSP)  
 Simpson, Dr Richard (Ochil) (Lab)  
 Smith, Elaine (Coatbridge and Chryston) (Lab)  
 Smith, Iain (North-East Fife) (LD)

Stephen, Nicol (Aberdeen South) (LD)  
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
 Sturgeon, Nicola (Glasgow) (SNP)  
 Thomson, Elaine (Aberdeen North) (Lab)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Watson, Mike (Glasgow Cathcart) (Lab)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Allan (Cunninghame North) (Lab)  
 Wilson, Andrew (Central Scotland) (SNP)

#### AGAINST

Aitken, Bill (Glasgow) (Con)  
 Davidson, Mr David (North-East Scotland) (Con)  
 Douglas-Hamilton, Lord James (Lothians) (Con)  
 Fergusson, Alex (South of Scotland) (Con)  
 Gallie, Phil (South of Scotland) (Con)  
 Goldie, Miss Annabel (West of Scotland) (Con)  
 Harding, Mr Keith (Mid Scotland and Fife) (Con)  
 Johnston, Nick (Mid Scotland and Fife) (Con)  
 Johnstone, Alex (North-East Scotland) (Con)  
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
 McLetchie, David (Lothians) (Con)  
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)  
 Mundell, David (South of Scotland) (Con)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Wallace, Ben (North-East Scotland) (Con)  
 Young, John (West of Scotland) (Con)

#### ABSTENTIONS

Ewing, Dr Winnie (Highlands and Islands) (SNP)  
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
 Welsh, Mr Andrew (Angus) (SNP)

**The Presiding Officer:** The result of the division is: For 88, Against 17, Abstentions 3.

*Motion, as amended, agreed to.*

*Resolved,*

That the Parliament supports a tolerant, just and inclusive society; notes the concern that section 2A constrains local authorities from serving all sections of the community, and has inhibited teachers who are concerned about the legal status of any action they may take against homophobic bullying; recognises the existing high professional standards of teaching and management in Scottish schools; notes the Executive's intention to consult on all necessary safeguards and whether further reassurance is required before any repeal of section 2A and in particular the Executive's commitment to publish a draft circular to education authorities on introduction of the Bill, to set up a Working Group to review the package of safeguards including the existing curriculum material and support for teachers in relation to sex education and thereafter to use powers in the Education (Scotland) Act 1980 to issue any necessary guidance; and looks forward to a full debate on the Ethical Standards in Public Life Bill when it will have an opportunity to consider the package of safeguards on sex education and the views of the Working Group which the Executive has set up.

**John Young (West of Scotland) (Con):** On a point of order, Presiding Officer. I believe that there was a technical hitch in my console. Something went wrong with it just as I pressed the button. My vote was cast with those of my party colleagues but has not been registered.

**The Presiding Officer:** You have raised a point

of order and that will be recorded in the *Official Report*. The number of votes cast against was certainly one less than for the previous vote, so you might be right.

There now follow three questions that I tried mistakenly to put this morning.

The sixth question is, that motion S1M-511, in the name of Mr Tom McCabe, on membership of the Education, Culture and Sport Committee, be agreed to.

*Motion agreed to.*

That the Parliament agrees that Lewis Macdonald be appointed to the Education, Culture and Sport Committee.

**The Presiding Officer:** The seventh question is, that motion S1M-512, in the name of Mr Tom McCabe, on the Scotland Act 1998 (Transitory and Transitional Provisions) (Appropriations) Amendment (Scotland) Order 2000, be agreed to.

*Motion agreed to.*

That the Parliament agrees that the Scotland Act 1998 (Transitory and Transitional Provisions) (Appropriations) Amendment (Scotland) Order 2000 be approved.

**The Presiding Officer:** The eighth question is, that motion S1M-513, in the name of Mr Tom McCabe, on recess dates, be agreed to.

*Motion agreed to.*

That the Parliament agrees that the summer recess should begin on 10 July 2000 and end on 3 September 2000, the autumn recess should begin on 9 October 2000 and end on 22 October 2000 and the winter recess should begin on 21 December 2000 and end on 7 January 2001.

**The Presiding Officer:** The ninth question is, that motion S1M-498, in the name of Mr Jack McConnell, on the Budget (Scotland) Bill, be agreed to. Are we agreed?

