

MEETING OF THE PARLIAMENT

Thursday 8 February 2001
(*Morning*)

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Scottish Parliament

Thursday 8 February 2001

(Morning)

[THE PRESIDING OFFICER *opened the meeting at 09:30*]

Renewable Energy

The Presiding Officer (Sir David Steel): Good morning. Our first item of business today is a debate on motion S1M-1634, in the name of Robin Harper, on renewable energy, and two amendments to that motion.

09:30

Robin Harper (Lothians) (Green): It would not be over-portentous to say that the Executive's response to my speech and—more important—to the submissions to the consultation paper on renewables, the last of which should arrive on ministers' desks tomorrow, will have profound implications for the development of Scottish industry, employment and our environment for the next half-century and beyond. If we take one road, we shall fail utterly to realise our potential, meet our Kyoto targets, fulfil our responsibilities to the rest of the world, or to build a secure and viable economy for our successors to inherit. If we take the other road, we will create a strong economy with sustainable employment, protect our environment and contribute to the enormous reduction in consumption that the west needs to make to create a sustainable and equitable world economy.

Scotland's renewable resources are the best in the European Union. For a start, we have 40 per cent of the wind resource, but most wind energy development has been done in Denmark. The Danes are now the world leaders. Denmark employs 18,000 people in wind-turbine manufacture alone; more than are employed in the entire UK coal industry. If we develop a native turbine industry, which Scottish Enterprise research has recently shown to be well within our capabilities, and if we also develop a wave-power industry, the prospects for employment in Scotland are, quite frankly, so great as to be difficult to begin to forecast accurately. However, we must be talking about up to approximately 30,000 jobs by 2010, and a wind market alone that will be worth about £1 billion, with 11.4 gigawatts of installation and a further prospect of doubling that figure by 2020. That does not include the huge number of jobs in renewables that could be created through community schemes, new planning guidelines for

housing and all the other renewable technologies that are beginning to be developed in Scotland.

We have 700,000 families in cold homes in Scotland—an appalling housing fuel poverty problem. The Executive should, for a start, make the inclusion of photovoltaic cells compulsory in all new build—although that is not mentioned specifically in my motion. Community-based renewables need not be confined to small schemes. For example, the offshore wind farm near Copenhagen, which will be the biggest in Europe on completion, is a mostly community-funded project.

We need a clear message that small schemes, of whatever kind—biomass, methane recovery, small-scale hydroelectricity, photovoltaic cells, wind, wave, biofuels and so on—will receive some kind of encouragement from the Executive through its facilitation of capital funding, lottery grants, landfill grants, the renewables obligation Scotland scheme, local authority planning guidelines and any other help that the Executive, in its wisdom, might provide.

Lowering the size of renewables obligation certificates to units of 1kWh would be extremely useful in this respect. Allowing autogenerators to qualify could also have a huge effect on the dispersal and growth of renewables suppliers and users. The advantages of that kind of approach would be that a large number of new jobs would be dispersed throughout the rural economy and a secure source of ever-cheaper energy supplies for the future would be created.

In the next 20 years, our coal-fired stations and the three nuclear power stations in Scotland will be coming to the end of their designed lives. I do not believe that we can possibly consider the construction of a new nuclear power station with all the attendant problems of disposal of waste that remain unresolved.

Mr John Home Robertson (East Lothian) (Lab): Will Robin Harper give way?

Robin Harper: I will not give way at this stage. Mr Home Robertson should make his points during his speech.

I acknowledge that in order to retain base-load reliability in electricity production, we must rely on coal and gas for some time longer, but the replacement of those sources of energy by biomass, which is being successfully pioneered in Sweden, should be our eventual aim, along with pumped hydro storage as a source of base-load reliability. Energy conservation and efficiency, combined with new renewables, should be more than adequate to replace coal and nuclear power if we plan carefully and for the long term.

The target of just 5 per cent new generation in

Scotland through renewable energy sources by 2010 is unambitious to say the least. The European Union has set a target of 22.1 per cent of consumption of renewable electricity generation by 2010, which would mean doubling our present target.

Mr Home Robertson: Will Robin Harper give way?

Robin Harper: No. I will not accept interventions just now. Mr Home Robertson should address his points in his speech.

I argue that, given the potential of our geography, the skills of our work force and the technological expertise of our inventors and researchers, we should be setting an aspirational target that is beyond even the EU's target. We should be setting in train the following strategies in order to make Scotland a world leader in the application, research, development and manufacture of renewable technologies.

We already have the Scottish Energy Environment Foundation, the setting-up of which was announced on 31 January this year. However, it is likely to focus mainly on proven and near-proven technologies and, because the majority of its funding comes from the power companies and the nuclear industry, it is likely to focus on short-term, commercially profitable initiatives. As a Parliament, we must take a longer-term view.

We now have a much greater need to seize the initiative in wave power. Japan, Australia, the United States and Denmark are all investing significantly in wave power technologies that are almost certainly inferior to Scottish designs that are in the pipeline right now. I call on the Executive to invest as a matter of urgency in a Scottish wave power centre to be situated either on the west coast, in Caithness or in Orkney. I remind the Executive—although I do not think that I need to—that Caithness has a robust link to the national grid and that Orkney is already the site of a renewable research centre that is run by Heriot-Watt University.

We have lost to the Danes the lead in wind power that was once ours for the taking. The Danes are now poised to seize the initiative in the development of wave power. It would quite simply be a tragedy if the Executive were to pass up this opportunity to support an industry that could, in the long run, provide jobs throughout the north of Scotland and in the oil fabrication yards of Aberdeen, Methil, the Clyde, Ardersier and Nigg. We have absolutely everything that is required in terms of experience of designing and building for extreme marine conditions, and we have the research and engineering expertise to become world leaders in wave power generation. The potential for providing ourselves with a sustainable

supply of energy for centuries to come, as well as an almost limitless export market, is almost incalculable. When I read the consultation paper, I could not believe that there could be any question about wave energy qualifying for capital grants. Capital grant qualification is a prerequisite for wave energy development in this country and must be a part of the Executive's strategy.

The consultation paper also seems to allow for a bizarre contradiction: that the incineration of municipal waste to produce small amounts of energy and cut local authority landfill costs may actually attract support under the ROS scheme, while the construction of new, small-scale hydro schemes might attract no support whatever. If the Scottish Executive elects to go against the European trend, to differ with England and Wales and to give money to develop local authority incinerators, I calculate that between 50 and 100 per cent of the funding that is presently available under the ROS scheme could go up in smoke, gobbled up by incineration. That would be a complete disaster. It would block development of renewables and of sensible waste strategies for up to 25 years. It would also mean that, as we would be operating a different regime in Scotland, energy certificates would not be tradable with the rest of the UK. I hope that Parliament takes note of that danger and that all the MSPs who listen to the debate will do their best to make it certain that, above all, the Executive does not allocate funding under the ROS scheme to the incineration of waste for energy.

To develop a vigorous, imaginative, aspirational, environmentally sound and sustainable renewable energy policy, I call on the Executive to create a new post—that of a commissioner for renewable energy. The commissioner for renewable energy should be provided with a team of advisers, drawing on the resources currently allocated to the Minister for Enterprise and Lifelong Learning and the Minister for Environment, Sport and Culture. I am pleased that Alasdair Morrison, the Deputy Minister for Enterprise and Lifelong Learning and Gaelic is here to listen to the debate.

There could be a renewable energy working group, which could be headed by the new commissioner. It is my strong belief that only by setting up such a group will the Executive be able to take forward the development of renewable energy in Scotland with the speed and commitment that the nation deserves, and to apply the strategies that it has been petitioned to initiate by researchers, manufacturers, environmentalists, energy consultants and economists the length and breadth of Scotland. It is important that the Executive recognises that my speech is not simply a party-political piece, but a summary of current thinking on renewable energy in Scotland.

I move,

That the Parliament recognises that (a) Scotland's renewable energy resources have been recorded as being the best in Europe; (b) there is significant potential for creating employment, both through generating renewable energy and from the manufacture of renewable energy generating plant; (c) community based renewable energy projects would benefit rural development in particular; (d) renewable energy can replace fossil fuels and nuclear energy, therefore contributing to a reduction in climate change impacts from greenhouse gas emissions and a reduction in the accumulation of highly radioactive nuclear waste, and (e) there are certain barriers to the development of Scotland's renewable energy potential and these barriers must be rapidly surmounted if Scotland is to capitalise on the potential for job creation and environmental protection and therefore calls on the Scottish Executive to (i) set an aspirational target for supply of electricity from renewable sources of at least 22% in line with the recently announced European Union target; (ii) set a further aspirational target for renewable heat generating technologies and fuels such as biomass and solar thermal energy; (iii) establish a Scottish Wave Energy Test Site; (iv) ensure that, under the forthcoming Renewables Obligation Scotland (ROS) scheme, the generation of energy from the incineration of municipal waste does not qualify for support; (v) ensure under ROS that small scale hydroelectricity generation and refurbishment does qualify for support; (vi) ensure under ROS that there is a market for wave energy; (vii) ensure under ROS that Renewable Obligation Certificates (ROCs) may be issued in multiples of as low as one kilowatt hour in order to facilitate the granting of ROCs for domestic scale renewables and auto-generation and that ROCs are fully tradable across the border with England, and (viii) urgently establish a new cross-cutting team within the Scottish Executive drawing on the resources of the Minister for Enterprise and Lifelong Learning and the Minister for Environment, Sport and Culture whose first goal will be to set up a Renewable Energy Working Group headed by a new Commissioner for Renewable Energy and whose remit will be to pursue actively the development of renewable energy in Scotland.

The Presiding Officer: That was spot on time.

09:40

The Deputy Minister for Sport and Culture (Allan Wilson): On Robin Harper's final point, I do not think that I am wrong to suggest that there is general consensus across party boundaries surrounding this subject. We all agree that Scotland has enormous potential for further renewables development. Scotland's wind energy resource is the best in Europe. The reasons for exploiting that potential are compelling and they underpin the Executive's firm commitment to renewable energy. As Robin Harper outlined, the development of our renewable energy resource has much to offer in terms of economic spin-off. There are also associated rural development opportunities. I firmly believe that our commitment to renewables offers real opportunities in rural areas.

However, even if those reasons did not exist, the threat that is posed by climate change would be sufficient reason for us to promote the

development of renewable resources. The Scottish climate change programme, which was launched last November, emphasised the Government's commitment to reducing emissions and protecting Scotland. Renewable energy plays an extremely important part in that programme. We are working with all interested parties to drive forward the development of Scotland's renewable energy resource.

Fortunately, we are not at the start of the process. Scotland is extremely well served by renewable generation. Our established large hydro schemes account for more than 10 per cent of electricity consumption in Scotland. Progress has been made under the Scottish renewables obligation.

Bruce Crawford (Mid Scotland and Fife) (SNP): What discussions has the Executive had with Scottish and Southern Energy plc on the climate change levy? Like the coal industry, that organisation will not be exempt from the levy. Has the minister spoken to that organisation? Has it been agreed that if it were exempted, it would have a windfall payment, which it could reinvest in hydro schemes to bring its existing plant up to standard? That is something imaginative that the Executive could do.

Allan Wilson: As Bruce Crawford will appreciate, we have on-going discussions with all commercial interests and all the businesses that are involved in energy generation. Those discussions will continue. The specific matter to which the member refers is a matter for HM Customs and Excise, but in any case I do not think that any conservationist now supports the extension of large-scale hydro schemes.

Since 1994, more than 100 contracts have been awarded under the ROS scheme, offering support to technologies such as wind, hydro, biomass and—uniquely—wave power. Many of the projects have now been commissioned and more have reached the planning stage. We expect more schemes to come on line over the next few years, raising Scotland's use of renewables further to around 13 per cent.

That puts Scotland in a strong position, but we are well aware that it is not enough. We cannot afford to take a relaxed view of the challenges that are before us. We have therefore proposed a further increase of 5 per cent in Scotland's renewables generation by 2010, a proposal which was enthusiastically endorsed as part of the climate change consultation. That should take the total to around 18 per cent by the end of the decade. It will make a major contribution to achieving the UK target of providing 10 per cent of electricity from renewable resources by 2010, on which we will work with our colleagues in England and Wales. We are consulting on the mechanics

of our proposals, which include involving all electricity suppliers in a new renewables organisation to provide a set percentage of electricity from qualifying renewable resources.

The response to the consultation on the ROS scheme has been wide-ranging and extremely encouraging. We are grateful to those who have taken the time and trouble to respond. The consultation period ends tomorrow. Although I understand the enthusiasm that lies behind the detail of much of Robin Harper's motion, many of the issues he raises are subject to the outcome of the consultation. I cannot prejudge our response to a consultation process that is on-going.

It remains the case that if we are to prevent distortions to the UK market for renewables under the ROS scheme and the renewables obligations in England and Wales, the central thrust of the schemes must be similar. We can envisage differences in qualifying technologies, but a lower price gap in Scotland could result in renewables generators in Scotland selling all their output to England.

Robin Harper seeks the establishment of a renewable energy working group, headed by a commissioner for renewable energy. We have already taken steps along those lines. Last year, we encouraged the setting up of the Scottish Energy Environment Foundation, to create an international centre of excellence in energy and environmental technologies and to exploit commercial opportunities in those areas. The foundation is funded jointly by the Executive, the Scottish electricity industry and Scottish Enterprise, with support from the University of Edinburgh and the University of Strathclyde. The foundation is now up and running and a director is in place, as is the public and private funding.

There are obstacles to be overcome if we are to meet the targets that we have set. We recognise that and we have taken steps to tackle those obstacles. There is a balance to be struck between, on the one hand, our policy on encouraging renewables and, on the other hand, national policy on landscape and nature conservation. New planning guidelines have been drafted in such a way as to ensure that that balance is struck. We expect the guidelines to aid local authorities in the decision-making process.

The Presiding Officer: One minute.

Allan Wilson: Excuse me?

The Presiding Officer: You have one minute left.

Allan Wilson: Okay. Thank you.

The connection of an increasing number of renewable energy plants to the electricity grid in Scotland poses its own set of problems. The

capacity of the grid to absorb such projects is not without limit and there are associated costs. We recognise that and I assure Parliament that we are again working closely with the grid owners and the renewables industry to identify the most appropriate solutions. Make no mistake; we are determined to achieve the target that we have set. Our commitment to renewables is real and sits at the heart of our drive towards a truly sustainable Scotland. The opportunities for manufacturing and job creation are also real. We must make funds available to back those in need of an extra push at community level. We want as wide a range of viable and competitive technologies as possible and we will decide in the next year how that can best be achieved.

As I said at the beginning of my speech, renewable energy is of tremendous economic and environmental importance to Scotland. The Executive recognises that and is fully committed to the continuing growth of Scotland's renewables sector.

I move amendment S1M-1634.1, to leave out from "that (a)" to end and insert:

"the vital importance of renewable energy as a means of tackling climate change and promoting sustainable development; acknowledges the potential benefit for the Scottish economy from promoting and encouraging renewable energy projects; endorses the commitment shown by the Scottish Executive to the promotion of renewable energy contained in the document Working Together for Scotland, and supports the Executive's proposals for future policy on renewables as outlined in the current consultation paper on renewable energy policy."

09:48

Fiona McLeod (West of Scotland) (SNP): It was clear from Robin Harper's opening speech that the debate is not only about renewable energy, but about Scotland's future and environment.

Robin Harper mentioned that Scotland has a rich potential in renewable energy. Numerous academic studies support that. There are also international comparisons with countries such as Denmark, which Robin Harper made. Denmark employs 15,000 people in renewables. Scotland also has a track record in renewable energy engineering, such as the wind turbines that are made by James Howden & Co Ltd in Glasgow and the ducks for wave power that were invented by Professor Stephen Salter—professor of engineering at the University of Edinburgh. We should remember that track record and progress it, rather than do what we have done in the past.

There are lots of different renewable energy sources that we must examine. There is hydroelectric, in which we also have a track record. Sadly, in recent years, it has been starved

of finances and almost of a future. I hope that the minister will, when he winds up, make a commitment that hydroelectric schemes will be eligible for grants under the ROS scheme, especially for refurbishment schemes.

Let us consider the energy that could be produced from different renewable energy sources. Hydroelectricity in Scotland could produce capacity equivalent to 250MW. It currently accounts for 11 per cent of capacity, but it could be a great deal more.

Onshore wind could produce 420MW, offshore wind could produce 200MW, wave power could produce 200MW and I could list other energies. By 2010, we could produce 50 per cent of our energy in Scotland from renewable energy.

If we put that against a background of a plan to increase coal generation of electricity by 1,200MW within 10 years, it is clear that renewable energy can produce what we need and that it can produce it more cleanly. We should put our energies into that.

As Scotland has greater potential for renewable energy, the SNP believes that we should set greater targets. We owe that to ourselves and to the environment. The UK's target of 10 per cent is miserly compared with targets throughout the European Community. The Scottish Executive's target of 18 per cent—starting from a base of 13 per cent—is not very exciting. The EC has set a target of 22.1 per cent but, given the figures that I have quoted, the SNP would set a target of providing 25 per cent of electricity from renewable energy by 2010; we could easily achieve that target.

We can achieve the target only if we accept that there are Scottish solutions to Scottish problems. A lot of the effort that is going into renewable energy is about large-scale production. That has its place, but Scotland is a small country so we should concentrate on small-scale solutions.

The problems with the grid have been mentioned. My colleague, Kenny MacAskill, will address those. One of the ways round the problem is local production of renewable energies for local consumption. That would not only contribute to meeting renewable energy targets, it would take us into the ecological and environmental argument that small is beautiful. Farmers could harvest energy and fabrication yards could build plant for renewable energy production, as Robin Harper said.

The Presiding Officer: One minute.

Fiona McLeod: Scotland could do so much; we have to do it. I commend Robin Harper's motion and must condemn the Government's amendment. Allan Wilson mentioned that the ROS

consultation will finish tomorrow. As it finishes tomorrow, why has the Government set its stall out today by lodging its amendment and refusing all the Scottish Parliament renewable energy group's consultation responses, which are listed in Robin Harper's motion? The Government has refused those today. It has made its decision and will not wait until tomorrow. It is not listening.

Allan Wilson rose—

The Presiding Officer: Fiona McLeod is in her last minute.

Fiona McLeod: We must go further; that is what the SNP amendment says. The SNP would go further; we would set a 25 per cent target and we would set up an audit. It was mentioned in the House of Commons recently that we must ensure that we audit our environmental practices properly. In auditing those practices, Scotland could produce a national environment plan that would ensure that we were safeguarding our environment and our future.

I move amendment S1M-1634.2, to leave out from "urgently" to end and insert:

"commission an environmental audit as a forerunner to producing a national environment plan which will encompass a renewable energy capacity audit."

The Presiding Officer: I remind members that I put a notice in the business bulletin last week, which said that the occupant of the chair will give a one-minute warning. That serves two purposes; first, to tell the member who is speaking that they are in their last minute and, secondly, to tell other members not to intervene.

09:53

Mr Murray Tosh (South of Scotland) (Con): We were all impressed to see in the business bulletin earlier this week what must be the longest motion that we have debated in this Parliament; there seems to be a sub-clause for every colour in the famous scarf that Robin Harper wears.

Last week, I had the privilege to attend Robin's—and I make no apology for calling it Robin's—cross-party meeting to discuss the consultation paper. I saw at first hand the tremendous grasp that he has of the detail, terminology and acronyms—many of which baffle me. His commitment to this cause is well known and he deserves congratulations for bringing these issues before Parliament today.

Robin Harper is very much the Parliament's conscience on the issue but, as he was keen to point out in his speech, his approach is nothing but a practical and realistic approach to our country's future. He highlighted the economic potential of renewable energy and some of the opportunities that have been missed. He mentioned climate

change; we are becoming increasingly aware of the potential of climate change to disrupt human civilisation for the worse. He also mentioned the depletion of our natural resources and traditional energy sources. Those are all valid reasons for approaching renewables afresh, with a commitment to adopting realistic but ambitious targets and developing sustainable technologies.

However, the Conservatives will not support Robin Harper's motion, because it is not our policy to close the door on nuclear energy. No one would expect me to present a position other than that today, but that does not mean that we do not have considerable sympathy with Robin's argument in almost every other respect and with many of the points that he made this morning.

Scotland has opportunities in several areas. Robin Harper mentioned wind power, which is with us, although it has been a matter of controversy and aesthetic debate. In driving over Soutra hill—as you will do regularly, Presiding Officer—there is something challenging and majestic about the enormous windmills. We must accept—as we have accepted man's mark on the landscape in so many other ways—that wind power will leave its traces.

As Robin Harper said, there are tremendous opportunities in Scotland for wave power. I hope that the Executive's consultation will reflect some of the practical points that Robin made about the importance of sustaining rural communities through wave power and of finding ways to bring the product of wave power on to the grid.

Robin Harper also mentioned biomass. It is important—if our thinking is going to be joined up—that, as we examine difficulties in the agricultural sector, we examine the options for agriculture and forestry to produce material for renewable energies. Those might be ways to produce energy and sustain rural communities.

I am not as keen on hydro schemes as some other members are. I do a lot of walking in the Highlands and I realise the importance of hydro power, but I think that it is a pity that so much hydro power was developed as it was so long ago. Many glens have been ruined by the engineering and the effect of the water. Again, that is mankind's mark on the landscape and we must accept it. However, if we expand hydro power, I hope that it will be through small-scale schemes that are tailored to blend with the landscape and that will not further scar landscapes that are among the most attractive on our planet.

Robin Harper made detailed points about projects that will and will not qualify for support. Allan Wilson's response indicated that, although the Executive has proposals in its consultation paper, its mind is still open on those issues, so

there is every possibility that the points that Robin made will be accepted. On that basis, the Conservatives will support the Executive's amendment. We think that it opens the door to the expansion of renewables and points the way forward, but that does not mean that we do not have considerable sympathy with many of Robin Harper's arguments.

09:58

Nora Radcliffe (Gordon) (LD): Energy policy is primarily a reserved issue, but the Scottish Executive has responsibility for the Scottish renewables obligation. As has been said, consultation on the new round of the SRO—which has become ROS—will close on Friday, so today's debate is timely.

Liberal Democrats support the ROS scheme, but we are concerned that measures that are being progressed in Scotland are set in the context of a less than coherent UK-wide energy policy. Given the potential for renewable energy generation in Scotland, we should be leading the field in Europe, but the UK Government is not demonstrating the commitment and enthusiasm that it might.

The renewable energy programme to cut greenhouse gas emissions has accelerated, but when a total of £14 million for research and development in the renewable energy sector is contrasted with £100 million to support the coal industry, that illustrates the regrettable relative priority of renewables.

As far as policy is concerned, I should also say in passing that the Liberal Democrats would introduce a carbon tax, which would be fairer and more effective than the climate change levy. However, that point is for a different debate.

The need to promote renewable energy generation is urgent and unarguable. The Royal Commission on Environmental Pollution points out that any serious and effective strategy to tackle climate change would require the UK to cut its CO₂ emissions by 60 per cent by 2050. The commission argues that, to have any hope of achieving that target, we would have to expand the use of renewables well beyond the 10 per cent electricity generation from renewable sources that the UK Government has suggested as its target for 2010.

Although Scotland is ahead of the UK game, as we generate about 10 per cent of our electricity from large-scale hydro systems, currently—if members will pardon the pun—we depend on nuclear generation for 50 per cent of our electricity. That source might well be phased out by 2025. Scots should also note that our emissions from the energy sector increased by 13 per cent during the 1990s and they now account

for 30 per cent of all greenhouse gas emissions.

If we seize the opportunity, renewable energy generation could present a major boost to Scotland's economy. For once, rural areas and coastal communities could have an advantage in reaping the benefits of wind and wave energy generation, which could also have significant manufacturing opportunities.

We have missed the boat on wind energy manufacturing, because the Danes have made the investment and developed the technology and now supply two thirds of the world's wind turbines. They have created an industry that supports 30,000 Danish jobs and has grown at a rate of 25 per cent a year for the past 10 years. It would be nice if we could have that.

However, the point is that we could have that if we got cracking to exploit our potential for wave energy and capitalise on the marine-based skills that we have developed through oil and gas exploration. Such skills are transferable to the development of wave and wind energy generation. The figures that define that potential make one giddy. For example, wind power in global terms is already a \$2.5 billion industry that has grown by 40 per cent every year for the past five years, and it is predicted that the wave power market could be worth £20 billion in the UK and £500 billion world-wide.

If we are to grasp this opportunity, it is time to get serious about developing wave technology. We need the necessary Government investment in research and development to establish such technology, to lever in continuing investment. Funding for research into renewables is the responsibility of the UK Government and is administered by the Department of Trade and Industry. This financial year, £14 million has been made available, which will increase to £18 million in 2001-02. However, according to the Royal Commission on Environmental Pollution, UK spending on energy-related research and development is lower as a percentage of gross domestic product than that of almost any other developed nation. If we do not wake up our ideas, we will squander a significant opportunity.

There are short-term issues for the industry that could be described as institutional barriers to development. Although action has been taken to tackle planning control, grid access and electricity trading, a new planning issue has emerged that could severely limit the development of new wind farms. Planning applications for new land-based wind farms now attract routine objections from national air traffic services and the Ministry of Defence. Apparently the radar issue is merely technical and could be solved by the use of smarter processing software. However, the MOD has not explained why it objects to wind turbine

installations that are higher than 100ft—which effectively means all modern wind turbines—in tactical training areas.

This debate is topical and exciting. We should proceed rapidly and enthusiastically to becoming what we should be—the best in Europe in renewables, not the second worst.

10:04

Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab): I will attempt to keep my remarks brief. This morning's debate is very welcome; in lodging his motion, Robin Harper has outlined a number of issues that we should all consider. Furthermore, Allan Wilson's speech was constructive. He indicated that, as the consultation period has not yet closed, no firm commitments should be made at this point. Instead, we should have the debate, consider the range of opinions and reach conclusions at a later date.

Fiona McLeod *indicated disagreement.*

Cathy Jamieson: The tone of Fiona McLeod's comments and the fact that she is shaking her head disappoint me. Her condemnation of the Executive is not particularly helpful.

As many members will know, I represent a constituency that for many years relied on the coal industry and where many of the better-paid jobs still rely on opencast coal mining. I have a strong commitment to the renewable energy sector; indeed, I have had the pleasure of being involved with several initiatives that Robin Harper has helped to develop, such as the Scottish Parliament renewable energy group and the Commission for Wave Power.

Over the next period, we have to examine the realities. It is not as easy as we might hope for the renewable energy sector immediately to provide a huge amount of our resources; however, it is correct that we set targets for doing so and that programmes and bodies work side by side over that period.

I have been involved with the Commission for Wave Power and have read its constructive report outlining options and possibilities for the future. The commission's response to the Executive says:

"In the short term, the single biggest requirement wave power has is a dedicated test site".

If we are to consider what can be delivered in practical terms, it is absolutely vital that we test that energy source on a scale that will allow us to find out whether it has any long-term commercial viability. For too long, wind and wave power and other renewable energy sources were seen as being on the fringes; it was felt that they could not form an integral part of the infrastructure. Although that view has changed with the level of support

that the Executive has given to consideration of renewables, we must take the next step and make them an integral feature of the future.

Fiona McLeod: Given the member's commitment to a Scottish wave energy test site, how can she support the Government's amendment, which will delete that part of Robin Harper's motion?

Cathy Jamieson: The minister made it perfectly clear that it is inappropriate to reach any conclusions in today's debate, as the consultation period has not yet closed. The Executive has received the submission from the Commission for Wave Power, and I am simply asking the minister to consider all the views that have been expressed. I am sure that, when he sums up, he will confirm that he will do so.

There has been discussion in my constituency about the possibility of wind farms. We must educate the general public on the issue, as they seem to have some fears and misconceptions about it. In any event, local people must be involved from the earliest stage in any such proposal.

As the Executive has acknowledged, the public are also concerned about the cost to the consumer. We have to make it clear that, although we should work towards making renewable energy sources part of the process, consumers, especially those on low incomes, will not be expected to bear an additional burden that they cannot afford.

10:08

Mr Kenny MacAskill (Lothians) (SNP): I speak in support of Fiona McLeod's amendment, which is meant to enhance not detract from Robin Harper's lengthy but worthy motion.

I should make two preliminary points. First, green energy and economic growth go hand in hand. Green matters are often viewed as an impediment to—indeed, as antipathetic to—economic development. The motion presents a clear example of how the two can be intertwined and synonymous, and it is important that we proceed in that manner.

Secondly, our climate and location are frequently seen as an impediment, either because of the country's distance from markets or because of its inclement weather. Indeed, just yesterday, Andy Kerr and I were asked on television about various difficulties that arise from our geography. However, Scotland's geographical location and much of its resulting climate present opportunities—such as onshore and offshore wind energy, wave energy and biomass—that we must harness and use. This debate is not just about the environment; it is about Scotland's economic

prosperity as well as individual benefit.

Robin Harper and Nora Radcliffe mentioned wind power. Scotland was at one stage a leader in wind power technology. We have to learn lessons from that fact and apply them to wave power. As both members said, Denmark has numerous jobs in the wind power sector. A considerable proportion of Danish gross domestic product is generated by the technology for wind energy, and Danish exports benefit from that technology.

George Lyon (Argyll and Bute) (LD): Does Kenny MacAskill agree that one of the reasons that Denmark has driven so hard to develop wind energy is that, unlike Scotland, which has huge quantities of coal and oil, Denmark has no indigenous natural energy resources?

Mr MacAskill: In view of Denmark's location in the North sea and its historical oil-development links with the Faroe Islands, I had always assumed that it was in the forefront of the gas industry. The nature of the Danish climate, geography and topography encourages the Danes to harness both onshore and offshore wind, but to say that that is the only factor is not true. The fact is that the Danes saw an opportunity. They took it up and ran to where we had been going. Howden and all the other firms in Scotland that had been at the forefront of developments lagged behind. We are now without that technology and are importing wind turbines. I hope that wind power jobs will go to Campbeltown, as there is talk about Vestas Wind Systems and whatever else.

We should have been at the forefront of wind power technology. We have the opportunity to be at the forefront of wave power technology. That is why I do not agree with the Executive's sentiment that we should delete the requirement for a test centre from Robin Harper's motion.

The requirement for a test centre is fundamental, as is improvement and enhancement of the grid. There is no point in reaping the benefit from the brains that we have in Scotland if we do not have the necessary capacity on the grid, especially on the west coast. That is the impediment. We have to deal with the infrastructure.

Offshore wind power also gives Scotland an opportunity. We now have a significant abandonment and decommissioning problem in the North sea oil sector. Our subsea technology allows us to be at the technological forefront, far in advance of what had to be created from scratch in Denmark and other countries that are developing offshore wind power. We must encourage and enhance the development for which we have the opportunity. The technology for offshore wind power is distinct from that for onshore wind power. Yards that are idle because of the decline in the

North sea oil sector could be transformed into yards for offshore wind power technology.

The real issue is that Scotland must speculate to accumulate. We must take the lead as a nation, rather than leave the technology up to the private interests of individuals. We cannot simply leave it to the entrepreneurial spirits and the brains. They will be siphoned off and taken away. They cannot be expected to operate in a vacuum. The wave energy entrepreneurs and brains are already being encouraged to relocate to places such as Ireland and the Azores. That is why wave energy is a national concern and must be addressed. It is also why we oppose the Executive amendment. The development must be led from the top, where there is an add-on from the Government; it must not just be left to individuals.

10:13

Mr John Home Robertson (East Lothian) (Lab): I am grateful for the opportunity to speak in this debate, and I congratulate Robin Harper on raising an important matter. I share his enthusiasm for renewable energy and for the minimisation of greenhouse gas emissions in Scotland. I am delighted that wind generators are being erected in the Lammermuir hills around the boundary of my constituency.

Mr Harper may be aware that Stephen Salter used to be one of my constituents and that I was involved in the wave energy debate quite a long time ago. I took Stephen Salter to meet the Tory ministers at Westminster in the mid-1980s, when we faced a difficult time over the issue. I am with Robin Harper on that matter.

We should all continue to support the case for wind and wave power, but wind and wave power must not be the whole story—life is not as simple as that. Members of the Scottish Parliament and my colleagues in the United Kingdom Parliament must accept the fact that, whether we like it or not, we have a duty to invest in a safe, permanent repository for the nuclear waste that we have inherited from earlier generations and in recent years. That includes the waste not only from nuclear power stations, but from medical research, submarine reactors and decommissioned nuclear power stations. We cannot avoid our responsibility; a repository must be built.

When such a safe repository is built, it would make sense to include the cleanest source of base-load electricity—nuclear power—in our assessment of options for the future. It is important to remember that nuclear power stations do not emit greenhouse gases. I am grateful for the opportunity to put that fact on record. I pay tribute to my constituents who work at the Torness nuclear power station and the Cockenzie coal-

burning power station for their excellent efforts in running efficient generators that are keeping Scotland warm through a very cold winter.

10:16

Mr Jamie McGrigor (Highlands and Islands) (Con): Charles Dickens would have been proud of the length of Robin Harper's motion. However, as it does not mention wind energy, there is certainly no hot air or wind-baggage about it.

To many distressed farmers in the Highlands and Islands, small hydro schemes and wind farms have supplied a lifeline that has greatly benefited the local economy; I commend such schemes. However, many of those pioneer projects face problems—their incomes from electricity have dropped enormously because the initial seven-year guaranteed payments have run out and the price has fallen from 7p per unit to 1.5p per unit. It is vital that the money from the climate change levy exemption—small though it is—reaches those operators soon and that the introduction of green tickets, which should be worth 3p per unit, is not deferred but starts in October as was originally planned.

I presume that the price of those tickets will be determined by the new electricity trading arrangements. Because they are a UK obligation to Kyoto rather than a European one, those tickets should be traded only within the UK, to protect the price and to encourage the UK to meet the green targets to which Scotland will make a significant contribution.

Scotland desperately needs new and improved electricity infrastructures for transmission and distribution. The existing infrastructures were designed in the 1950s and are now woefully inadequate; they are dominated by east coast generation, although most of the renewable resources lie to the west. If we make electricity, we must have the means to transport it.

The Conservative party is committed to creating an environment strategy that balances a clean environment with economic development. We want a clean, efficient environment in which the needs of business are met not just by our words in the Parliament, but by an atmosphere for the right legislation.

Conservatives want to promote not only the generation of renewable forms of energy, but the manufacture of equipment to harness such energy, and we support the proposal for a wind farm turbine manufacturing unit in Campbeltown. I know that commercial sensitivities surround that proposal, but, as a representative of the Highlands and Islands, I feel that the development must be encouraged. It would provide a wonderful opportunity actively to promote renewable energy

for national and local benefit. It would also supply a lifeline to Campbeltown and create much-needed jobs in the area. I agree with Nora Radcliffe, who said that the Danes are 20 years ahead of us in wind farm technology. However, she must acknowledge that the transfer of the technology to Scotland would be of great benefit to our country. The manufacturing of wind farm turbines would improve employment prospects in rural industry.

I ask the Executive also to consider projects for the creation of energy from waste—especially from forestry waste, as that would help to tidy up felled forestry areas. It is interesting to note that the Knoydart peninsula is upgrading its hydro system, as that is a cheaper option than bringing centrally generated electricity to the area. Self-sufficiency from renewable energy is to be encouraged; small renewable energy projects will have an increasing value to the Scottish economy. Many schemes, such as the Arnish Moor wind generation project in Lewis, the Shildaig and Slattadale hydro project and the Islay wave energy project offer exciting prospects. The Parliament should encourage clean energy.