**Members:** No.

**The Presiding Officer:** There will be a division.

**FOR**

Alexander, Ms Wendy (Paisley North) (Lab)  
Baillie, Jackie (Dumbarton) (Lab)  
Barrie, Scott (Dunfermline West) (Lab)  
Boyack, Sarah (Edinburgh Central) (Lab)  
Brown, Robert (Glasgow) (LD)  
Canavan, Dennis (Falkirk West)  
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)  
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)  
Curran, Ms Margaret (Glasgow Baillieston) (Lab)  
Deacon, Susan (Edinburgh East and Musselburgh) (Lab)  
Dewar, Donald (Glasgow Anniesland) (Lab)  
Eadie, Helen (Dunfermline East) (Lab)  
Ferguson, Patricia (Glasgow Maryhill) (Lab)  
Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)  
Gillon, Karen (Clydesdale) (Lab)  
Grant, Rhoda (Highlands and Islands) (Lab)  
Gray, Iain (Edinburgh Pentlands) (Lab)  
Harper, Robin (Lothians) (Green)  
Henry, Hugh (Paisley South) (Lab)  
Home Robertson, Mr John (East Lothian) (Lab)

Hughes, Janis (Glasgow Rutherglen) (Lab)  
Jackson, Dr Sylvia (Stirling) (Lab)  
Jackson, Gordon (Glasgow Govan) (Lab)  
Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)  
Livingstone, Marilyn (Kirkcaldy) (Lab)  
Lyon, George (Argyll and Bute) (LD)  
Macdonald, Lewis (Aberdeen Central) (Lab)  
Macintosh, Mr Kenneth (Eastwood) (Lab)  
MacLean, Kate (Dundee West) (Lab)  
Macmillan, Maureen (Highlands and Islands) (Lab)  
Martin, Paul (Glasgow Springburn) (Lab)  
McAllion, Mr John (Dundee East) (Lab)  
McCabe, Mr Tom (Hamilton South) (Lab)  
McConnell, Mr Jack (Motherwell and Wishaw) (Lab)  
McLeish, Henry (Central Fife) (Lab)  
McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)  
McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)  
McNeill, Pauline (Glasgow Kelvin) (Lab)  
McNulty, Des (Clydebank and Milngavie) (Lab)  
Morrison, Mr Alasdair (Western Isles) (Lab)  
Muldoon, Bristow (Livingston) (Lab)  
Mulligan, Mrs Mary (Linlithgow) (Lab)  
Murray, Dr Elaine (Dumfries) (Lab)  
Peacock, Peter (Highlands and Islands) (Lab)  
Peattie, Cathy (Falkirk East) (Lab)  
Radcliffe, Nora (Gordon) (LD)  
Raffan, Mr Keith (Mid Scotland and Fife) (LD)  
Robson, Euan (Roxburgh and Berwickshire) (LD)  
Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)  
Scott, Tavish (Shetland) (LD)  
Sheridan, Tommy (Glasgow) (SSP)  
Simpson, Dr Richard (Ochil) (Lab)  
Smith, Elaine (Coatbridge and Chryston) (Lab)  
Smith, Iain (North-East Fife) (LD)  
Stephen, Nicol (Aberdeen South) (LD)  
Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)  
Thomson, Elaine (Aberdeen North) (Lab)  
Watson, Mike (Glasgow Cathcart) (Lab)  
Wilson, Allan (Cunninghame North) (Lab)

#### **ABSTENTIONS**

Aitken, Bill (Glasgow) (Con)  
Crawford, Bruce (Mid Scotland and Fife) (SNP)  
Cunningham, Roseanna (Perth) (SNP)  
Davidson, Mr David (North-East Scotland) (Con)  
Douglas-Hamilton, Lord James (Lothians) (Con)  
Elder, Dorothy-Grace (Glasgow) (SNP)  
Ewing, Dr Winnie (Highlands and Islands) (SNP)  
Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)  
Ewing, Mrs Margaret (Moray) (SNP)  
Fabiani, Linda (Central Scotland) (SNP)  
Fergusson, Alex (South of Scotland) (Con)  
Gallie, Phil (South of Scotland) (Con)  
Goldie, Miss Annabel (West of Scotland) (Con)  
Grahame, Christine (South of Scotland) (SNP)  
Hamilton, Mr Duncan (Highlands and Islands) (SNP)  
Harding, Mr Keith (Mid Scotland and Fife) (Con)  
Hyslop, Fiona (Lothians) (SNP)  
Ingram, Mr Adam (South of Scotland) (SNP)  
Johnston, Nick (Mid Scotland and Fife) (Con)  
Johnstone, Alex (North-East Scotland) (Con)  
Lochhead, Richard (North-East Scotland) (SNP)  
MacAskill, Mr Kenny (Lothians) (SNP)  
MacDonald, Ms Margo (Lothians) (SNP)  
Marwick, Tricia (Mid Scotland and Fife) (SNP)  
Matheson, Michael (Central Scotland) (SNP)  
McGugan, Irene (North-East Scotland) (SNP)  
McIntosh, Mrs Lyndsay (Central Scotland) (Con)  
McLetchie, David (Lothians) (Con)  
Monteith, Mr Brian (Mid Scotland and Fife) (Con)