10:19

Maureen Macmillan (Highlands and Islands)

(Lab): I thank Robin Harper for securing this debate on a most important issue. We must be bold in embracing renewable energy projects and work towards restructuring the economics of the energy market so that it favours renewables.

The Highlands have long led the way in renewable energy. The hydroelectric network was established in the middle of the last century—10 per cent of Scotland's energy is still derived from hydroelectricity. The construction of the schemes brought work, investment and income to the Highlands. The provision of electricity was one of the main engines of economic progress and it prevented depopulation. I despair of the attitude of the Murray Toshes of this world.

The post-war Labour Government supported the investment necessary for hydro schemes and we must have the same vision. We have tremendous opportunities to develop renewable energy schemes in the Highlands and the north-east of Scotland. The Novar wind farm in Easter Ross already supplies 40 per cent of the electricity needs of the local area, and the wind farm in Lorn supplies a quarter of the local needs. There is plenty of scope for more such schemes, large and small, and for the manufacturing and assembly of wind turbines in the Highlands—soon, I hope, in Kintyre.

We lead the world in wave power. No country in Europe has a greater potential than Scotland for

generating electricity from waves and tides. In Aberdeen, Robert Gordon University is researching designs for tidal plants and developing a centre for sustainable engineering, specialising in marine energy. The Engineering and Physical Sciences Research Council has granted £120,000 for research into the optimisation of tide farms. In Islay, Wavegen is testing prototypes. We need sustained investment in wave power, first through research and development and then through capital grants. Research into wave power and the manufacture of turbines could bring badly needed engineering jobs to the Moray firth, the north coast and the north-east. It is crucial that we do not let this opportunity slip through our fingers.

The Highlands also has great potential in relation to electricity from biomass. As a result of the harvesting of the forests in the north over the next 20 years, there will be plenty of brash available for power generation—enough to boil the Cromarty firth, one enthusiast told me.

Our problem in the Highlands and Islands and in the north-east is that we have an embarrassment of riches. We are capable of generating an enormous amount of renewable energy—and renewable obligation certificates—but we cannot send it anywhere because, north of the Highland line, the grid is not capable of bearing the additional load. The grid capacity is being investigated; there should be a report on the findings in mid-March. I am sure that the extension of capacity will come with a serious price tag, but that price must be paid if we are to have an energy industry that does not destroy and pollute and an energy policy that maximises Scotland's national assets and gives us a chance to return to the cutting edge of energy technology.

10:22

Linda Fabiani (Central Scotland) (SNP): In preparing for today's debate, I had a look back at a previous debate that had been called by the Scottish Green Party. The motion, like today's, was an admirable one, which the SNP was happy generally to support. It covered housing energy efficiency, a subject that is related to today's. Sadly, Robin Harper's motion was amended by the Executive in the now predictable, self-congratulatory manner. Today's motion, like Fiona McLeod's amendment, is ambitious and aspirational. That is what the Parliament and Scotland should be.

I often think that the terminology that is necessary to describe green initiatives and alternative energy strategies seems a bit futuristic and does not quite touch people in the here and now. Let us face it: if someone is living in a house that is damp and badly insulated and that they

cannot afford to heat, they will not give high priority to meeting climate change protocols or worrying about greenhouse gas emissions.

There are too many people in that situation. A 1996 Scottish house conditions survey showed that almost 180,000 households use more than 20 per cent of their income on heating and hot water. Fuel poverty has always been high in Scotland, partly because of the cold, damp climate. Other European countries have similar climates—the Scandinavian countries and the Netherlands, for example—but Norway, Sweden and Denmark have a long-standing commitment to energy efficiency in housing, using the tools of rigorous building regulations and innovative solutions that not only improve living standards in the domestic market but strive to achieve measurable results in the reduction of energy consumption and harmful emissions. Denmark and the Netherlands have implemented successful solar energy programmes that, as we have heard, have created considerable employment.

What has happened in Scotland, however? BP has moved its solar headquarters out of Scotland and Shell announced last year its intention to cease its photovoltaic panels activities here. That is sad and shameful. Scotland has not embraced the philosophy of sustainable housing development. We have had innovative schemes here and there, which are to be applauded, but the fact is that nine out of 10 of our homes were built before the introduction of improved energy efficiency standards. Fewer than one in three homes have the desirable combination of central heating, adequate insulation and double glazing.

There is a lot of catching up to be done and a lot of serious decisions to be made about Scotland's housing stock. We have to bite the bullet and not only radically amend building regulations for new stock but be truly committed to the improvement of existing properties. Our grant system is likely to be slightly improved by the Housing (Scotland) Bill, but why not commit to real improvement and innovative solutions such as take-up grants for the installation of solar water heaters and renewable energy technology? The Executive should be providing information and incentives.

Achieving those goals would cost money. However, we should not think only of the initial capital cost, but try to achieve best value through lifetime, social and environmental costing. Our European partners in the Scandinavian countries have shown the way in developing energy-efficient homes as part of their environmental commitments. Such homes should be a central plank of our environmental, health and anti-poverty strategies. However, the long-term benefits will come only after the initial commitment and investment. I support the Scottish Green

Party's motion as amended by Fiona McLeod. I ask the Scottish Government to stop congratulating itself and to commit to and invest in Scotland's future.

10:27

Donald Gorrie (Central Scotland) (LD): I congratulate Robin Harper on his motion. Having been a lone voice in local government for many years, I am aware that, although everyone will vote against his motion, a lot of his ideas will in due course appear in other people's motions as their ideas. I offer him the encouraging advice that, if he keeps on pushing, he will get there in the end. That, regrettably, is the way in which the political game is played.

Whether we are in government, outside government or whatever I am, we need to keep pushing for a greener and more sensible approach to renewable energy. The Liberal Democrats are committed to that idea, but we are sometimes a bit timid. We need to push harder, as do the other parties.

The UK establishment, the civil service and the ethos of the country is profoundly conservative and inactive. British politics is about politicians stirring up inertia to ensure that people do not vote against them. If James Watt and the railway pioneers had lived in the present atmosphere, we would still be travelling to London by stagecoach and relying on the Clyde to drive our mills. There would have been no progress. We used to be an entrepreneurial, get-up-and-go society; now other people are and we are not.

I went with an all-party group of Westminster MPs—if I may confess that—to Denmark to study wind energy facilities. Denmark got its lead in that area because, after the oil price crisis in the early 1970s, it decided that it had to do something about the fact that it imported all its coal and oil. At that point, the Danes gave real help to renewable energy.

I think that wind towers, whether they are in the middle of the sea or inland, are spectacular. As a regular driver along the M8, much of which is dreich in the extreme, I can say that the view would be greatly improved by an avenue of wind towers. I gather that Scotland has a problem in that a lot of its shoreline is not suited to wind power facilities, which require to be placed in shallow waters. However, I am sure that we could find suitable places on the land and in the sea. I was assured that, if we had enough guaranteed trade for new wind towers, the companies would be happy to build them in Scotland, which would provide employment.

It is most important that we do not lose out on wave power. I recall—as will John Home

Robertson, who was involved in Edinburgh politics at the time—that when Professor Salter had his ducks, nobody showed any interest. Salter's ducks were really good stuff and there is other good technology now. We missed the boat and we risk missing it again.

It may be a lost cause to try to persuade Westminster and Whitehall to do anything about this matter, but we and the Scottish Executive can take a lead. We can make it worth while for initiative to be taken. We could bully the electricity people. We could tell the bosses of the electricity quangos, companies or whatever they are that, if they wish to keep their jobs, they must allow this wave-generated stuff into the grid at a reasonable price. At the moment, it is priced out of the market.

There are a lot of things that the Executive and the Parliament can do to promote the greener approach that many people want. However, we are too timid and there are too many bureaucratic and financial obstacles in the way. If we can crack those problems, we can create a huge number of jobs and a much better society. If we get stuck into it, there will be a win-win situation.

10:31

Mr Kenneth Macintosh (Eastwood) (Lab): I am not a scaremonger. I do not think that the world is about to end as oil runs out or as we pollute ourselves to death. It is tempting to use such cataclysmic, apocalyptic language when we discuss what we are doing to our environment, but we need not talk in such absolute terms to appreciate that what we are doing to our environment and how we treat our energy resources is wrong.

I prefer to look at matters from a socialist perspective and to consider this issue as one of fairness. It is not right that we, in one of the richest countries in the world, should be using up so much of the world's energy resources. If it is part of our task as MSPs to tackle inequalities and social justice, we must tackle the iniquitous fact that we, the energy rich, take advantage of our position and exploit the environment at the expense of the energy poor.

The decisions that we will have to take on renewable energy will not be easy. It is tempting to think of green issues as a soft option. Being in favour of renewable energy is a bit like being in favour of apple pie—we help cut pollution and everyone gets the energy they need at little cost to the environment—but real financial costs are involved.

When we discuss a sustainable development policy, we often concentrate on the sustainability side of the equation. We must be aware that decisions taken today will affect all of us in the

future. In considering the other side of the equation—development—we recognise our need as a society to grow and move forward. We should recognise that we have a legitimate expectation to develop and that the decisions that we take that affect our environment should reflect those expectations. I do not want that to sound like a cop-out—that we can defer all the difficult decisions to some unspecified time in the future. Decisions need to be taken now. We cannot take a flat-earth approach.

The Government has faced up to some difficult choices. The targets that were set following the Kyoto agreement are challenging. The commitment to move towards more renewable energy is genuine. However, there is one aspect of the Government's policy that gives me particular concern—it has already been referred to by Robin Harper and others: whether waste incineration should qualify as a renewable technology. I am sure that no one questions the desirability of making best use of the energy that is released through waste incineration, but we should not be encouraging that activity as a way of handling our municipal waste. Renewable energy must be viewed as part of the bigger picture. When it comes to handling rubbish, that bigger picture is not pretty.

In Germany, the recycling of waste is second nature to citizens. There is no reason to think that it should not be the same here. It is not difficult to envisage a time when recycling and a more environmental approach to packaging will effectively become a marketable asset and something that we choose to support. However, we are a long way from that stage.

I do not think that we should be taking backward steps, such as encouraging the creation of more waste incinerators. Where incinerators exist, and if there are no viable alternatives, their energy should be exploited, but we should resist any measures to boost their attractiveness to energy companies.

10:34

George Lyon (Argyll and Bute) (LD): There is general agreement about the opportunities that renewable energy holds for Scotland, particularly for its rural areas. The debate seems to be more about the speed of the journey than about the destination—and that is a legitimate and valuable debate. Some of our audience might argue that if we could harness the wind generated in this chamber, it would probably light up the whole of Edinburgh—that too is a legitimate debate.

Under Westminster control, renewable energy in Scotland was going nowhere—it did not command a high priority. I would argue that since the

Scottish Executive or Government has taken power, there has been a step change in the attitude here towards renewable energy. In my constituency, we are already starting to benefit from that change. Wind farms are actually having their planning applications accepted. At Taynuilt, one is already up and running. It is interesting to note that it has turned into a tourist attraction and that a large number of people travel up on to the hill there to view the wonderful site of the new wind farm. Another is about to be constructed at Beinn an Tuirc in Kintyre. That represents a significant step forward and there are many more such projects in the pipeline. The fact that planning applications are now getting through the process provides us with a real opportunity.

The true test is in the construction industry. Vestas Wind Systems, the Danish firm that is the leading wind tower constructor in the world, is now seriously considering locating a manufacturing plant in Kintyre. It needed reassurance that the Scottish Government was serious about developing wind power. A multinational company such as Vestas will not come to Scotland unless it is so reassured. That is why, when it has come to choosing between Scotland, Ireland, England and Wales, Scotland has come out on top.

I am confident that a positive outcome—the location of that project in Campbeltown—will arise from the bid. Once that decision is taken, we will see that the Scottish Executive is serious about wind power, because it is putting money where its mouth is. If it were not for that change, I do not believe that Vestas would seriously consider coming to Scotland.

More work must be done if we are to develop wave power. We should have no doubt: harnessing the sea's energy, particularly off the west coast of Scotland, is not easy. There have already been disasters off the north coast of Scotland, where it has been tried. The key issue is our requirement for more research and development. That needs to be backed by the Government if we are to introduce the new technology successfully. In fact, the technology has still not been developed sufficiently for it to be successful.

I back what Robin Harper had to say: I hope that there will emerge from the consultation a commitment from the Executive to develop a proper wave site where we can start to test the technology so that we can develop this exciting prospect for the west coast of Scotland.

A further major issue that we must address is the transmission system. We have a huge energy resource on the west coast, but we do not have the means to transfer it onshore to our cities and towns. That is a major hurdle. I welcome the Executive's commitment to assess what is

needed. Its study into the constraints on the network is necessary. That will allow us to identify how and when the investment has to take place. We should have no doubt: the whole of the west coast, from Argyll northwards, is disadvantaged. Without major investment, the transmission system will not bring the huge energy resource to Scotland. I hope that the required work will come to fruition over the next year or two.

It is generally agreed that wind and wave energy are a tremendous natural resource for Scotland. To exploit that resource for the people of Scotland, a long-term view is required. Short-termism will not work in the renewable energies industry. Denmark took a long-term view 20 years ago—one of its companies is now the world leader in wind technology. We have to do the same with developing wave technology. I believe that the Scottish Government has taken a significant step in that direction, but more needs to be done to harness our bountiful supply of energy for the people of Scotland. I support the Government amendment.

10:40

John Scott (Ayr) (Con): I, too, congratulate Robin Harper on his motion and on its length—is such output sustainable?

There is little in the debate with which one can disagree in aspirational terms—we all want a better, cleaner, more energy-efficient and sustainable future, and the creation of jobs in fragile rural economies.

Conservatives readily acknowledge Scotland's huge untapped resources of renewable energy. We welcome the Scottish Executive's consultation paper on renewable energy obligations. The major source of renewable energy in Scotland is wind. The point must be made loud and clear that Scotland has 40 per cent of Europe's potential wind energy. As Robin Harper said, wind is obviously an asset that must be tapped into.

Unlike the SNP, I do not believe that we have missed the boat; wind energy is still in development. Many members agree that it is time to consider proactively managing and harvesting that asset, but if a policy of significantly increasing wind farming is pursued, it must be done sympathetically so that, wherever possible, the visual impact is kept to a minimum. As Allan Wilson and Murray Tosh said, a balance must be struck.

Studies show that public attitudes to wind farming are largely favourable. The idea of getting something for nothing appeals to most Scots. Using a natural asset to create electricity makes sense in these days of pollution and realisation of the exhaustibility of fossil fuels. It is a policy that is

driven by pragmatism—acting as needs must—so the argument is no longer about whether renewables are a good idea but about the best way of delivering a co-ordinated approach, where best to do it and when best to promote it.

The Executive's target of 18 per cent for ROS seems realistic. The targets offered by Robin Harper and Fiona McLeod—of, respectively, 22 per cent and 25 per cent—are simply aspirational. We must take a measured but positive approach, rather than act in haste and repent at leisure.

In South Ayrshire, calculations show that we have a potential renewable energy resource of around 6,630 million kWh, of which 98 per cent is in the form of wind energy. Not only do we have the wind in Ayrshire, we have the South Ayrshire Energy Agency, which is the first of its kind in Scotland. It has been established to provide energy advice and to promote energy efficiency in both the domestic and the business sector. Linda Fabiani drew attention to the need for that. Perhaps the agency could be used as a model for other areas in Scotland.

Given the advent of the climate change levy, which will increase electricity charges by 0.43p per kWh, the need for such agencies grows daily and the need for small and medium enterprises to cut costs and remain competitive is paramount. The Liberal proposal to introduce a carbon tax would just increase costs.

Another welcome source of renewable energy creation in Ayrshire is the Alba proposals for Killoch and Piperhill. That project's potential to provide integrated waste management disposal solutions and create, as a by-product, a renewable energy resource strikes the right chord. I wish such projects every success. However, whether they should attract capital grant funding must be examined carefully.

Another type of project, which is still at the concept stage but which I sense has great potential—it is my hobby-horse—involves what are, in effect, underwater wind farms harnessing the energy of tidal currents. I hope that that makes sense. Such a project could work well between Orkney and mainland Scotland, where giant underwater turbines could be used to tap into the enormous tidal currents in the area.

I think that we are all largely agreed on this matter. I support the Executive's position and look forward to developments.

10:44

Bruce Crawford (Mid Scotland and Fife) (SNP): Like other members, I congratulate Robin Harper on putting his case with the clear commitment and passion that we have come to

expect from him on this subject. I agree with him that the lack of ambition in the Executive's target is worrying. I also agree that we do not want to miss out on wave power as we have done on wind power. It would be a tragedy if the Executive did not ensure that we become world leaders in that industry.

Allan Wilson: Bruce Crawford has repeated the claim that the Executive's target is unambitious. Does he accept that 18 per cent represents a milestone rather than a destination beyond which no further targets can be set?

Bruce Crawford: That does not detract from the startling lack of ambition in the target that has been set. Everyone can say that they will reach a certain level and go on from there. We want to reach 25 per cent by 2010, but the Executive wants to reach 18 per cent by then; there marks the difference.

Fiona McLeod set out clearly where gains can be made in wind, wave and tidal power. Scotland should set stretching but achievable targets. Twenty-five per cent is entirely achievable. We should consider the targets that other small countries in Europe have set. Austria is aiming for 78.1 per cent by 2010, Denmark for 29 per cent, Finland for 35 per cent, Portugal for 45 per cent, and Sweden for 60 per cent.

George Lyon: Exactly how much is the SNP willing to spend to reach a target of 25 per cent? How much will it cost to reach that target? What extra investment will the SNP make?

Bruce Crawford: George Lyon talked about the problems with the grid on the west coast of Scotland. It is okay to hold discussions, but addressing those problems requires hard cash. A Scottish public service trust could invest £250 million to sort them out and would give Scotland the opportunity to become Europe's green powerhouse—it just requires a bit of imagination.