Mundell, David (South of Scotland) (Con)  
 Neil, Alex (Central Scotland) (SNP)  
 Paterson, Mr Gil (Central Scotland) (SNP)  
 Quinan, Mr Lloyd (West of Scotland) (SNP)  
 Reid, Mr George (Mid Scotland and Fife) (SNP)  
 Robison, Shona (North-East Scotland) (SNP)  
 Russell, Michael (South of Scotland) (SNP)  
 Salmond, Mr Alex (Banff and Buchan) (SNP)  
 Scanlon, Mary (Highlands and Islands) (Con)  
 Sturgeon, Nicola (Glasgow) (SNP)  
 Tosh, Mr Murray (South of Scotland) (Con)  
 Ullrich, Kay (West of Scotland) (SNP)  
 Wallace, Ben (North-East Scotland) (Con)  
 Welsh, Mr Andrew (Angus) (SNP)  
 White, Ms Sandra (Glasgow) (SNP)  
 Wilson, Andrew (Central Scotland) (SNP)  
 Young, John (West of Scotland) (Con)

**The Presiding Officer:** The result of the division is: For 59, Against 0, Abstentions 46.

*Motion agreed to.*

That the Parliament agrees that the Budget (Scotland) Bill is passed.

## Scallop Industry

**The Presiding Officer (Sir David Steel):** The final item of business today is a members' business debate on motion S1M-413, in the name of Mr Jamie McGrigor, on the Scottish scallop industry. Members leaving the chamber should do so quietly.

*Motion debated,*

That the Parliament notes the progress achieved by the Irish Government in alleviating the problems for its scallop industry associated with amnesic shellfish poisoning, and recommends that similar measures be considered to remove Scotland's scallop industry from its present crisis by lifting the current closures under the Food and Environment Protection Act 1985 and focusing the management regime on end product testing without delay.

17:11

**Mr Jamie McGrigor (Highlands and Islands) (Con):** We are having this debate in the shadow of the terrible tragedy that recently befell the Solway Harvester. I would like to convey our deepest sympathy to the family and friends of the brave fishermen who lost their lives in that disaster.

The scallop industry makes an exceptionally important contribution to the economy of many of Scotland's remote rural and fishing communities. Landings peaked in 1998 at just under 5,000 tonnes, valued at more than £8 million. The total value of the industry to the Scottish economy is about £20 million. Last year, the scallop industry, which plays an instrumental part in the lives of our rural areas, was dealt a devastating blow: the decision by the Scottish Executive to close down almost the entire west coast fishery—8,000 square miles—which was the largest closure in our history.

The ban denied employment and an income to those whose lives depended on the scallop industry, and was imposed without any consultation. A scallop fisherman explained how he found out about the ban. Out fishing, he heard through various forms of communication that health and safety officers had gone round hotels telling them to remove scallops from the menu. He then learned, from a message that had been left on a fisherman's answering machine at home, that the whole of the west coast had been closed. He was asked by another member of his association whether a ban had been imposed, and replied that somebody was pulling his leg because, if a ban had been imposed, only boxes that were affected would be closed, and the association would have been informed immediately by the Scottish Executive, as the association was on the Executive's list for information. That was on Friday 9 July; on the morning of Monday 12 July, at

10.49, the association received a fax informing it of the closure.

The testing regime leaves no room for manoeuvre. Scotland's scallop industry is now on its knees as a direct result of the Executive's policy. Many processors are operating at less than 50 per cent capacity. Others had to lay off 50 per cent of their work force. In the central belt, such job losses may be viewed as small beer, as a result of institutionalised urbanism. Does the Executive fail to understand that the effect of those losses in remote fishing communities is simply devastating?

Amnesic shellfish poisoning is caused by a toxin called domoic acid. Scallops graze on the toxic algal bloom that causes it. There must be scientific research to find the source of the blooms that are suddenly affecting our west coast waters. Scallops are filters, which give warning of marine pollution. Neither I nor anyone whose livelihood depends on the industry underestimates the seriousness of the problem or the health risk that it may pose, but the Executive's extreme response does not deal with the problem.

The Scottish Fishermen's Federation has said that, in the interests of protecting public safety, it would be far more appropriate to introduce end-product testing. Experience has shown that processing scallops removes the toxin. If there were end-product testing, there would be no need to introduce widespread, crudely defined closures. End-product testing would benefit the industry and better protect public health. It is common sense that the time to test the product is when the product enters the market.

Between 22 June, when the readings were first taken, and 9 July, when the ban came into force, 273 tonnes of scallops were landed and presumably consumed. Luckily there have been no reported illnesses, but end-product testing would have prevented that blind spot.

If ASP is detected, an entire, arbitrary production area must be shut down. Fishing for scallops in that area is then illegal. People, including ministers, all too often forget that a given area can produce both very high and very low levels of ASP on the same day. The outright ban on scallop fishing is therefore illogical and unnecessary.

I agree that the primary consideration must be to protect public safety but, in seeking to protect the public, it is common sense that scallops should be tested not straight from the sea bed, but when they have been processed and are ready to enter the food chain. With end-product testing, we can ensure both public safety and a future for our scallop fishermen and processors.

In mid-December 1999, the European Union declared that end-product testing for scallops was

compatible with EU law. That is why the Irish, who have also had a problem with ASP, have introduced end-product testing for their scallop industry. If such a regime is compatible with EU law and is deemed acceptable for the people of the Republic of Ireland, why does it not satisfy the Scottish Executive? Why did the Irish manage legally to save their scallop industry in three weeks when our Executive has done nothing to help our industry for eight months?

The Scottish Scallop Fishermen's Association places the blame firmly at the door of the Deputy Minister for Rural Affairs and his staff. After a recent meeting with him, it said:

"We must admit to being stunned at your evident lack of awareness with regard to the serious situation facing the scallop sector . . . Perhaps your advisers would be better employed in the Sanitation Department, not in an advisory capacity but in the Shovelling Department.

It is unbelievable that after some five months, your staff at SERAD remain unable to brief you accurately on the situation.

For the sake of our industry, we ask that you stop playing silly politics . . . get SERAD's act together and give us consistency in monitoring and sampling procedures."

That is not the view of just one organisation. Alisdair MacLean of the Mull Fishermen's Association said:

"The Minister showed a breathtaking lack of understanding and despite being responsible for fisheries showed no sympathy for the fishermen, shellfish processors and their families, who are going out of business and putting boats up for sale."

That is not an understatement of the trouble facing the industry, and it brings me to the subject of compensation. Financial assistance for the scallop industry has been totally rejected by the Executive. There have been precedents in assisting primary producers whose businesses have been interrupted for reasons of disease. Beef farmers received compensation for BSE. Salmon farmers received compensation for infectious salmon anaemia. Why, then, does the scallop industry fail to merit compensation for the problems visited upon it by the Scottish Executive's policy?

Will the minister follow the lead of the Conservative Government, which, in the early 1980s, offered financial support to the industry in its time of need? Will the minister finally release a copy of the full minutes of the meeting on ASP in Pentland House on 19 January? Both my staff and people from the scallop industry have asked for the minutes, but our requests have been denied.

Will the minister respond to the demands of the industry and ensure that he develops an understanding of what is facing the industry? Will he agree that we can all learn from this disaster so that we never again institute a testing regime that

puts our fishermen out of business unnecessarily? I urge him to listen to the Scottish Fishermen's Federation and the various scallop associations when they ask him to put an end-product testing regime in place, so that they can make an honest living once more.

**The Deputy Presiding Officer (Mr George Reid):** Five members have indicated that they wish to speak. We have exactly 15 minutes; if speeches are kept to under three minutes, all will be satisfied.

17:19

**Mr Duncan Hamilton (Highlands and Islands) (SNP):** I congratulate Mr McGrigor on securing this debate. He has made strong points—there is a clear division between what has gone before and where the debate should move now. He is right to say that the industry has not been impressed with the actions and response of the Executive. I do not think that the industry representatives left the meeting that he mentioned feeling anything other than frustrated at the Executive's inability to get its act together. Susan Deacon can humph all she likes, but that is a simple fact about that meeting, which she did not attend.

Mr McGrigor was also right to mention compensation. I think that I am right in saying that the Rural Affairs Committee asked for the issue to be revisited and agreed that an industry in crisis deserved more support than it was getting. The example of what is happening in Ireland ties into that. If the Scottish Executive does not want to go down the road of providing compensation for scallop farmers, there is another alternative—a more flexible response to the way in which the product is tested. That may involve studying how Ireland has managed to move towards what is known as shucking—I know that that word has to be carefully spoken.

I would like the minister to confirm that the testing procedures in Ireland are the same as those here. Is it the famed 20 parts per million in Ireland, as it is here? If it is not, why can the Irish move to shucking when we cannot? It strikes me that, whereas Ireland is doing everything that it can to help those in the scallop industry there, our Executive stands accused of doing very little to move on the debate in this country.