Kenny MacAskill discussed how renewable energy is not just about the environment, but about having a successful economy. He talked sense on the lost opportunities of the past and the need to speculate to accumulate and to turn Scotland round so that it is a world leader in this area.

I do not share Murray Tosh's views on hydroelectric power. I know that much concern has been expressed in the past. For a couple of decades after the second world war, there was a major investment in hydro power by the North of Scotland Hydroelectric Board. That process was brought to an end in the early '60s, when the UK claimed that the future lay with cheap oil and nuclear power. Now, hydro is by far the cheapest source of electricity in Scotland and it supplies about 13 per cent of our needs.

In retrospect, I think that the hydroelectric power programme was a magnificent investment for a sustainable future. Sadly, no more plant was built and Scotland received more than its fair share of UK nuclear power. The UK gets about 20 per cent of its electricity from nuclear power, but the corresponding figure for Scotland is about 50 per cent. The development of RE in Scotland has been severely hampered by the nuclear industry. Oversupply of nuclear-generated capacity has been an excuse to cut Scotland out completely from the first two rounds of the UK's very modest renewable energy programme.

How do we ensure that Scotland becomes the world leader that we know it should be? At the moment, the Scottish Parliament has a limited remit to encourage RE in Scotland. I believe that Scotland will need to achieve the status of a normal nation in Europe before we begin the fundamental shift in attitudes and vision from the old policies of the UK Government that have left Scotland far behind in RE technologies. Only by achieving that status will it be possible for all to see that they can play their part in making Scotland Europe's green powerhouse.

10:49

Allan Wilson: This has been an informed debate. I congratulate Robin Harper on his choice of subject. What has been said confirms that it is a matter of great importance to Scotland. I confirm to Cathy Jamieson and all other members who have expressed views on the renewables obligations for Scotland that the consultation will be considered by the Executive. I would be treating that process with contempt if I prejudged its outcome before the consultation concludes tomorrow.

Many members have asked questions about the validity of recovering energy from waste and about the impact of wind turbines on Scotland's environment. I am conscious of the strong feelings that wind power whips up, if you will excuse the pun, Presiding Officer. The Executive does not envisage vast tracts of Scotland being populated by wind turbines. Not even the most enthusiastic advocate of wind energy would wish that. To reiterate what John Scott said, a balance has to be struck. If we are to meet our renewable energy targets, wind energy clearly has a major part to play, but that consideration should be set against our other important commitment to safeguard as far as possible our natural heritage from the impact of excessive and inappropriate development.

The SNP amendment reflects a position on central planning. Our new planning guidelines were warmly welcomed and new guidance has led to a real upsurge in interest in new renewable

energy developments. Approvals of wind farm applications in Scotland are running at 60 to 70 per cent, which is much higher than the rate in England and Wales. We do not need an audit plan or any of the other trappings; we need to get on with the situation in hand.

Fiona McLeod rose—

Allan Wilson: If Fiona McLeod does not mind, I would like to continue.

On grants for existing hydro generation, I say to Bruce Crawford that small hydro stations under 10 MW will be eligible for support, and support for incremental output from larger hydro stations is still under discussion.

Maureen Macmillan, Nora Radcliffe and others have made much of the potential of wave power. I unequivocally support and encourage the work that is being done in Scotland to allow us to harness that resource. In particular, I wish to commend the LiMPET project in Islay, which is the first commercially operating wave-power plant anywhere in the world. Wavegen in Inverness deserves to be congratulated on its achievement. The LiMPET project is in place with continuing support under the Scottish renewable energy obligation because of the unique effort and unique support offered in Scotland.

On the recovery of energy from waste, I say to Kenneth Macintosh that our consultation document is just that—a genuine consultation. The Executive does not see a compelling argument for or against recovering energy from waste. We are, however, mindful of the duties that are imposed on all of us—and particularly on Scotland's local authorities—by our waste strategy. We accept that incineration alone is not an ideal way to deal with waste, but it has a part to play in waste management in the right circumstances.

We are also conscious of the new technology benefits that Scotland could derive from being a leader in gasification and pyrolysis. I agree with Kenny MacAskill's point about the need to make an economic case for renewables rather than an emotional one. Much has been said about the lack of economic benefits from our renewables project, but gasification and pyrolysis represent one set of possibilities and I am sure that there will be others.

George Lyon and Jamie McGrigor were among those who advised us to consider spending public money to upgrade the electricity network. There are clear indications that investment must be made in those networks, which are privately owned, if we are to realise our targets. We have commissioned a study to examine what action will be required and that study will report in mid-March. The fairly odd proposition made by Fiona McLeod and Bruce Crawford—that biomass can replace energy generated by coal and nuclear

power—is simply not considered feasible. Nuclear power meets more than 50 per cent of Scotland's energy needs, whereas biomass is both expensive and small scale.

I have tried to answer all the points that have been raised during the debate, but I am conscious that time is against me. I will reply in writing to all the points that I have not covered in my speech.

10:54

Robin Harper: The spirit in which I brought my motion before the chamber was best exemplified by Cathy Jamieson's speech. My intention was to draw to the Executive's attention the amount of support in the chamber for renewables and for some of the specific issues that I raised in my opening speech. When members consult the newspapers, they will see how much that support is reflected in the other speeches that have been made.

Before I respond to the individual points that have been raised during the debate, it is important that I stress that wave energy is the most important and urgent issue that I addressed during my opening speech. We must create a fledgling market for wave energy in Scotland as soon as possible. I hope that the Executive will come up with support for wave energy well before it has finished discussing the responses to the renewables consultation paper. It has been indicated that those discussions could take up to a year; we cannot wait so long for a response.

Several members, including Fiona McLeod, Jamie McGrigor and—[*Interruption.*] Where are my notes? I will mention members by name in due course, but those members pointed out the advantage of community schemes of any kind, and particularly hydroelectric schemes in the north of Scotland. Labour members, at least, will remember Tom Johnston, who had a dream that all hydro in the north of Scotland would be controlled by the Highland community and that all the profits from such schemes would go back into the community rather than to a hydro board or a privatised firm. It is sad that Tom Johnston's original vision has disappeared, but we could get it back with the new development of renewables in Scotland. We should think global but act local, and the Executive should consider supporting as many community schemes as possible.

I was delighted to hear Kenny Macintosh's comments on incinerators. On the debate about where ROS should lead to, the Executive must accept that there is a compelling argument not to fund incineration of waste for energy through the ROS. Let us leave the rest of that debate for later.

I was happy to hear Linda Fabiani's comments. I hinted in my opening speech that we must

consider all the ways that renewables link into energy efficiency and the ways in which life for the poorest people in Scotland's communities can be improved, to which I referred during a speech that I made last year.

I thank Donald Gorrie for his encouragement and Maureen Macmillan for her plea for small-scale developments in the Highlands. I am afraid that John Home Robertson and I will have to agree to disagree—

Mr Home Robertson: About wave power?

Robin Harper: No, about nuclear power. However, that is a debate for another day and I thank John Home Robertson for his support for the other ideas that I put before the chamber.

Apart from occasional moments of political sniping, we have had a high-class debate, which has left me with a sense of unanimity about the urgency with which we must make progress on the development of all renewables in Scotland.

I ask the Executive to be as modest as possible when it talks about progress, about where it has got to and about the level of support that it is giving. The Executive is giving only £30,000 a year—one person's salary—to the Scottish Energy Environment Foundation in Glasgow. While some small community environment projects receive similar amounts of support, it is good that the Executive's small amount of support for the foundation seems to have levered in an enormous sum from industry. I have to give the Executive credit for that.

On climate change, I ask that people be more modest about what is likely to happen in transport in Scotland. We have no target for transport reduction, which means that transport is unlikely, certainly in the near future, to make a real contribution to a reduction in CO₂ emissions.

I am afraid that the number of houses that are being converted to conform to standards of insulation—which are still relatively low—will not produce CO₂ reduction. If we are to solve the problems of fuel poverty and its effects on the poorest people in our communities, and if we are to achieve fuel efficiency in our housing, we need a step change in the number of houses being converted within the next 10 years.

I end by pleading with the Executive to take on board—as I am sure it will—everything that it has heard today. Will the Executive please, as a matter of urgency—because this is even supported by wave power's competitors in the renewable energy industries across Scotland—address the problems faced by the wave power industry and give it the extra support it needs?

MMR Vaccination

The Deputy Presiding Officer (Patricia Ferguson): The next item of business is a debate on motion S1M-1624, in the name of Tommy Sheridan, on the national health service. There is one amendment to the motion.

Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab): On a point of order, Presiding Officer. Can you indicate how many back-bench members it will be possible to call in the debate?

The Deputy Presiding Officer: I hope to call as many as I can. Obviously, that will be dictated largely by the amount of time that each member takes and more names are appearing on my screen as I speak. To be honest, it is almost impossible to predict how many members I will be able to call. I will monitor the situation and try to call as many as I can.

11:02

Tommy Sheridan (Glasgow) (SSP): During nine years as a councillor and two as an MSP, I can say without fear of contradiction that the most heart-rending and frustrating cases to present at my various surgeries have been those of the mothers and fathers of children who, the parents said, had hitherto been normal but who had developed autistic spectrum disorder, along with Crohn's disease and other bowel irregularities. The number of cases has risen markedly over the past 10 years and, almost without exception, those parents believe that there has been a causal link between the MMR triple vaccine and the development of autism.

I will be absolutely honest: I do not know for sure whether there is a causal link between the MMR triple vaccine and the development of autism. However, in the midst of so little research into autism, and so little understanding of it—especially of the reasons behind its markedly increased incidence over the past 10 years—who can really be sure that there is no causal link? Who can really be definitive? Who can say, hand on heart, that the MMR triple vaccine is totally unrelated to autistic spectrum disorder?

The argument is not black and white. It involves fears, misunderstandings, instincts and much healthy scepticism. Make no mistake: the motion is not against vaccination. Vaccination against measles, mumps and rubella must be promoted and encouraged across the whole of Scotland. The motion simply asks for the return of single vaccines for at least a five-year period, during which time proper, reliable and extensive research into autism and the causes of its increased incidence can be produced.

If the MMR triple vaccine is not responsible for the increased incidence of autism, the reasonable and legitimate question from an increasing number of parents will be: "What is?"

I am not saying that the triple vaccine should be replaced by single vaccines. I am saying that single vaccines should be an alternative. There should be a choice. Many parents will continue to choose the triple vaccine for their children and they should have that choice. However, the choice of single vaccines, so readily available in the countries that are mentioned in the Executive's amendment, should also be available here.

A report from the Committee on Safety of Medicines concluded in June 1999 that the MMR vaccine is safe, yet buried away in the middle of the report, it said:

"We could not prove or refute a connection between MMR and autism."

No wonder there is so much confusion and fear.

I move,

That the Parliament notes the increasing concern expressed by parents and many in the medical profession across Scotland regarding the triple MMR vaccination for measles, mumps and rubella and agrees, in the interest of addressing this serious public concern and in order to maximise choice for worried parents in relation to these important vaccinations, to allow immediately single vaccinations across the National Health Service in Scotland for at least a five year period, during which a detailed study of autistic spectrum disorder should take place and its incidence throughout Scotland should be closely monitored.

11:06

The Deputy Minister for Health and Community Care (Malcolm Chisholm): It is regrettable that Tommy Sheridan has brought forward the motion in this manner today. We must be mindful of the public health implications of anything that we say on the subject and we would be well advised to pay heed to the overwhelming weight of medical opinion in this country and throughout the world.

Some members may have seen today's press release, which deplored Tommy Sheridan's proposal, from the Royal College of Nursing, the Royal College of General Practitioners, the British Medical Association, the Faculty of Public Health Medicine, the Royal College of Physicians and the Royal College of Paediatrics and Child Health. As John Garner, chairman of the BMA in Scotland says, there is

"a very clear link between low rates for vaccination uptake, increased incidence of life-threatening complications from measles and the use of separate vaccines. Parents who wish to exercise the precautionary principle should arrange for their children to receive the MMR vaccination."

On the alleged link between MMR and autism

and inflammatory bowel disease, the fact is that vigorous scrutiny by a number of independent expert groups has established that the evidence does not support any such association. Both the Joint Committee on Vaccination and Immunisation and the Committee on Safety of Medicines, which advise UK health ministers on those issues, are unequivocal that, on the scientific evidence available, there is no causal link of that kind.

Alex Neil (Central Scotland) (SNP): Will the minister give way?

Malcolm Chisholm: As I say, it is regrettable that the subject has been brought up in a 30-minute debate. I have three minutes, so I am forbidden by the nature of the debate from taking interventions.

The evidence to support the safety of MMR is much greater than that for the single vaccines. MMR vaccines have been through a licensing process that requires safety and effectiveness to be carefully reviewed before a licence is granted. Nor is there any evidence that single vaccines are more effective. There is every reason to expect that they are less so.

The MMR vaccine is now used in more than 30 European countries as well as in the USA, Canada, Australia and New Zealand. Since its introduction, more than 250 million doses have been administered, with dramatic reductions in the incidence of the three diseases and in the deaths caused by measles. The World Health Organisation regards MMR as

"a highly effective vaccine which has such an outstanding safety record".

I cannot speak in detail about the recent Finnish study, but some members will know that, when MMR was introduced in 1982, the Finns set up a countrywide surveillance system specifically to identify serious adverse effects associated with it. By the end of 1996—and 3 million doses delivered to 1.8 million individuals later—the authors concluded that

"no cases of autism were associated with MMR during this 14 year follow-up".

Tommy Sheridan calls for research. That is precisely what is happening now in the Medical Research Council. We are funding a major study, with the UK Government, into the causes of autism. The Executive recognises the real concerns of parents. Parents are bound to be confused when conflicting reports appear in the media. That is why we regard it as important that parents are provided with the best possible advice on MMR and single antigen vaccines. We are determined that they will get that.

I urge members to support the amendment in my name and to oppose Tommy Sheridan's

motion.

I move amendment S1M-1624.1, to leave out from "the increasing" to end and insert:

"that the MMR vaccine commands the support of all the major health organisations in the UK, that it is recommended by the World Health Organisation, that it is used in over 30 European countries, as well as in the USA, Canada, Australia and New Zealand and that the two UK independent expert committees, the Joint Committee on Vaccination and Immunisation and the Committee on Safety of Medicines, remain unequivocal that, on the scientific evidence available, there is no causal link between MMR vaccine and autism; further notes that there is in progress a major study funded by the Medical Research Council into the causes of autism, and agrees that, in the best interests of all Scottish children, there is a need to present to concerned parents the facts about MMR and single antigen vaccines in an objective, accurate and responsible way."

11:10

Nicola Sturgeon (Glasgow) (SNP): The issue is complex and it is impossible to do it justice in a half-hour debate.

There is no evidence of a link between the MMR vaccine and autism but, equally, there is no evidence that such a link does not exist. Therefore, politicians must act responsibly and do or say nothing to increase parents' concerns. However, responsible behaviour by politicians also means that we must respond to the reality that an increasing number of parents are concerned about the MMR vaccine and nothing that we say or do this morning will change that or convince them that there is no danger. We should remember that following the BSE crisis there is public scepticism about Government assurances.

Whether we think parents' concerns are justified or not, they are real. The danger is that, deprived of any other option, some parents are choosing not to have children vaccinated, leading to a possible increase in the incidence of measles, which none of us wants. So my question to the Deputy Minister for Health and Community Care is, is giving people the choice of the single vaccine not the answer? It may well be that the absence of that choice and the perceived intransigence of the Government are helping to fuel public fears.

The Executive amendment notes that most European countries, the USA and others recommend the MMR vaccine. That is true, but the amendment does not mention that in many of those countries the single vaccine is also licensed, so those parents are given a choice that parents here do not have. Why do we not do the same? There are concerns about the time lag and about whether parents will take children to be vaccinated on three separate occasions, but we should not forget that many of the parents who would opt for the single vaccine are at present opting not to

have their children vaccinated.

We do not need dogmatism from the Government, we need pragmatism. That would mean recognising the concerns, even if it does not mean accepting their basis. James Kennedy of the RCN, in the press release that the Deputy Minister for Health and Community Care referred to, said:

"It is vital that parents do not feel dictated to."

Parents are being dictated to. They should be given the choice that they want to help calm current fears while independent research is carried out—I stress the word independent—in which parents and the public will have confidence.

11:13

Ben Wallace (North-East Scotland) (Con): I am disappointed that the Health and Community Care Committee report on the MMR vaccine, which is in mid-progress, has not yet been referred to. Because that report is incomplete, the timing of the debate is discourteous. The committee's principal spokesman on the issue is Mary Scanlon and I do not want to jeopardise her report by saying too much. If we want to reintroduce confidence in the system, the debate should have been delayed until a considered Executive response to the committee's report was available.

The Conservative party is concerned that public debate has led to such a lack of confidence that there is now a serious threat to public health. It is not good enough to rely on the small amount of scientific evidence. The Executive must take active measures to reassure people or to solve the problem pragmatically. My experience with syndromes or conditions in the armed forces, such as gulf war syndrome or post-traumatic stress disorder, is that the medical profession can be far too hesitant about addressing the circumstantial evidence, at least until it stares it in the face. There is considerable fear in the community that there is a link between autism and the MMR vaccine. The legal case in England brought by 500 parents shows that parents are acting on that concern.

It is always good to hear a socialist such as Tommy Sheridan arguing for choice. Why has the Executive made this such an issue? Why are we not allowed to make a choice? As Nicola Sturgeon said, the Executive's amendment says that MMR is used across the west, but so is the single vaccine. I am sure that that was a deliberate omission by the Executive. Why is the Executive risking knocking public confidence, at the expense of public health in Scotland? The ideal proportion of immunised people to ensure minimal risk of disease is 95 per cent. Because of the recent concerns about autism and MMR, vaccinations in Scotland have dropped below that level. The

pragmatic solution is to rebuild public confidence by offering parents a choice.