I would welcome a response from the minister to the recent press speculation that there is, despite Executive reassurances, a direct correlation between the substances produced by fish farms and the development of paralytic and amnesic shellfish poisoning. Clear evidence from various academic institutions suggests that that link exists. The call must go from this debate that whatever

we do, we do on the basis of information for the benefit of public health. If the minister is willing to commit the Executive to research into that potential link, we will all leave this debate a lot happier. The industry deserves better. Scotland's rural and fishing communities deserve better. I hope that the minister will ensure that what has been proposed can happen.

17:22

**Rhoda Grant (Highlands and Islands) (Lab):** I congratulate Jamie McGrigor on securing the debate. We all need to underline the fact that public health comes first. We know that and so does the industry. There need be only one case of scallop poisoning for the industry to be decimated; we have seen what happened with BSE.

I did not sign Jamie's motion; I should explain why. His motion concentrates on end-product testing. I believe that we need a mixture of monitoring and end-product testing. To move exclusively to end-product testing would mean that our fishermen were permanently removed from the live market, which is a lucrative trade for scallop farmers and divers and should be protected.

Monitoring would continue as at present, but when toxin was detected, we could move to an end-product testing regime for any catches in a closed fishery. The European Commission is considering such a regime at present. It has been pointed out that the current directive would not have to be changed if the EU were to approve end-product testing.

**Mr Hamilton:** Am I to assume from Rhoda Grant's comments that she is happy to support end-product testing for shellfish from affected areas, thus giving us the flexibility to use several forms of testing to ensure that the market can flourish?

**Rhoda Grant:** I think that that is what I am saying.

The attitude of the European Commission leads me to believe that there is scope to move to end-product testing now.

A mixture of both kinds of testing would have to be thought through. Systems would have to be put in place to safeguard public health. That is why I am asking for end-product testing to be introduced now. For additional safety, the derogation could be limited to the adductor or white meat only, readings for which fall consistently within the maximum safety limits. That would give the industry and the Executive time to draw up a programme in which both kinds of testing could be used, allowing measured decisions to be made.

Monitoring would continue as normal but, when the boxes were closed, those fisheries could be

end-product tested. We need to consult on the best way of policing that system—either by total closure or by a licensing system for fishermen. There are options that must be considered, such as who is to carry out the end-product testing. There is concern that Government laboratories are under much pressure at present with monitoring. More testing could lead to fewer resources for research.

I have been contacted by private companies that would be willing to carry out end-product testing in conjunction with fish processors. That proposal requires consultation and examination. The whole industry needs to be involved in drawing up the long-term solution. Dredgers, divers and farmers each have different requirements, and must have input. We need to be able to ensure public safety, and allow the industry to work safely. By examining those issues, we can ensure safety for the public and for the industry.

I have not mentioned fishermen, but that does not mean that I am not aware of the suffering caused to them. However, it is important that we look at end-product testing—and a mixture of product testing—as that will alleviate their suffering.

17:25

**George Lyon (Argyll and Bute) (LD):** As was outlined by Jamie McGrigor and other members, amnesic shellfish poisoning is a serious problem that affects many rural communities on the west coast of Scotland. The issue is not just about producers and fishermen; it is about processors and the communities in which scallop fishing plays a vital economic role.

The minister should answer several questions, because the game has moved on since we last debated the matter on a members' motion some months ago. First, why was no official from the Scottish Executive rural affairs department present at the Standing Veterinary Committee meeting in Brussels in December when ASP was discussed? At that meeting, 13 countries voted to re-examine the implementation of directive 92/492/EEC, and to seek further scientific evidence to determine whether they could proceed with end-product testing. It was on the basis of that decision that the Irish Government moved quickly to help its industry.

The hard question is: are we exploring the option of end-product testing? Are we looking hard at what the Irish are doing? Will it benefit our industry if we go down that road? We want answers to those questions today. Has the minister considered the proposals of the Association of Scottish Shellfish Growers, which are based on the Standing Veterinary Committee's

decision in Brussels?

On the subject of testing procedures, and the longer-term issue of the scientific investigation into what is causing ASP blooms, is not there a case for separating scientific investigation from the body that implements the regulatory process? There is a conflict, which must be addressed. The Marine Laboratory at Torry is responsible for investigating the science and enforcing the regulations. Those roles do not sit well together, and they should be separated.

In the longer term, what strategy does the Executive have in place in case the algae bloom recurs next year? The bloom is receding slowly, but there are no guarantees that it will not come back next year and wreck rural communities. I seek reassurances from ministers that everything possible is being done, and that the Irish solution is being investigated, so that tomorrow I can tell the scallop fishermen and communities of Mull, "Yes, the Executive is doing everything possible to explore a new way forward and to put in place a long-term strategy."