We will support the Executive's amendment because we believe that, until things are proved one way or the other, a constant is best. However, before doing so we seek assurances. The first is that the present MMR programme will be reviewed while the MRC study is being completed, and that once the study is completed the Executive will take measures to offer more choice. The second is that the Executive will act if the report of the Health and Community Care Committee comes down on one side or the other of the argument. That is a test of the Executive—will it take the Health and Community Care Committee's report seriously?

11:16

Mrs Margaret Smith (Edinburgh West) (LD): The debate is far too short, but it raises again the concerns that were expressed in the member's debate introduced by Lloyd Quinan some weeks ago. That debate was well supported, showing the concern of MSPs from all parties and our wish to ensure that a clear message goes out to parents that a good uptake of the vaccination is essential. Measles, mumps and rubella have serious dangers. In the 1987 outbreak of measles, 16 children died. Mumps used to be the leading cause of viral meningitis in under-15s. Rubella can affect the unborn child in dreadful ways.

Ben Wallace mentioned the report from the Health and Community Care Committee. I will reserve my position until I see the work undertaken by Mary Scanlon, who sends her apologies. She is attending her mother's funeral. She said that she was happy for members to be told that; conscientious as ever, she would otherwise have taken part in the debate. Mary has been working on a wide-ranging report, which the committee expected to have by now, but we hope to have it within the next two weeks. I hope that the Parliament will have the opportunity to debate the issue again once that report has been digested by the Health and Community Care Committee and by the Executive.

There are two main concerns. The first is the safety of the MMR vaccine. I am not an expert—I cannot say whether it is safe. Most of the medical evidence, as we have heard today, suggests that it is, but we cannot be 100 per cent certain. There is also the evidence from Andrew Wakefield at the Royal Free Hospital and School of Medicine in London. Most important, there is heart-breaking anecdotal evidence from parents who believe they have seen a causal link between the MMR vaccine and autism in their children. We do not know whether the alarming rate of increase in autism is due to increased diagnosis or to that link. That is

why I welcome the MRC research on autism.

The second concern, which is where we politicians come in, is about the efficacy of the vaccination programme. We cannot just blindly say that we think that something is right, so we will not listen to parents' concerns. Parents have no choice at the moment. While I agree with much of what was said in the press release by the RCN, the BMA in Scotland and others, I take issue with the paragraph saying that

"Parents should be encouraged to discuss any concerns they have regarding the vaccination with their GP, practice nurse or health visitor who will be able to provide detailed information allowing the parent to make an informed choice."

What is the choice? It is MMR or no vaccination at all. Is that a real choice? I am looking forward to our report setting out a range of options. The single vaccine is not necessarily the panacea that some people believe—it is untested, untried and brings problems of its own. I will wait until our report comes out before taking a final position on the matter. It is a complex issue and one to which Parliament must return when we have a little more than three minutes each in which to discuss it.

The Deputy Presiding Officer (Mr George Reid): We move to the open debate. Members have no more than three minutes each.

11:20

Shona Robison (North-East Scotland) (SNP): Tommy Sheridan opened the debate by saying that he does not know whether there is a causal link between MMR and autism—that goes for most members, if not all. However, we know that there are parental fears. We have all met parents who have real concerns. No matter how many reassurances are given by the Government, the BMA or anyone else, a sizeable minority of parents will decide not to give their children the MMR vaccine.

We must accept that over the years there has been growing public scepticism about Government reassurances. Rightly or wrongly, people no longer accept everything that the Government or the medical profession says. What can we do? We must accept that the result is that some parents will choose not to vaccinate their children. That is the worst possible outcome and puts children in real danger. Margaret Smith made an important point. The BMA press release talks about "informed choice", yet people are being offered no choice. What is the choice? It is our responsibility to take a pragmatic approach to the matter. In those cases where parents are refusing MMR, we should consider offering a single vaccine—measles in the first instance, followed by mumps and rubella after the required period.

The problem will not go away. Parents will not change their minds on the vaccine. I look forward to the report of the Health and Community Care Committee, which is likely to be both informative and useful. However, at the end of the day, we will have to come to a decision. We should offer parents the choice that they require and deserve. I hope that we can reach a point where we agree on that.

11:23

Dr Richard Simpson (Ochil) (Lab): Some of what I was going to say has already been said, but I will emphasise some points. We have already had a member's debate, initiated by Lloyd Quinan, which raised many of the concerns about the MMR vaccine. I am sorry that I missed that debate.

Debating this motion when the Health and Community Care Committee is on the point of receiving its report is almost a discourtesy to the Parliament because it bounces us into making decisions. I will vote against the motion, although I will keep an open mind on the Health and Community Care Committee report. I look forward to discussing the issue once I have been able to consider all the evidence. I say that as someone who has read much of the evidence and many of the studies.

The first challenge to the vaccine is that it is not safe. Dr Wakefield recently attacked the vaccine as unsafe and suggested that it had been inappropriately licensed. That is invalid for two reasons. First, as Malcolm Chisholm mentioned, the number of doses that has been used across the world demonstrates that there are no real safety fears. Secondly, there are the results of the initial Finnish twin study, published in 1986, which met the strictest scientific criteria. The study was unique and classical—it was a placebo-controlled, double-blind twin study and demonstrated the vaccine to be safe.

Not only is the vaccine safe, evidence published last year by the Finns in the *Journal of the American Medical Association* demonstrated positive benefits. The Finns were also considering another theory, which is held there and which was suggested here by a doctor—I am sorry to say—in an article in the *Daily Record* not so long ago: that measles is not that bad because it somehow helps the immune system. That is complete and utter rubbish. The Finnish study shows that the levels of asthma, eczema and allergic rhinitis in children who receive MMR is reduced by between 32 and 67 per cent when compared with those who have had measles. That was a substantial study showing that the MMR triple vaccine has benefited the prevention of those diseases. I hope that we will be able to demonstrate that in Scotland, too.

There is no doubt that the individual measles vaccine was an effective vaccine. However, the level of measles in Scotland did not drop until the introduction of the triple vaccine. It was not until the mid-1990s that vaccination levels meant that the appropriate reductions in infection were achieved.

Alex Neil: Will the member give way?

Dr Simpson: I am sorry, but I do not have time.

The Deputy Presiding Officer: The member has 30 seconds left.

Dr Simpson: As Margaret Smith said, measles causes death and disability, mumps causes significant disability and brain damage, and rubella causes serious problems for unborn children. Even if the link were to be proved, the situation is not simple. As I said, I will keep an open mind until we receive the Health and Community Care Committee report. I look forward to seeing the evidence from the Dáil, the Irish Parliament, which is discussing the same issue. My last comment—

The Deputy Presiding Officer: Very briefly, Dr Simpson.

Dr Simpson: It is my last comment. In Japan, when the MMR vaccine was withdrawn, within a short time, there was a significant measles outbreak. The message must go out that no link has been proven. On that basis, the MMR vaccine should be promoted to the greatest possible extent.

11:26

Mr Lloyd Quinan (West of Scotland) (SNP): As Dr Richard Simpson well knows, the Japanese equivalent of the British Medical Association has said that the measles outbreak is a direct result of the lack of uptake of MMR and the failure of the Japanese Government to instruct immediate access to single vaccines. The gap period created the measles epidemic.

The simple fact about the Finnish study is that 187 children were tracked—not the number of doses that were administered during that time. The figures are misleading. It is true that a certain number of doses was administered during the period of the study, but the study itself followed only 187 children.

Whether there is a link between the MMR vaccine and autism cannot be proved one way or the other. There is a simple reason for that: we do not know what causes autism in the first place. To talk about a causal link or lack of one is to hold a discussion on an irrational premise, because we do not understand what causes the syndrome. I am standing here to say that I have received correspondence from people in every constituency

in the country expressing concern and telling me that there is a network of people who have decided, because of their fear, not to take up the MMR vaccine. If we want to prevent a measles outbreak, we must give access to the single vaccine, as of today. I appeal to Labour members to support the motion on the basis of the precautionary principle. That is what the people want—Richard Simpson knows that, as do I. I urge members to confirm that today at 5 o'clock.

11:28

Malcolm Chisholm: Although the Executive deplores the circumstances of today's debate, we are keen to have detailed discussion on the subject. That is why the Executive has invited Professor Michael Langman, chair of the Joint Committee on Vaccination and Immunisation, to a meeting in Edinburgh next Tuesday morning. We have invited both the Health and Community Care Committee and the cross-party group on autistic spectrum disorders to attend, as well as health professionals. That will be a helpful opportunity to learn at first hand why the independent experts are in favour of MMR and against the single vaccine approach.

Offering single vaccines as an option is not the simple solution it is represented to be. Dr Wakefield—to whom both Margaret Smith and Dr Simpson referred—has suggested there should be a 12-month gap between the three vaccinations. However, there is not a shred of evidence to inform that advice. For 12 or 24 months, the child concerned would be exposed to infection by mumps, measles or rubella, which can result in death or serious illness. The potential consequences are not confined to that one child but, importantly, may affect any other unprotected child or adult with whom that child is in contact.

Lloyd Quinan refers to the precautionary principle, but there is nothing precautionary about the unnecessary exposure of infants to potentially serious infections. Children having to have three vaccinations, rather than one, would suffer increased trauma at 12 to 18 months of age, and would require three booster doses, instead of one, at three and a half to five years of age.

Nicola Sturgeon asked for choice, but there would be enormous difficulties in presenting a single vaccine option to parents. I remind members that 93 per cent of parents in Scotland take the MMR option for their children, and that most of them have been supportive of that particular vaccine. Providing an alternative would immediately place a question mark against MMR. Far from being reassured, parents would be utterly confused by being offered a choice, and children would be put at unnecessary risk.

We must ensure that parents are given the best possible advice and information about MMR and single antigen vaccines. That precise point was made by James Kennedy of the RCN, to whom Nicola Sturgeon referred.

We have a responsibility to present the facts in a responsible, measured way. That is what the Executive will continue to do. The key point is that MMR is a proven measure and there is no basis for linking it to autism. I therefore ask members to support the amendment.

11:31

Tommy Sheridan: The minister finished his speech with a statement which I hope he will reconsider. He said that there is no basis for linking the MMR vaccine to autism. The minister admitted that there is not enough research on or understanding of autism to rule out the link with the MMR vaccine. MMR may not be a causal factor, but there is simply not the evidence to rule it out.

I disagree with the minister's statement that parents would somehow be over-confused if they had a choice between vaccines. The rest of Europe does not have a problem providing that choice. The minister says that it will not be simple to provide it. No one in the chamber is saying it would; nor is anyone saying that this is a black and white issue. It is difficult and it will cause continued debate, but if we have confidence in the triple vaccine, surely that should not be a barrier to allowing parental choice on the matter of single vaccines.

I will welcome the Health and Community Care Committee report when it is issued. I had hoped that it would be available by now, as originally it was going to be available by today. Over a year ago, I gave a number of parents a commitment that I would use part of the once-a-year opportunity given to the Scottish Socialist Party to raise issues to debate MMR vaccination. That is why it is raised today, in a time scale which is not of my choosing. Although the minister commented that various organisations had condemned me for raising the issue, he failed to mention parents. The voices of parents are saying quite clearly that they want choice.

Local Authority Housing

The Deputy Presiding Officer (Mr George Reid): The next item of business is a debate on motion S1M-1626, in the name of Tommy Sheridan, on local authority housing capital debt, and two amendments to the motion. Will members wishing to contribute to this brief debate please press their request to speak buttons.

11:33

Tommy Sheridan (Glasgow) (SSP): The issue of capital receipt set-aside rules should be deeply embarrassing for new Labour members in the chamber, particularly the former Labour councillors and MPs who so roundly and rightly condemned Michael Forsyth when he introduced them in Scotland in 1996. The Scottish Socialist Party is opposed to council house sales, but many Labour councils could at least justify their sale of stock, on the basis that the receipts that they gained would be used to improve their dilapidated existing stock.

Until 1997, capital receipts were an important part of local councils' housing investment programmes. However, one month before new Labour came to power, a new instruction was given to local authorities in Scotland; not a law, but an instruction, which could be changed without legislation merely by sending a letter. The instruction was to set aside 75 per cent of their council house sales receipts to pay off capital housing debts.

This is not the sexiest topic in the world, but it deserves to be highlighted because of the consequences of the set-aside. By refusing to change the Tory instruction from May 1997, and by sticking with that rule throughout the past four years, new Labour in Westminster and the new Labour-Liberal Executive in Scotland have denied Scotland's council tenants a potential investment, but not of £641 million as I say in my motion, because I underestimated the figure. I received a letter from Jackie Baillie yesterday, which gave me an updated figure of £642,981,000. Just less than £643 million of potential investment has been denied to Scotland's council tenants because of Labour's refusal to change a Tory regulation.

That amount of money could have improved the living environments of at least 250,000 council tenants in the past four years—not the next four years, but the past four years—by paying for central heating, double glazing and re-roofing projects. That is why it is vital that the loss of £643 millions worth of investment and the loss of the 10,000 jobs that could have been created by that investment is raised in Parliament today. I hope

that there is support for the motion, which calls for the immediate rescinding of the set-aside rules, and the release of £161 million immediately for local authorities in Scotland during this financial year, and another £160 million in the next financial year.

I move,

That the Parliament notes the introduction of capital receipt set aside rules by the previous Tory government in April 1996, diverting significant resources from council expenditure across Scotland; further notes the universal opposition of Labour MPs, councillors and CoSLA to these set aside rules when they were introduced; also notes that since financial year 1997-98 a total of £641 million has been diverted from investment in council housing stock and from 1999-2000 to 2000-01 a total of £315,536,000 has been lost from council housing budgets; finally notes that the sum lost from council housing budgets since 1999 could have delivered 126,214 households with whole-house central heating and insulation and/or double-glazed window units, and therefore agrees to rescind the capital receipt set aside rules with immediate effect, thus releasing in excess of £150 million in the current year and a similar amount in financial year 2001-02.

11:36

The Deputy Minister for Social Justice (Ms Margaret Curran): I thank Tommy Sheridan for bringing this matter to the Parliament's attention. I am always more than happy to bring to the attention of Parliament our strong commitment to investment in housing. Of course, this is a strange debate, and I am not entirely sure why Tommy Sheridan has organised it in this way, although my mind suggests one or two ideas that I will not mention. We will barely manage a whistle-stop tour of the issues, but let us have a go.

Let us address the fundamental premise of the debate. We all know that we must tackle underinvestment in Scottish housing, and we know the scale of need. We have rehearsed these issues many times in the Parliament, and they are all too evident in our constituencies.

I am glad that Tommy Sheridan recognises that Labour councillors and MPs have been at the forefront of pressing the Government to recognise the need to invest and to tackle the deep-seated problems that have accumulated in Scottish housing. It is good to hear Tommy at last give Labour councillors credit, because they know that there is a stranglehold at the centre of the housing problem in Scotland. The current council house debt stands at around £3.6 billion. In Glasgow, the debt burden is reaching unsustainable heights of about 50 per cent of tenants' rents. Many informed voices say that the debt is the underlying problem. It is in that context that the capital set-aside rules must be considered.

The Scottish Executive has not been persuaded to pursue what is, in my view and given the

context, a partial and short-term approach. In the absence of the capital set-aside rules, what would Tommy Sheridan have us do, but merely increase the debt burden. If debt is not repaid when houses are sold under the right to buy, an increased debt burden will fall on remaining tenants, which will lead inevitably to increased rents over time.

Since the introduction of the capital set-aside rules, the debt burden has been reduced from £4.1 billion in 1995-96 to £3.6 billion in 2000-01. That is a reduction from £7,400 per house to £6,500 per house—more than £930 per house. Tommy Sheridan would have us not worry about the increasing debt problem; in his economic analysis, we do not have to worry about such things.

We have answered what he has asked of us. We are creating investment and jobs, but we are also tackling the debt. The Scottish Executive has offered—once and for all—a radical, fundamental and progressive solution to the problems. We will deal strategically with the burden of debt in a striking act of redistribution. We will have a step-change in investment and we will put tenants at the heart of decision making about investment priorities and housing management. I ask members to reject Tommy Sheridan's motion, because it is short-term and backward-looking. The Scottish Executive will take us forward.

I move amendment S1M-1626.2, to leave out from first "notes" to end and insert:

"recognises the need to provide innovative solutions to tackling the high levels of local authority housing debt; notes that the use of capital receipts contributes to the management of that debt burden; welcomes the Executive's community ownership initiative as a means of lifting the debt burden from tenants, securing a step change in investment and putting tenants at the heart of rebuilding communities, and also welcomes the Executive's commitment to provide all council and housing association tenants, and all pensioners in both public and private housing, with warm and dry homes through the installation of central heating and insulation by 2006."

11:40

Linda Fabiani (Central Scotland) (SNP): This should be a non-debate. Given the circumstances of Scotland's housing and the desperate need for investment, we should expect no one to oppose the principle behind the Scottish Socialist Party's motion and the SNP's amendment. I hoped that I would not have to speak because the minister would concede the principle of the motion and confirm her intention to rescind immediately the capital receipt set-aside rules, as the Labour party demanded when it was in opposition. However, I have long since realised that the Executive has a different perspective on housing and on many other issues from most Scots.

Perhaps the minister needs to be reminded of

the housing issues that must be tackled. Approximately 25 per cent of Scotland's houses are affected by dampness or condensation—that is about half a million homes in which young people and particularly the elderly face significantly increased risks of respiratory and other illnesses. The problem affects as many as 370,000 young people and more than 100,000 of our elderly population. It is no wonder that illness and death beset our elderly at this time of year because of cold-related illnesses.

Those deaths are not often headlined, but we know that they occur. We know why they occur, and we know what we should do to prevent them. Improving social housing stock would help enormously, but still the Executive dithers. Still, the Executive relies on the panacea of housing stock transfer to provide the resources for much-needed investment. Still, the Executive refuses to recognise that the right to buy means that fewer council tenants will foot the bill for council housing improvement and repair. That is why rents are rising. It is crazy and out of order that the majority of the proceeds from right-to-buy sales cannot be used to improve the lives of the people who remain in social housing.

Mr Frank McAveety (Glasgow Shettleston) (Lab): Will Linda Fabiani take an intervention?

Linda Fabiani: No.

Those funds cannot be used for even basic central heating—which is mentioned in the Executive's amendment. Why are we waiting so long? In Glasgow, is it because we must wait for the housing stock transfer?

The set-aside rules and other factors have led to the massive reduction in public investment in housing. Since the rules were introduced in 1996, public capital investment has been reduced to half what it was during the preceding years of Tory rule. At first glance, this debate appears to be about unintelligible rules of public finance, but it should be about the impact of those rules on the lives of ordinary Scots and the people who look to the Parliament and the Scottish Government to make a difference.

Before the election, the Liberal Democrats supported the call for greater public investment in housing. The Executive's programme promises only greater private investment, and that only if tenants can be forced to vote yes in a ballot. I ask the Liberal Democrats to use the debate to show that they are firm in their support for greater public investment in housing by supporting Tommy Sheridan's motion, as amended by me on behalf of the Scottish National Party.

I move amendment S1M-1626.1, to leave out from "also" to end and insert:

"notes that the imposition of the capital receipt set aside rules is only one example of the attack on public investment in housing that began under the Conservatives and has been continued by the present UK Government and Scottish Executive; regrets that the Labour Government and this Labour/Liberal administration have continued this Conservative policy, and calls upon the Scottish Executive to rescind the capital receipt set aside rules with immediate effect and so inject much needed funding into Scotland's public sector housing."

11:43

Bill Aitken (Glasgow) (Con): I echo the irritation that was expressed about the manner in which the debate is taking place. To be frank, the length of time that has been allocated to the debate negates its value and renders it worthless.

The SSP motion proposes the removal of the set-aside rules that the Conservative Government introduced in 1996 and that the present Executive retained with slight modifications. The set-aside rules were implemented because the housing debt was going out of control. It was as high as £4 billion, and from 1987 to 1996 it increased by £1 billion. Action was necessary.

Margaret Curran may not like this, but I suggest that one of the reasons why the action had to be taken was the quadruple whammy that Labour councils imposed. They had run up a massive housing debt, had large housing lists and a large number of vacant houses, and were carrying bad debt provisions. In Glasgow, the figure was £12 million. Therefore, there was not too much realism in some of what Margaret Curran said. I feel with some wry amusement that she is the classic case of a poacher turned gamekeeper.

The motion does not say this, but the SSP's policy is to rescind Scotland's housing debt obligations altogether. The problem with that is similar to the position of someone who defaults on their mortgage—they are no longer able to obtain loans. Does the SSP want Scotland's local councils and Government to be unable to obtain funding? That is the situation that we are talking about. If we renege on the undertakings that we gave when the loans were taken out, no one will believe us any more and we will not be able to obtain money. We will be unable to take the actions—many of which have been properly identified—that are needed.

The thinking behind the motion is simplistic and immature. Frankly, if we proceeded along the suggested lines, we would be following the economics of the madhouse.

Mr Andrew Welsh (Angus) (SNP) rose—

Bill Aitken: I am sorry; I do not have the time to allow an intervention. If the debate had been longer, I could have taken one.

I consider with some amusement the Administration's amendment, which the Conservatives will support. How times change. I do not think that Margaret Curran would have taken such a line five years ago.

11:46

Robert Brown (Glasgow) (LD): In principle, I have no difficulty in accepting the possibility of changing the capital set-aside rules. The situation is no different from when a householder takes on additional borrowing on his mortgage to pay for central heating. However, the householder who does that must be able to deal with the extra interest that that borrowing creates. That is the basic point. At the end of the day, this is a debate about stock transfer—particularly in Glasgow—in another guise.

We should take it as read that all members accept that the quality of much of Glasgow's and Scotland's council housing stock is unacceptable. We all want to deal with that and create conditions in which all our citizens live in warm, dry and decent houses in nice environments. I say that because sometimes the quality of debate, in speeches such as those that were made by Tommy Sheridan and Linda Fabiani, suggests that only those members are concerned about the matters at hand and that the rest of us are a bunch of charlatans, chancers and idiots.

Let us look more closely at the facts and assume that the basic laws of economics continue to apply. By that, I mean that money borrowed must create a liability to pay interest and that someone must pay that interest. Glasgow has a debt burden of £900 million on its housing, which costs £107 million a year to service. The average weekly rent in Glasgow is £44.10—among the highest in Scotland. About half of that services the debt charge. It is doubtful whether the housing stock that is created, managed and renovated to a modest degree as a result of that expenditure has a significant net value.

The situation is the result of inadequate investment by successive Governments, the removal of the asset value of the best stock by council house sales at high discounts and bad management over generations by local councils—which were largely dominated by my present partners in the Labour party. What is Tommy Sheridan's solution? It is to entrench the power of the failed municipal model of socially rented housing. It is to condemn council tenants to another generation of the same. It would mean the indefinite continuation of bad housing, damp housing and sink estates. It would also mean higher rents—all within the huge paradox of accessing the proceeds of council house sales, the principle behind which he does not accept.

The alternative is the community model that the partnership supports. That is exciting, innovative and dynamic. It is also a major challenge for us. It deals with the debt charges by making them the problem and the responsibility of Scottish taxpayers. They will take on the burden only because they are satisfied that doing so will deal with the problem. The action will do that, because it will harness the energies of the people who are affected. We are giving ownership of the future of the houses to the people who live in the areas that are involved. The model is a step change for tenants that will deliver the good housing that all members want. Tommy Sheridan's proposals would not do that.

11:49

Mr Frank McAveety (Glasgow Shettleston) (Lab): Robert Brown touched on the key paradox—Mr Sheridan crying for the receipts of the very council house sales that he opposed in his amendment to the programme for government motion last week. Tommy cannot have it both ways. He should reflect on that.

Tommy Sheridan does not have a commitment to deal with national debt issues, because his political agenda is based on the destabilisation of that economic structure. He benefits from a revolutionary, Trotskyist perspective. That is his core agenda but, unfortunately, we do not have debates like this often enough to find that out. We are dealing with showbiz socialists; we are talking about finding simple answers to complex problems.

I understand why local authorities have accumulated debt over the years—it is not the result of the picture that was presented by the Conservatives today, but of far more complex issues. We do not resolve debt by giving somebody who has incurred debt another credit card and telling them to spend the money and make the same mistakes again. That goes against much of what Tommy Sheridan has said on debt counselling advice, diligence and how we should support folk in finding routes out of debt and not accumulating debt in the first place.

Mr Kenneth Gibson (Glasgow) (SNP): Will the member take an intervention?

Mr McAveety: I am sorry; I have only three minutes.

Tommy Sheridan has joined the home ownership fraternity in the past year or so—I welcome that. However, it is not a serious economic proposal to go to the building society and say, "I'm awfully sorry, Mr Building Society Manager, I don't want to continue paying interest on my existing house, but is there any chance you can give me a loan so I can pay the interest

payments on another house?" In isolation, Mr Sheridan's motion seems attractive, but it is much less so when we consider the programme for government.

Last week—to my astonishment, and in contradiction of his essential point—Mr Sheridan proposed

"a replacement of the tenant's right to buy with a comprehensive rental bonus scheme awarding long-term tenants of 15 years or more in the one property with a rent-free period".

He does not specify the period or the cost, but the idea seems attractive.

Let us take a one-year scenario. It would cost £400 million a year for a third of the council tenants who have more than 15 years' tenancy to be given a rent-free period. Quite apart from the disharmony that would be caused in communities when the folk on low incomes who have bought their houses felt that they were disadvantaged by a proposition that was solely for council tenants, that would not even be a sensible use of the economic resources that are available to the country. I care about that—Tommy Sheridan does not. That is the key distinction between the two of us, in economic policy and in political theory.

This is a minor issue that is masquerading, as Robert Brown said, as the bigger debate about stock transfer. In the real debate that faces not only Glasgow, but every other authority that has large volumes of debt, Mr Sheridan needs to address whether he wants to cling to a municipal model that has failed, or to find a different model that is debt free and delivers for tenants much more quickly than any model that he clings to.

11:52

Mr Andrew Welsh (Angus) (SNP): Mr Sheridan's model might be a failed municipal model, but it used to be Mr McAveety's municipal model. Although Mr McAveety supports the 75 per cent rule now, he did not when the Tories introduced it.

Mr McAveety: Will the member give way?

Mr Welsh: I would love to let Mr McAveety in, but I have only two minutes.

The reality behind the debate is that—quite apart from the highest ever homelessness levels—Scotland continues to have one of the worst housing records in Europe. Far too many of our fellow citizens live in damp, overcrowded and poorly insulated houses that are a disgrace in the 21st century. Far from curing the situation, present Government policy on capital finance prevents any long-term solution.

Council housing departments, working with and

complementing private and public housing agencies, should have been the engine room that drove forward rising standards in Scottish housing provision. Instead, Tory policy that has been adopted by new Labour has starved local authorities of the finance that is required and wiped out council house building in Scotland. Our democratically elected councils are being prevented from making a positive contribution to increasing, repairing and maintaining Scotland's housing stock. Council house sales should have been inextricably linked to a building and replacement policy. Capital receipts worth £642 million should have been part of a programme for positive investment to raise public and private housing standards throughout Scotland. Instead, there is a shortage of housing at sustainable and affordable rents for the people who most need it. Simply dumping whole swathes of council properties into the private sector will not cure the problem of supply and investment—it will exacerbate it.

Seventy-five per cent compulsory repayment of debt from capital sales should have been dumped by new Labour, not adopted by it. The result of the 75 per cent rule and the dogma of London Treasury rules is lack of investment. It is a short-sighted, self-defeating policy that fails to meet present needs and that stores up massive problems for the future. It is time that we had sensible, positive, Scottish capital finance policy that is designed to meet Scottish needs.

11:54

Ms Curran: It is frustrating that we have so little time for the debate.

I am staggered every time I listen to SNP members such as Linda Fabiani and Andrew Welsh. I know that they are going through a rolling programme of changing their policies in the lead-up to the election—I am desperately looking forward to hearing their policy on housing, because perhaps we will get final clarification. Are they in favour of the right to buy or are they not? They change their tone opportunistically, depending on the circumstances. We listen to Linda Fabiani's speeches and think "My God, what extra resources does she have to commit to deal with all the problems?" The fact that central heating cannot be put in overnight is a criticism from the SNP, which comes nowhere near grasping how housing investment must be managed.

What SNP members did not mention is redistribution from England to Scotland. The extra capital receipts from England have helped new housing partnerships. However, the SNP does not want to talk about that, because it concerns England.

As for the Tories, let me speak to Bill Aitken. Let me make it clear—the Executive's approach is completely different to local authorities' approach.

Mr Gibson: Will the minister take an intervention?

Ms Curran: If Kenny Gibson listened, he might learn something for a change.

We have a completely different approach, because we are dealing decisively with the debt. Councils try to leave the debt with the tenants, but the Executive will help out the tenants of Glasgow and of Scotland. The Executive does not use the fantasy economics of Tommy Sheridan, who would bankrupt Scotland if he could get away with it, but a sustained, coherent programme of tenant involvement, tenant power and investment in housing. We will tackle Scotland's housing debt problem. That is the future for Scotland's housing and the SNP cannot bear it because it knows that we are going in the right direction. We reject their amendment.

11:57

Tommy Sheridan: Presiding Officer, allow me to quote a letter, dated 7 September 2000, to Wendy Alexander from Norman Murray, the president of the Convention of Scottish Local Authorities. It is quite instructive, especially in relation to Mr McAveety's contribution.

Mr Murray says:

"COSLA has made representations on a number of occasions to the Scottish Executive, at both Ministerial and official level, about the case for removing the set aside on housing. Yet, in separate conversations recently with Jack McConnell and Frank McAveety, neither was aware of the case we had been making. I am therefore writing to you to set the record straight."

The problem in the debate on capital receipts is that Labour members in the chamber seem to have had a remarkable loss of memory. That same party wailed in huge numbers about the Tory Government's instruction to set aside capital receipts and to disallow spending of that money on damp-ridden and dilapidated houses. Quite rightly, those same members attacked the Tories for a disgraceful decision, which they now pathetically defend.

Where is the redistribution in the past four years? The only people who have paid the cost of the set aside of capital receipts are the tenants of Scotland, 250,000 of whom have not had central heating or double glazing installed. I say to the minister that I am not talking about what could be done overnight, but what could have been done in the past four years. She stands condemned.

Council Tax

The Deputy Presiding Officer (Mr George Reid): The next item of business is a debate on motion S1M-1627, in the name of Tommy Sheridan, on abolition of council tax, and two amendments to that motion. Members who wish to contribute to this brief debate should press their request-to-speak buttons now.

11:59

Tommy Sheridan (Glasgow) (SSP): I am proud to raise once again in Parliament the abolition of the unfair and increasingly unacceptable council tax. The Scottish Socialist Party believes in a fundamental and irreversible redistribution of wealth and power throughout Scotland.

Over the last 21 years of old Tory and new Tory Governments, the rich have simply got richer while the poor have, unfortunately, got poorer. The gap between rich and poor has grown to an obscene level, which makes a mockery of Mr Blair's utterances about the class war being over. Tony does not like talking about class warfare because he is too busy executing it on behalf of the rich and powerful.

Is it not shameful for new Labour members to have to admit that even Thatcher taxed the rich more than new Labour? She immediately slashed the top rate of tax of 83 per cent to 63 per cent when she took power in 1979. However, it stayed there until 1988. For nine years the Tories taxed the rich more than new Labour has done over the last four. The sad fact is that today the poorest 20 per cent across the United Kingdom pay more in tax than the richest 20 per cent as a result of the shift from progressive direct taxation to regressive indirect taxation.

We cannot address all those problems with the limited powers of this Parliament. That is why we need to have an independent socialist Scotland with an adult Parliament that can address those problems. However, we can make a start by abolishing one of the unfairer pieces of taxation. We have the power to abolish the council tax, to remove from the shoulders of this country's pensioners and the low-paid their share of the burden of paying for essential local government jobs and services. It is about time that the wealthy and the rich in this society put a much higher proportion of their income towards paying for local government jobs and services.

What the Scottish service tax does is to tax individuals according to their ability to pay. The more money people earn, the more they pay. It is not rocket science. It actually used to be an accepted part of political consensus. It is called

progressive taxation. Unfortunately, the old Tories and the new Tories have now dumped that idea and that philosophy.

Along with the Scottish service tax, we would introduce a £10,000 exemption. Anyone with an income of less than £10,000 a year would be automatically exempt. There would be no humiliating forms to fill in and no hoops to jump through. Automatic exemptions and direct deductions would be handled through the Inland Revenue. Council staff would be redeployed to benefit-maximisation programmes to improve the incomes of pensioners and low-paid workers.

The proposal improves the disposable income of at least 2 million low-paid workers and pensioners across Scotland. It uses the limited powers of this Parliament to redistribute wealth in Scotland. That is why I recommend the motion to the Parliament today. If we represent anything, we should represent the need to redistribute wealth in this country, because we cannot tackle poverty until we redistribute wealth.

I move,

That the Parliament believes that the council tax is a fundamentally unfair and regressive tax; believes in social justice and the redistribution of wealth from the rich to the poor; therefore agrees to abolish the council tax and replace it with the Scottish Service Tax which is based on an individual's income and is inherently fairer, more efficient and redistributive; notes that the Scottish Service Tax would raise more revenue than the council tax and that it would remove the burden of paying for local government jobs and services from the shoulders of low paid workers and pensioners and place it firmly on the shoulders of the well paid and the wealthy, and believes that the introduction of the Scottish Service Tax should be complemented by the return of the right for local authorities to raise and retain their business rates and a thorough investigation of land value and speculation taxes to supplement local authority revenue.

12:03

The Deputy Minister for Finance and Local Government (Peter Peacock): I am afraid that what we have heard today from Mr Sheridan is another example of simplistic sloganising from the Scottish Socialist Party based on its usual superficial analysis of social issues in Scotland. His approach today, by allocating half an hour for debate, shows contempt for this Parliament and for the subject at hand. This debate is nothing more than a device to give himself another press release and a few more minutes in the spotlight. It is clearly not an attempt to promote reasoned or reasonable debate on an important issue. Mr Sheridan will not be at all surprised to know that the Executive will not be supporting his motion but will be urging the Parliament to support the amendment in my name. Let me explain why.

Mr Sheridan's proposals are riddled with policy

flaws and contradictions. They are about centralising power, removing local policy choice, removing the local expression of priorities, undermining councils, undermining local accountability and removing the very essence of local democracy in Scotland and in the UK. Under Mr Sheridan's proposals, councils would lose their ability to levy local taxes. People would pay all their current central Government taxes to the Exchequer and their Scottish service taxes to the Scottish Parliament. At a stroke, it would remove the crucial element of accountability between local councils and their electorate and would in effect eliminate councils' control over their spending decisions.

What makes the proposals worse is that they ignore the fundamental changes that the Executive is making to council financing. In the very week that we abolish spending guidelines, give back discretion to councils and give councils freedom of choice, Tommy Sheridan seeks to remove those new-found freedoms and shackle councils, tie their hands, deny them choice and deny voters a council that is accountable to them. In effect, the proposals would be the beginning of the end of local government and of local democracy itself.

Worse still, the proposals would substantially disadvantage the ordinary working people of Scotland. Far from soaking the rich, the proposals would hit all Scottish taxpayers—those on average and below-average incomes as well as the rich. Tax rates could rise by as much as 15p in the pound. What would happen then? It is perfectly clear: the most mobile, the most entrepreneurial, the most able, those with most opportunity and those with most advantage would have the choice to leave Scotland, leaving behind higher bills for those who cannot move, who do not have the means to move and who do not have the choice. They would be left with greater burdens to carry on behalf of the rest of the community. There would be less inward investment, fewer jobs and less wealth for families and individuals. That is why the proposals are silly.