17:28

**Mr David Davidson (North-East Scotland) (Con):** I congratulate Jamie McGrigor on obtaining the debate. The subject is just one of the important issues affecting our fishing and coastal communities. This is a serious problem, but unfortunately we saw over reaction and over-regulation, instead of an approach that used the tremendous science at the Marine Laboratory at Torry in Aberdeen. The laboratory does a wonderful job, but its job is science.

I appreciate Rhoda Grant's suggestion that we should seek suitably licensed contractors to operate a testing programme with the processing industry. I know from people in the processing industry that they would be delighted to examine ways of implementing such a scheme, which would be practical, and would be applied during processing. The scheme would not rely on a body that is already over stretched and does not have the remit to carry it out. The Marine Laboratory at Aberdeen is not the way forward. We need more joined-up government.

The two ministers who have direct responsibility, one for public health and the other for the needs of the fishing communities, are here. They must put their heads together and consider the minimum amount of regulation that is required to ensure public health. They must consider how to ensure that our rural communities, which are under tremendous pressure in all aspects of life—be it at sea or on land—have sensitive, hands-on government and not blunderbuss shots from the Scottish Executive rural affairs department.



17:30

**Richard Lochhead (North-East Scotland) (SNP):** Many of the points that I was going to make have been covered. I congratulate Jamie McGrigor on securing a debate on the issue.

We must remember the importance of the shellfish industry, especially scallops, to Scotland; in the area affected by the ban, I understand that, in 1997, it generated an income of £8 million for that economy. There is a disproportionate impact when that industry is affected.

End-product testing has to be a way forward. However, I commend Rhoda Grant on her comments that it is not the only regime that we need; we must bear in mind the importance of the live export sector as well. To be fair to Jamie McGrigor, his motion does not say that end-product testing has to be the only testing regime.

We have not got to the bottom of the Scottish Executive's policy on compensation for the industry. We were told that compensation is not payable for losses that are the consequence of natural events—such as ASP—because that was the policy of the previous Government. This is a new Government; it does not have to copy the policies of previous Governments.

John Home Robertson's one-line response on 25 January, to a parliamentary question that I asked on a separate matter, stated:

"The Scottish Executive cannot comment on the actions of a previous administration."—[*Official Report, Written Answers*, 25 January 2000; Vol 4, p 161.]

The Executive cherry-picks; when it wants to follow the previous Administration, it does so. Whose policy on compensation is it? When was it decided and who decided it?

Ministers come to the chamber and rightly take great joy in announcing hundreds of millions of pounds for farmers, or £9 million for salmon farmers; they even announced £2 million for Scottish Opera when it was in trouble. However, ministers have never come to the chamber to announce a penny of assistance for the fishing industry, particularly the catchers.

We must bear in mind the contribution that that sector makes to the Scottish economy. Scallop fishermen pay income tax, corporation tax and VAT just like people in other sectors. They also have to pay the increased fuel taxes to the Treasury. In its time of need, the industry is as deserving as every other industry.

I urge the ministers to announce today that they are willing to reconsider the matter of compensation and to take advantage of the European regulation, which has been on the table since 1 January, to help this beleaguered industry.

17:33

**The Minister for Health and Community Care (Susan Deacon):** I welcome the opportunity to speak in the debate. The issue has been discussed, in some detail, in this Parliament and in both the Health and Community Care Committee and the Rural Affairs Committee.

I am glad to have the opportunity to explain the action that the Executive has taken, in accordance with EU legislation, to protect consumers against the risk of shellfish poisoning. I am also glad that many members—including Jamie McGrigor—have made the point that, first and foremost, our interest must be public health. I could not agree more with Mr McGrigor's point that people ought not to play politics on the issue—I hope that some of the comments made tonight have not been an illustration of members doing so.

My first priority, as health minister, is the protection of public health. My colleague, John Home Robertson, the minister responsible for fisheries, has made the point that it is also in the best interest of the Scottish fishing industry to ensure that consumers can be totally confident in the safety of Scottish seafood.

**Mr McGrigor:** Will Susan Deacon give way?

**Susan Deacon:** I have a short time. It is important that I respond to points that have been made in the debate.

Marine biotoxins and the recent ASP contamination, affecting scallops in large areas of Scottish water as well as the waters of Northern Ireland and the Republic of Ireland, are unpredictable. It is a worldwide problem—I remind members that in 1987 there were four deaths in Canada as a result of an ASP outbreak. Last month, Greece closed some of its production areas following the identification of diarrhetic shellfish poisoning toxins. At present, all Northern Irish waters are closed to scallop fishing because of high levels of ASP.

In Scotland, and in the rest of the UK, we have robust, long-standing control systems in place, which allow us to manage those problems when they arise. Since 1990, closures of affected production areas have regularly taken place when high levels of marine biotoxins have been detected.

In order to meet our EU and food safety obligations, the Scottish Executive, as the competent authority, must ensure that the requirements of the appropriate EC directive are fully met. One of those requirements sets an upper limit for ASP in the edible parts of molluscs.

The directive also requires that the competent authority should monitor production areas. When monitoring reveals contamination above the upper

limit, the production area concerned must be closed until the situation has been restored to normal. The EU directive bans marketing of the flesh of scallops from areas where high levels of algal toxin are present. I stress that we have, throughout, ensured that we have fulfilled our obligations in all those respects.

Mention has been made of Ireland. The marine biotoxin surveillance and control systems in the Republic of Ireland differ from the UK system in some respects. We have looked into that, as we have been asked to do, and we are advised that the Republic of Ireland either closes scallop production areas if results of tests on the whole flesh exceed the EU upper limit or prohibits the sale or use of scallops if results of tests on the gonad or muscle exceed the upper limit.

We are advised by the Department of Marine and Natural Resources in the Republic of Ireland that that twin-track approach is a short-term measure and that it is developing a unified system that will close production areas when toxin levels are above the EU upper limit, as in Scotland and the rest of the UK.

EU inspectors checked our procedures as recently as February 1999, and their report confirms that we are fulfilling the relevant requirements in Scotland. I refer members to that report, a full copy of which will be placed in the Parliament's information centre tomorrow.

Mr David Byrne, the EU commissioner for health and consumer protection, recently confirmed that white meat from scallops taken from ASP-contaminated areas cannot, at present, be sold for human consumption under the EU legislation. Unilateral action to relax those controls would lead to infraction measures by the EU. In any case, I would not be prepared to take any action that could expose people to a risk of food poisoning.

Reference was made to the EC—

**George Lyon:** Will the minister give way?

**Susan Deacon:** I must continue, because I want to pick up on points that have been raised.

Reference was made to the EU Standing Veterinary Committee—

**The Deputy Presiding Officer:** The minister has about three minutes.

**Susan Deacon:** I am trying.

At a meeting of the committee in December, it was agreed to form an expert working group to consider the issues surrounding ASP in scallops and, in particular, to reach a consensus on which parts of the animal should be tested as part of member state statutory monitoring programmes. The working group is expected to meet shortly. I can give an assurance that the Scottish Executive

will be fully involved in those discussions.

It is clear that the control systems that are in place in Scotland are what the EU requires at present. We have checked and rechecked that throughout. A fundamental change in the directive would be needed before a provision allowing harvesting of scallops with levels of ASP above the action level in the edible parts could be made. At the meeting on 19 January, which has mentioned today, Scottish scallop fishery organisations were advised of that. With regard to the publication of that minute, I can give the assurance that it will be circulated as soon as it is available.

**Mr McGrigor:** I wanted it before the debate.

**Susan Deacon:** I give an assurance, having checked in response to Mr McGrigor's comment, that that information will be available.

Scottish Executive officials explained at that meeting that we are prepared to examine proposals for the future. In the absence of that minute, I will explain to Mr McGrigor and other members some of the ways in which that might be done. For example, if an alternative method of production during the periods when scallops were affected by toxins could be found, that would be carefully considered. We have said that throughout; I have said it in the chamber and I have said it to the industry. However, any alternative proposals would need to be fully evaluated and approved by the EU and also by the new food standards agency.

I was pleased to be able to announce that another section of water on the west coast was reopened to scallop fishing on Tuesday. That means that over 50 per cent of the Scottish waters that were closed to scallop fishing during 1999, because of ASP, have now been reopened. We will continue to monitor the remaining closed areas and will open them as soon as test results indicate that it is safe to do so. I said that to the Health and Community Care Committee when I addressed members on the issue many months ago. That is the practice which we have followed subsequently and which we continue to follow.

Many points have been made about the scallop industry. I have met industry representatives to discuss the health issues. My colleagues and I are very sensitive to industry concerns. I want to outline some of the other discussions that have taken place. Following discussions in the new Scottish inshore fisheries advisory group, John Home Robertson has approved the relaxation of the licence conditions on certain vessels with category C licences, allowing them to fish for prawns off the west coast for six months. He is also considering ways in which to help scallop fishermen to diversify, by acquiring different fishing

gear. There might be further opportunities for scallop fishermen to take part in ASP monitoring work for the Marine Laboratory. Reference has also been made to research—

**Mr Hamilton:** Will the minister give way?

**Susan Deacon:** I have less than a minute left. It is significant that Duncan Hamilton rose to his feet at that point.

**Mr Hamilton:** What about compensation?

**Susan Deacon:** I want to respond to the point about research that Duncan Hamilton raised, because it is important. I reiterate the point that I made to the Health and Community Care Committee: research into the subject is continuing. There is no definitive answer in this country or anywhere else in the world as to why we are experiencing algal toxins in the form and at the level that we are. Various pieces of research have been put forward at different times, with different suggestions of possible causes. We continually re-examine that and we support research.