Typically, the proposals also have no basis in practicality. There is no reference to administrative problems and costs. Tommy Sheridan knows that the service tax could not be collected and administered locally, which is why he proposes to remove tax-raising and collection powers from councils. He denies any recognition that property taxes exist across the globe. Why? Because they are easy to administer, stable and easy to collect, cheap to collect relative to other forms of taxation, have a broad relationship to means and because rebate systems can be easily applied to them to protect those least able to pay. The so-called service tax proposal takes no account of those important factors. It is fundamentally flawed and

that is why the Parliament should again reject it.

I move amendment S1M-1627.2, to leave out from first "believes" to end and insert:

"welcomes the substantial reforms that the Executive has brought to the operation of local government finance by the delivery of three-year budget figures for grant, by the removal of expenditure guidelines and by increasing the funding of councils; further welcomes the indications from the Executive that it will pursue further reforms in the future, and notes that the Local Government Committee of the Parliament is to conduct an investigation into the financing of local government."

12:07

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I declare an interest, as I am the owner of a property in respect of which there is a liability for non-domestic rates.

In moving amendment S1M-1627.1, the SNP shows its full support for the decision of the Local Government Committee to hold an independent inquiry into local government finance. The SNP fully endorses that decision, which was taken by all members of the Local Government Committee, despite the view of the Executive, which was not supportive of such an inquiry. That view is maintained in the wording of the Executive's amendment, which says merely that it notes that the inquiry is taking place.

Mr Sheridan would do well to attend the nine sessions that are planned at which oral evidence will be taken. I commend to him also the written evidence that has already been submitted, part of which I hold in this folder. It shows that local government finance is, as has been said, a serious and complex question. Indeed, it has been compared in complexity to the Schleswig-Holstein question, which I believe only three people understood—one of them died, one of them went insane and the other one forgot. I am sure that there are people in Scotland who are able to understand some, if not all, of the complexities of local government finance, but I do not believe by any stretch of the imagination that Tommy Sheridan can be said to have done so today, not least because no one else in Scotland supports his proposals.

I hope that the Local Government Committee will consider the problems in the round and will examine the impact that council tax has on widows and widowers, on senior citizens who have retired on low incomes and on the discount for second homes, which I believe is extremely unfair, especially in areas where holiday homes have acquired a massive value, creating a barrier to access to housing for young people in many parts of my constituency.

I believe that the SNP has taken a principled stance in favour of local income tax as a method

of finance, but we will not prejudge the outcome of what will be one of the most major inquiries that the Parliament will undertake and which will last for a year. That would be like pronouncing a verdict in a trial before the evidence has begun to be considered. It would be foolish and irresponsible and therefore we do not adopt that approach.

In the short time available to me, my final point is that the burden of council tax between Scotland and England is unfair. As Mr Peacock well knows, the Local Government Finance Act 1992 created a system of fiscal apartheid, so that the range of values in Scotland is from £27,000 to £212,000, but in England is from £40,000 to £320,000. That, translated and put into a stark comparison, means that a house worth £50,000 in Scotland pays an average council tax of £855; in England, the figure is £659. That means that, for a house of the same value north and south of the border, the Scottish householder pays an extra £196. That is a Scottish surcharge. If the Executive is interested in removing unfairness, I hope that it will examine this issue when it gives evidence to the Local Government Committee inquiry.

I move amendment S1M-1627.1, to leave out from first "believes" to end and insert:

"endorses the unanimous decision of the Local Government Committee to carry out an independent inquiry into local government finance, and believes the outcome of that inquiry should be awaited before any fundamental changes are made to the current system."

12:10

Mr Keith Harding (Mid Scotland and Fife) (Con): Last year, we had a similar debate on a similar motion. This Parliament showed its will, as the motion was heavily defeated. Mr Sheridan should have taken the opportunity to debate another issue in the time that is available to him. The other option would have been to have a longer debate on a single issue that concerned him, rather than the three-ring circus that we have had this morning.

The review of local government finance by the Local Government Committee is continuing; it will consider the future of local government taxation. This debate is premature because it again tries to tie the will of the Parliament to a change in taxation before the committee has completed its investigation and reported its findings to Parliament. That cavalier attitude to the parliamentary process shows that Mr Sheridan's election to Parliament has not elevated his politics to a mature and parliamentary level.

As in the previous debate, we oppose the service tax proposal: it would destroy the local basis of funding councils and reduce accountability. It is because of a lack of

accountability that there are problems in local government now and Scottish Tory policies are all aimed at restoring accountability and local democracy.

We argue against this tax not only on principle—the economic effects would be very damaging. The service tax would create adverse disincentive effects for the Scottish economy compared with the rest of the UK. People would move to avoid the punitive tax rates that Mr Sheridan proposes. It would be impossible to force people in Scotland to pay additional Scottish taxes when many regions of the north of England would gladly take business resettlements and the jobs that go with them. The proposed tax would make local services reliant on an inefficient tax base and we cannot support it.

12:12

Donald Gorrie (Central Scotland) (LD): I am happy to speak in support of the amendment moved by Peter Peacock. Like most Executive amendments, its wording is open to criticism, but the general thrust is okay.

Local government taxation is an important issue. Where I part company with Tommy Sheridan is that, as I remember from the previous debate, his tax, which is a local income tax under another name, is so progressive—to use his term—that it would encourage wealth creators in the community to go elsewhere. The principle of the local income tax is a very good one, which the Liberals and Liberal Democrats have supported for many years. I am not claiming that it is coalition policy, but it is our party's policy and we can push it within the coalition and in future elections. We will argue that case to the Local Government Committee, which is undertaking an important review of local government finance.

Mr Sheridan's motion mentions land value taxes. I am an enthusiast for that and the Local Government Committee will also consider it. It is considered an anorak subject. As an enthusiast for local land value taxation and proportional representation I go around with two anoraks, so I am a warm person.

The issue is how local government is funded. The money must be paid; it does not come down like manna from heaven. It is a matter of paying it as fairly as possible and, in the view of the Liberal Democrats, as locally as possible. The local council must have more control over the taxation. Local income tax on individuals and, possibly, land value tax or a similar tax on companies would be the best way forward.

A point has also been raised about second homes. Like many of my colleagues, I do not see why those have a discount—that would be another way of finding taxation. We should examine other

methods of raising money that do not discourage local enterprise but play fairly for the whole community.

This issue is important, and we will contribute to the Local Government Committee's inquiry. Furthermore, we hope that the Executive will contribute, as well as help with the necessary research. The Liberal Democrat part of the coalition will push the issue along the road to a more exciting policy, as previous policies have usually been very conservative. Although the future is bright, it is not the way that Mr Sheridan sees it.

12:15

Des McNulty (Clydebank and Milngavie) (Lab): I thought that Donald Gorrie was about to say, "The future's bright, the future's orange" in reference to Mr Sheridan's tan.

Although Tommy Sheridan purports to speak for poorer people, he consistently speaks only for the greater glory of himself. Over the years, he has misled a number of poorer people, especially in various non-payment campaigns; indeed, many people have been led into debt as a result of his activities. As a result, it is surprising to see him suggest a proposal that purports to represent the interests of poorer people within the tax system.

It must be recognised that this proposal will significantly disadvantage many working people in our society. Tommy Sheridan is actually going against the conventional socialist principle of taxing property by imposing a tax on work, which would have considerable consequences for individuals. According to my calculations, as a result of the scheme, two teachers living in a band D house in Glasgow might end up paying as much as £1,000 more for their council services.

The existing income tax system can be criticised on the basis that very rich people can avoid tax through the self-employment regime and the use of accountants. As a result, it seems very strange for Tommy Sheridan to argue that his local service tax should be based on such a defective system, instead of on property tax, which is a very difficult tax to avoid. The scheme is illusory; it does not help poorer people, but instead infringes on many working people and represents a move away from the socialist principle that property is a key aspect of taxation.

As members have said, there is an important debate to be had about the future of the system of local government taxation. I know that there are many views on the issue; indeed, I have views myself. As Fergus Ewing said, we need a sustained debate on the subject. However, all we have had from Tommy Sheridan is a stunt, which in fact is what the whole morning has been. This

proposal in particular is a bit of a stunt, because it is fundamentally unworkable and unsustainable. As Peter Peacock pointed out, it moves against the basic principles of accountable democracy. Local authorities would not raise tax, but would instead be dependent on central Government allocation decisions for how they collected their income.

Finally, the whole system would be incredibly expensive to administer and is full of loopholes that people could exploit. As a result, the chamber should absolutely reject it.

12:19

Robin Harper (Lothians) (Green): I am very happy to put on my anorak and support Donald Gorrie's comments on land value taxation, which is otherwise known as community ground rent or CGR. The Scottish Green party has supported LVT for a considerable time as a method of raising local taxation and I look forward to putting its case at the Local Government Committee with its other supporters.

Mr Kenneth Gibson (Glasgow) (SNP): Will the Green party make a submission to the Local Government Committee's inquiry into local government finance?

Robin Harper: Yes, I hope so.

Where was I? I will outline a couple of the advantages of LVT. First, LVT acknowledges the principle that land gets its value from the community. Land has value only because people live and work on it. That value is recognised by LVT.

Secondly, communities would be able to set local LVTs as they see fit. One of the great advantages for cities in Scotland would be that, under LVT, the community could specify a brownfield site or derelict site as needing to be used for any purpose such as housing, recreation, factories or other employment. The owner of that land would then be taxed on the CGR that had been allocated to it from the moment that they bought the land. They would not be able to hold the land for five, 10, 15 or 20 years in the hope of eventually making a profit on it when they sold it on or started to develop it. The value of the land would be identified and would be taxed accordingly, and that would apply for all other properties.

LVT is also capable of sophisticated application. Differences between types of occupancy—whether tenement occupancy, rented or owned—can be decided on to a greater extent than is possible under present council tax rules. People would pay more fairly under LVT than they do under the current council tax system. In addition,

LVT has a considerable number of other advantages.

The Deputy Presiding Officer: We have birlled through the debate, with the result that closing speakers will have a bonus of up to a minute each.

12:22

Alex Neil (Central Scotland) (SNP): Thank you, Presiding Officer. Life gets more exciting by the moment.

I welcome the Local Government Committee's inquiry into local government finance in Scotland and remind the Executive that the last such major inquiry was the Layfield committee inquiry, in the 1970s. I had the pleasure of presenting the Labour party's evidence to that committee, which supported a local income tax. I hope that the Executive reads again the evidence that the Labour party gave to that committee and reconsiders the benefits of a local income tax.

There is broad consensus among members that council tax is not the best way in which to finance local government for two fundamental reasons. First, it is an inherently regressive tax and is not related to income or wealth other than in a very approximate way. Secondly, it makes up only a small percentage of the total income of councils. As long as we have a tax base for local authorities that makes up only about 20 per cent of their total income, local authorities will have to continue to operate totally at the behest of central Government, whether in Edinburgh or anywhere else.

The Local Government Committee must consider certain fundamental principles in its inquiry. Tommy Sheridan has received a lot of criticism this morning. I have read the paper that he commissioned from the University of Paisley, which I recommend that the Local Government Committee read. There is a difference between considering a tax system in principle and agreeing what the rates should be. The argument about the rate of the tax could be left aside. What we are discussing—and what the Local Government Committee needs to focus on—is what system of local taxation we should introduce. In principle, the local service tax is similar to the local income tax.

The following principles should be adopted in the objectives that are set for the Local Government Committee's inquiry. First, there should be a system of local taxation that is based on ability to pay, which would be much fairer and related to people's incomes and—if there is also to be a land value tax or property tax—to their wealth. Secondly, the tax base should be widened to increase the share of income that local authorities receive from it to much more than 20 per cent.

I would like the Local Government Committee to consider what happens in other European countries, particularly Sweden, where the taxes are raised locally and donated centrally.

Unfortunately, I have already run out of time, having used nearly three minutes—

The Deputy Presiding Officer: You have two seconds.

Alex Neil: I say to the Local Government Committee that it should not discard the proposals in the paper from Paisley University, which was commissioned by Tommy Sheridan, and remind that committee that the proposals are similar to what was proposed by the Labour party 25 years ago.

12:25

Peter Peacock: Others in the debate have exposed Tommy Sheridan's proposals for what they are: shallow, superficial, thoroughly impractical and damaging to ordinary people.

Fergus Ewing welcomed the nature of the Local Government Committee's inquiry. I welcome it as well. It is an important issue that the Parliament should take time to consider. As Alex Neil and others have indicated, this subject is hugely complex. It is not something to be rushed into. We must consider what the alternatives might be.

Mr Gil Paterson (Central Scotland) (SNP): As welcome as it is that the Local Government Committee has seized the initiative, does the minister agree that the Executive should have conducted an inquiry and saved us the bother?

Peter Peacock: The Executive is in the midst of making fundamental reforms in the financial system of local government. We have acted in areas on which we did not need to have a major inquiry. We have also said, as our amendment suggests, that we will move further with reforms of local government finance but we will not do so without the most detailed analysis.

I support Alex Neil's hope that the Local Government Committee will revisit the Layfield inquiry evidence, which is revealing. It is interesting to consider why, after all these years, no action has been taken on that evidence. I suggest that it is due to the complexities involved in finding alternative forms of taxation. To drop the council tax, we must go down one of two routes. One option is to remove services from local authorities to reduce the amount of tax that must be raised locally, thereby increasing the proportion that can be raised from the local taxpayer, which local government has done. The other option is to find an alternative form of taxation, of which are many in Europe and Scandinavia. We need to consider such forms properly and I hope that the

Local Government Committee will do that.

I will reiterate what I said in concluding my earlier remarks. The proposals in today's motion are not principled, practical or deliverable. They reflect a simplistic analysis of the situation that people face. I trust that the Parliament will dismiss them as it did last year and leave the sensible debate on this issue to take place through the Parliament's Local Government Committee. The Executive will be listening closely to what that committee has to say.

The Deputy Presiding Officer: Tommy Sheridan, if you could be done by 12:30, that would be helpful.

12:28

Tommy Sheridan: The Scottish service tax is not only much fairer than the council tax but would raise more money than the council tax does. Unlike Labour members, I can say how much individuals would pay under the Scottish service tax and that it would be a uniform tax across the country. If Mr Peacock had read the motion, he would have noticed that, along with the introduction of the service tax, local authorities would have the right to set and retain their business rates so that there would be some financial autonomy—not enough, but his Executive is doing nothing about that anyway—and that there would be an investigation into land value taxation and speculation tax with the aim of increasing autonomy for local councils.

I find it pathetic that the Labour benches appear to have been hypnotised. They believe that there is nothing that we can do about the fact that some people in our country are obscenely rich and powerful because, if we try, those people might leave the country. Labour members are worried about challenging inequality of wealth and power, but they should realise that the Labour party was formed to do just that.

The Tories—the old ones on the benches opposite me and the new ones on the benches to my right—launched a remarkable attack on the patriotism of the rich this morning. Some members seem to be suggesting that, just because Brian Souter is the richest individual in Scotland, with a personal wealth of £500 million, and just because his council tax bill last year of £1,516 would become a Scottish service tax bill of £82,000—leaving him with only £550,000 to live on—that patriotic Scot would up sticks and leave because he would be appropriately taxed. For goodness' sake, surely the rich have more of a tie to Scotland the brave than some members would have us believe.

Des McNulty picked a wonderful example of two teachers living in Glasgow paying more under the

Scottish service tax. I do not know where Des gets his figures from—I know that he is not particularly good at arithmetic—but I can tell him that two individuals in Glasgow on £17,500 take-home pay would pay less in service tax in a band A house in Glasgow, never mind a band D house.

In reality, more than two thirds of earners in Scotland would pay less under the service tax. This is why Keith Harding will keep hearing about this campaign from the Scottish Socialist Party right up to 2003—because it is time to have a redistribution of wealth. The message to the rich and powerful in this country is that the cheap ride is over. It is time that they paid their dues.

Business Motion

The Deputy Presiding Officer (Mr George Reid): The next item is consideration of business motion S1M-1635, in the name of Tom McCabe, on behalf of the Parliamentary Bureau, setting out a business programme. Any member wishing to speak against the motion should indicate now. I ask for the screens to be cleared.

Lord James Douglas-Hamilton (Lothians) (Con): On a point of order, Presiding Officer. Can you confirm that next week's business could be changed if the Parliamentary Bureau were to vote in favour of motions of no confidence being taken during Executive time?

The Deputy Presiding Officer: I will take that point *ad avizandum* for a moment, Lord James. That is, of course, possible, but time constraints would apply.

Have you decided to speak against the business motion, Mr Gorrie? If you are opposing it, I remind you that only one member has the right to do so, and may make a speech of up to five minutes. You are showing on my screen as having requested to speak.

Donald Gorrie (Central Scotland) (LD): Depending on the reply by Mr Tavish Scott, I will oppose the motion or not.

The Deputy Presiding Officer: We are getting a little ahead of ourselves. I ask Mr Scott to move the motion.

12:32

The Deputy Minister for Parliament (Tavish Scott): Before moving the motion, I wish to intimate that the Scottish National Party's topic for debate on Thursday 15 February is education. I am grateful to Tricia Marwick for advising the Parliamentary Bureau of that.