It is dangerous for Mr Hamilton to suggest that there is a definitive answer and for him to scaremonger on the issue by suggesting that this is a result of salmon farming. He asks us to respond to that research. That response would involve further closures—of fish farms. We are not prepared to take such action unless we have sufficient evidence to suggest that we should. When we have evidence and data, we act on it. That has been demonstrated throughout our response.

**Richard Lochhead:** Will the minister give way?

**Susan Deacon:** My time is almost up.

**The Deputy Presiding Officer:** I am obliged to conclude the debate within the next 30 seconds.

**Susan Deacon:** I can assure members that the Executive is doing everything possible. We continually put our heads together to consider the best way in which to make progress.

The most important point that I want to put across is that we have not arrived at the present monitoring and control programme in haste. It is a carefully thought out and long-standing programme that meets our EU obligations as well as protecting public health. That is in the best interests of the health of the people of Scotland and of our fishing industry.

*Meeting closed at 17:44.*

## Point of Order

14:35

**Dennis Canavan (Falkirk West):** On a point of order, Presiding Officer. I thank you for your letter of response to my inquiry about how the agenda for parliamentary committees should be decided. Rule 12.3.1 of the standing orders states:

“A committee shall meet to consider such business on such days and at such times as it”—

the committee—

“may from time to time decide”.

My understanding of the English language indicates to me that that means that it is the committee as a whole, rather than the convener alone, which decides the agenda of a committee meeting.

I should be grateful if you would be good enough to clarify the contents of your letter to me, in which you state:

“The only formal option available to a member seeking to influence the shape of an agenda would be to lodge a motion ahead of the previous meeting of the committee. This would need to be consistent with the Rules in Chapter 8 (e.g. Rule 8.2). However,”—

this is the important part of the letter—

“the convener does have the authority to decide which, if any, motions to take and in effect, therefore, controls the agenda.”

My understanding of rule 8.2 is that it refers to motions for meetings of the Parliament. Surely the procedure for committees should be different, otherwise a convener can use his or her powers to stifle debate. I would, therefore, be grateful if you could arrange for the matter to be considered by the Procedures Committee.

**The Presiding Officer (Sir David Steel):** I am perfectly happy to ask the Procedures Committee to have a look at the matter, but in general the standing orders as set out for the chamber apply equally to committees. It is for the conveners of committees to rule as I rule in the chamber.

I will be happy for the member to publish my correspondence—I think that members would rather see it than have it debated as a point of order. By all means allow the Procedures Committee to have a look at it, as well.

## Draft Census (Scotland) Order 2000

14:37

**The Minister for Parliament (Mr Tom McCabe):** I move without notice,

That motion S1M-552 be taken at this meeting of the Parliament.

*Motion agreed to.*

**Mr McCabe:** I wish to move motion S1M-552 because the draft census order is somewhat unusual, in that it is subject to both affirmative and negative procedures. Suspension of standing orders will allow the debate to follow the normal pattern.

I move,

That the Parliament agrees to suspend Rule 8.6.1, Rule 10.7.1 and Rule 11.4.1 of the Standing Orders for the period of the debate on the Census (Scotland) Order 2000 on 16 February 2000.

*Motion agreed to.*

**The Presiding Officer:** We will now proceed to the debate on motion S1M-459.

**Tricia Marwick (Mid Scotland and Fife) (SNP):** On a point of order, Presiding Officer. I understand that motion S1M-519 in the name of Kate MacLean has been withdrawn.

**The Presiding Officer:** You have pre-empted me—I was about to inform members that Kate MacLean's motion has been withdrawn. In the interests of the chamber, I am happy to accept a motion without notice for a member to propose a similar motion. Is that what you are seeking to do?

**Tricia Marwick:** I move without notice,

That motion S1M-554 be taken at this meeting of the Parliament.

*Motion agreed to.*

**The Presiding Officer:** I will call Irene McGugan to move her motion in place of that of Kate MacLean at the appropriate time.

I now call Jim Wallace to move motion S1M-459.

14:39

**The Deputy First Minister and Minister for Justice (Mr Jim Wallace):** The 2001 census will be a landmark event, as it will be the first census of the new millennium and the first to be conducted under the auspices of the Scottish Parliament. Once every 10 years, the census provides us with an opportunity to collect information about every person resident in

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