I move,

That the Parliament agrees the following programme of business—

Wednesday 14 February 2001

2.30 pm	Time for Reflection
<i>followed by</i>	Ministerial Statement
<i>followed by</i>	Health and Community Care Committee Debate on its Report on the Delivery of Community Care in Scotland
<i>followed by</i>	Parliamentary Bureau Motions
5.00 pm	Decision Time
<i>followed by</i>	Members' Business - debate on the subject of S1M-1569 Fiona Hyslop: Debt Advice and Debt Awareness Day

Thursday 15 February 2001

9.30 am Scottish National Party Business
followed by Business Motion
 2.30 pm Question Time
 3.10 pm First Minister's Question Time
 3.30 pm Executive Debate on Children's Issues
followed by Executive Motion on the Culture and Recreation Bill – UK Legislation
followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business - debate on the subject of S1M-1614 Trish Godman: Hospices

Donald Gorrie: I seek an assurance from Tavish Scott that, in the light of the concern that was expressed yesterday about adequate time for debating Sewel motions that had a significant content, the proceedings on Thursday 15 February will allow enough time for debating the Sewel motion on the Culture and Recreation Bill.

I also ask Tavish Scott to give an assurance that the Parliamentary Bureau will consider the points raised in yesterday's debate about the frequency and duration of Sewel motions, and whether we can impose on Westminster our will on delegated matters—if that is the right word. In summary, I am asking for assurance on next week's business list and for the wider issue to be considered.

Tavish Scott: I am happy to assure members that the bureau will want to consider those matters as soon as possible.

The Deputy Presiding Officer: The question is, that motion S1M-1635, in the name of Tom McCabe, be agreed to.

Motion agreed to.

The Deputy Presiding Officer: There are no Parliamentary Bureau motions before us today, so I now suspend the meeting until 2.30 pm.

12:34

Meeting suspended until 14:30.

14:30

On resuming—

The Presiding Officer (Sir David Steel): Before we begin question time, I would like to draw members' attention to the fact that, in general at question time, we are reaching fewer than half the questions tabled. In addition, I am unable to call many members who wish to ask supplementary questions—last week there were 14 disappointments.

I would like to remind members of the rules on supplementary questions. Under the standing orders—which are binding for me as well as for everybody else—questions must be brief and on the same subject matter as the original question. They must also be in the form of a question, not a statement and must have no preamble. Although the standing orders do not contain any rules on how questions should be answered, I remind ministers that brief and specific answers are also desirable. If we adhere to those principles, we will get more questions in, and therefore more topics will be covered each week.

With that homily now given, I call Mr John McAllion to ask the first question.

Question Time

SCOTTISH EXECUTIVE

Housing

1. Mr John McAllion (Dundee East) (Lab): To ask the Scottish Executive what steps it is taking to promote a regional and strategic approach to housing provision which transcends local authority boundaries. (S1O-2926)

The Deputy Minister for Social Justice (Ms Margaret Curran): In order to address housing needs, an approach that crosses administrative boundaries is often required. The Housing (Scotland) Bill will allow two or more local authorities to work together to draw up local housing strategies that reflect the cross-border dimension. Those strategies will be supported by regional housing context statements, produced by the executive agency that will take on the functions transferred from Scottish Homes to Scottish ministers.

Mr McAllion: Is the minister aware that on one of his recent visits to Dundee, the First Minister was treated to a slide show, one slide of which showed no fewer than 17 new housing developments just across the local government boundaries in Perth and Kinross and Angus, all of which are deliberately located to lure workers in

Dundee out of the city into lower council tax areas, thereby compounding the city's financial problems? Will she join me in condemning that beggar-my-neighbour approach to housing provision by some councils, and will she assure the Parliament that through Scottish Homes she will seek to promote a balanced regional and strategic approach to housing provision, which will benefit all local authorities in the area?

Ms Curran: Mr McAllion will appreciate that I was not aware of the slide show, but I take on board the points that he made. Situations such as those to which he referred are the reason why we are taking powers in the Housing (Scotland) Bill to ensure that we have a strategic approach to housing need and that we meet all forms of housing need, so that local authorities work together to ensure that the needs of the poorest, and all others, in the community are met.

Linda Fabiani (Central Scotland) (SNP): Having stated in the chamber this morning that central Scotland's local authorities have failed in municipal housing provision, does the Scottish Executive agree that in order to make strategic plans work, there must be firm implementation plans? Will the Scottish Executive pay for them, monitor them stringently and review them regularly?

Ms Curran: That is a value-based interpretation of this morning's events. I did not say that municipal housing was a failure. We are moving into a new generation to maintain new patterns of investment. It will not be a surprise to Linda Fabiani that in the Executive we are determined to work in partnership with local authorities, which we intend to do through our housing strategies, so that housing need can be met.

visitscotland

2. Mr Kenny MacAskill (Lothians) (SNP): To ask the Scottish Executive what progress has been made regarding the appointment of the new chief executive of visitscotland. (S1O-2949)

The Minister for Enterprise and Lifelong Learning (Ms Wendy Alexander): Visitscotland tells me that the post has generated worldwide interest from many high-quality candidates and that it is now in the final stages of the selection process.

Mr MacAskill: Given the decline in visitor numbers, and yet the substantial increase in visitors to Scotland through low-cost carriers, will the minister direct the incoming chief executive, when he or she is appointed, to consider funding the promotion and marketing of low-cost carriers into Scotland from foreign destinations?

Ms Alexander: Indeed, international air links are important for Scotland. We are funding

visitscotland at record levels this year. Last week, I was pleased to announce an increase in the finance for its international marketing campaign.

Miss Annabel Goldie (West of Scotland) (Con): Given that one of the priorities of visitscotland ought to be to encourage people from other countries to visit this country, is the minister concerned about the damage that might have been done to Scotland's stature by the precipitate cancellation of the visit by the Irish Prime Minister?

Ms Alexander: No comment.

Railways

3. Bristow Muldoon (Livingston) (Lab): I ask the chamber to note my registered interests with regard to two rail unions.

To ask the Scottish Executive what measures are being taken to expand the rail network. (S1O-2951)

The Minister for Transport (Sarah Boyack): The Scottish Executive has committed nearly £50 million to 21 rail-related projects under the public transport fund and the freight facilities grants scheme. Later this year we will give directions and guidance to the strategic rail authority on the letting of a new Scottish passenger rail franchise. We intend to deliver major benefits for passengers over the next 15 to 20 years.

Bristow Muldoon: Following the consultation process on strategic priorities in Scotland's railways and any bids to the public transport fund, I ask that due consideration be given to improving capacity on congested lines such as that from Bathgate to Edinburgh, which runs through my constituency. I also ask that due consideration be given to any formal proposals to extend that line to Airdrie.

Sarah Boyack: Bristow Muldoon is right to say that tackling congestion and giving people high-quality alternatives to traffic jams are priorities for the public transport fund and are key issues that we highlighted in the consultation document. We will carefully consider opportunities to implement schemes such as those that Bristow Muldoon suggested, if they meet our value for money priorities.

Bruce Crawford (Mid Scotland and Fife) (SNP): Was Professor David Begg correct when he said earlier this week that expenditure on transport in Scotland over the next three years will be less than half that planned for England? Is he correct that that fact and the fact that England has a 10-year transport plan while Scotland has none mean that we will lose out? Will the minister tell us when she intends to improve the rail lines in the west Highlands and the Borders and the east coast main line? Will she perform like her

budget—below the level required?

Sarah Boyack: I will answer in line with the Presiding Officer's request that we be brief. The new Scottish rail passenger franchise gives us the opportunity to improve our railways in Scotland for the next decade and beyond. We will use our work with the strategic rail authority to ensure that Scotland's priorities fit in with the UK's overall priorities for improving our rail network with John Prescott's £60 billion of investment.

Mr Murray Tosh (South of Scotland) (Con): Is the minister aware of concerns that the consultation paper on the passenger franchise lacks any project-specific proposals? Will she advise Parliament what key expansions and enhancements to the network the Executive will suggest that the strategic rail authority uses in evaluating bids for the next passenger franchise?

Sarah Boyack: As Mr Tosh is well aware, the consultation does not include specific priorities. Its purpose is to ensure that we have established the right global priorities in tackling congestion and boosting our rural communities with viable rail services. When we have done that and set our key priorities, we will consider individual projects. We spend £200 million a year on rail projects for the franchise in Scotland. We want to see how much value for money we can get from new extensions in a 15 to 20-year rail franchise. We will consider individual projects after we have completed the consultation.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): The minister's aims are laudable, but does she accept that the operation of Railtrack is an important part of the equation? For instance, the failure to maintain snow fences at Kinbrace in recent years may have led to the train getting stuck in a snowdrift in my constituency. Will the minister undertake to meet Railtrack and ensure that it honours its part of the bargain?

Sarah Boyack: I meet Railtrack regularly and will raise the point that Jamie Stone made when I see Janette Anderson next week.

NHS Trusts (Debt)

4. Shona Robison (North-East Scotland) (SNP): To ask the Scottish Executive what the current total level is of debt accumulated by all national health service trusts. (S10-2945)

The Minister for Health and Community Care (Susan Deacon): Since the abolition of the internal market, NHS trusts' financing has been provided through public dividend capital, not debt.

Shona Robison: It has been widely reported that the total outstanding debts of the health trusts in Scotland could be as high as £150 million. Will the minister give us a categorical assurance that

that is not the case and that any deficit will have no impact on already overstretched services to patients?

Susan Deacon: As I indicated in my answer, since the abolition of the internal market, NHS trusts have not been financed through debt. Therefore, I am bound to say that Shona Robison's use of the term was inaccurate in her original question, and again in her supplementary question.

I recall that some apocalyptic figures on deficits were quoted throughout last year. In the event, the NHS was within 0.5 per cent of balance at the end of the financial year. Any organisation would consider that a good outcome.

Mr Keith Raffan (Mid Scotland and Fife) (LD): Will the minister give an estimate of the likely impact on trust deficits—and on trusts that have recovery plans—of the increases in junior hospital doctors' pay? Does she agree with one estimate made by the chief executive of an acute trust that the figure could be as much as £80 million by the end of next year?

Susan Deacon: The estimate given by trusts for the cost of the new junior doctors' contract is £20 million. That figure is due to be reduced, as trusts act to reduce junior doctors' hours, which is a core incentive built into the contract. It is important that every organisation addresses priorities within the resources allocated to it. I am glad that there are additional resources within the national health service to meet such priorities. However, I am sure we all agree that it is right that we should work to reduce junior doctors' hours, for the sake of the doctors and to enhance patient safety.

Convention of Scottish Local Authorities (Meetings)

5. Mr Kenneth Gibson (Glasgow) (SNP): To ask the Scottish Executive when it last met representatives of the Convention of Scottish Local Authorities and what issues were discussed. (S10-2946)

The Deputy Minister for Finance and Local Government (Peter Peacock): At lunch time, we discussed structure funds.

Mr Gibson: I thank the minister for his brief answer.

What discussions does the minister plan to have with COSLA on today's decision by Glasgow City Council to withdraw from COSLA? Does he accept that the straw that broke the camel's back was a miserly local government settlement for an authority with half of Scotland's deprived communities, which has been forced, since Labour came to power, to put up council tax by 36 per cent, to cut 2,347 full-time-equivalent posts and to

slash services? Given that Labour-run COSLA—

The Presiding Officer: That is enough—let us have the answer. [*Interruption.*] Order. I warn members not to go on speaking once I have cut them off.

Peter Peacock: We do not plan to have any discussions on those matters. Such discussions are for Glasgow City Council and COSLA. However, I was interested to note at the beginning of the week that the leader of Glasgow City Council indicated that he thought he could bring in a budget on the basis of the grant settlement—which would give a tax rise well below the rate of inflation for the third year running—to improve education services, to improve social care services and to improve environmental services, while making minor adjustments in efficiency gains. That is real progress—I wish that the Scottish National Party would welcome it.

Bill Aitken (Glasgow) (Con): Is not the minister concerned that the loss of Glasgow's revenue will destabilise COSLA, and will cause all sorts of difficulties with regard to national wage negotiations and other matters that have to be based on national settlements? Does he agree that the matter is causing severe friction between his colleagues at Glasgow City Council, members of the Executive and members of other Labour-controlled local authorities?

Peter Peacock: Scotland has benefited enormously over the past several years from a united local government association. Evidence from other countries in the United Kingdom where that is not the case indicates the benefits that Scotland has derived from that. It is a matter of personal regret that Glasgow has withdrawn. None the less, that is its decision, and the Executive has no part in discussing the matter with the council or with COSLA.

Iain Smith (North-East Fife) (LD): Does the minister share my regret that Glasgow has decided to withdraw from COSLA? Does he also share my regret that the SNP continues to present the case for more money for Glasgow, without giving any indication of where that money would come from?

Peter Peacock: I regret that Glasgow has withdrawn. As was revealed in yesterday's debate on the Local Government Finance (Scotland) Order 2001, the SNP has no ideas whatever about how it would improve the financing of local government. It certainly did not reveal where the extra money would come from.

Information and Communications Technology

6. Des McNulty (Clydebank and Milngavie) (Lab): To ask the Scottish Executive what it is doing to ensure that information and

communications technology reaches disadvantaged communities. (S10-2904)

The Minister for Enterprise and Lifelong Learning (Ms Wendy Alexander): We are committed to achieving universal access to the internet by 2005. Last month, the Deputy Minister for Social Justice announced an additional £3 million, specifically to support digital inclusion in some of our more hard-pressed communities over the next three years.

Des McNulty: I am grateful to the minister for that response. Given the prominence given to the use of digital technology in the strategy document that we debated last week, will she ensure that Scottish Enterprise puts forward clear targets for assisting business—especially new and small businesses—in less advantaged parts of Scotland with their take-up of information and communications technology? Will she also ensure that performance in that respect is closely monitored?

Ms Alexander: Scottish Enterprise is committed to extending its role in the e-commerce field and I am glad to confirm that Clydebank, in the member's constituency, will shortly benefit from a digital champion, and from support for the whole community—not just local businesses—to be on the net.

Phil Gallie (South of Scotland) (Con): Is the minister aware that under the previous Tory Government, an area of priority treatment was created in north Ayr? Much of the emphasis was placed on information and communications technology training and involvement with business. Would the minister care to come to north Ayr and consider for herself the effectiveness of the money that was spent?

Ms Alexander: I expect to be in Ayrshire shortly. It is, however, a great tragedy that Mr Michael Portillo has suggested that Department of Trade and Industry support for matters such as information technology should be cut by more than £400 million on a UK basis.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): Is not it clear that the most advanced telecommunications technologies, such as ADSL, will not be available in many areas if provision is simply left to market forces? When will the Government make a decision on whether to intervene in that area?

Ms Alexander: As I hope the Opposition knows, we met the telecoms companies this week. Ensuring the availability of broadband capability across Scotland is, of course, critical. We will not second-guess the companies by specifying whether that should be by ADSL, or wireless, or indeed by satellite. The choice of technology should be left to the companies.

Scottish Arts Council

7. Michael Russell (South of Scotland) (SNP):

To ask the Scottish Executive what process it is undertaking to seek public views on the appointment of a new chair of the Scottish Arts Council. (S1O-2921)

The Minister for Environment, Sport and Culture (Mr Sam Galbraith): The selection process has been handled in accordance with guidance from the Office of the Commissioner for Public Appointments.

I wish to announce that James Boyle has accepted my invitation to become chairman designate of the Scottish Arts Council.

As a distinguished broadcaster and journalist, James Boyle is ideally qualified to inherit the Arts Council mantle from the outgoing chairman, Magnus Linklater. I wish to express my gratitude to Magnus for his dedicated and fine service to the arts in Scotland during his chairmanship. He leaves the arts in excellent shape and I wish him well.

Michael Russell: I think that that is the first time that I have had a substantive answer to a question, which is surprising. I congratulate Mr Boyle, but would not it have been far better had the process been handled such that the public, the artistic community and, in fact, the whole of Scotland could have been involved, rather than just the minister?

Mr Galbraith: I was elected by the people of Scotland to take decisions on their behalf. I can see why the nationalists never want to take decisions; when they do, they always get them wrong.

National Health Service

8. Pauline McNeill (Glasgow Kelvin) (Lab):

To ask the Scottish Executive, further to the answer by Susan Deacon to question S1O-2781 on 18 January 2001, whether it will provide further resources to assist regional NHS in Scotland facilities such as those in Glasgow royal infirmary. (S1O-2940)

The Minister for Health and Community Care (Susan Deacon): The Scottish Executive distributes resources to health boards on the basis of a Scotland-wide formula that reflects the health needs of their local populations. It is primarily for NHS bodies locally to determine how to apply those allocations to meet national and local priorities. "Our National Health: a plan for action, a plan for change", published on 14 December, sets out how the Executive intends to simplify the funding of specialist hospital services that are provided to more than one NHS health board area.

Pauline McNeill: I welcome what the minister

has said to date about recognising that health services are delivered beyond health board boundaries. Is she aware that the digestive diseases unit in Glasgow royal infirmary takes more than 50 per cent of its patients from outwith its health board boundary because of the expertise developed there, and that that puts added pressure on intensive care beds and on imaging services?

Susan Deacon: It is crucial that, where there are specialist hospital services that serve populations other than within their own health board boundaries, as in the case that Pauline McNeill has cited and in many others, effective mechanisms are in place to ensure that resources flow correctly. That is precisely why we are continuing to improve the financial arrangements and doing away with some of the more cumbersome systems from the previous internal market to ensure that that happens.

Ms Sandra White (Glasgow) (SNP): The minister said that funding is based on a Scotland-wide formula. I presume that she is aware that health boards do not retain all of their capital receipts. I also presume—perhaps I presume too much—that she has received details of the case put forward by North Glasgow University Hospitals NHS Trust.

The Presiding Officer: Please ask a question.

Ms White: The question is this: the trust has said that it wants to keep all of its capital receipts from the sale of hospitals. Will the minister give a categorical assurance that health boards will retain all capital receipts so that they can be reinvested? Will that apply to Glasgow royal infirmary, which is, as doctors have said, sinking like the Titanic?

Susan Deacon: Each case is dealt with on its merits. The overall issue of capital receipts is part of the wider review of financial systems that we are currently undertaking to continue to make further improvements.

Housing Stock Transfer

9. Mr Frank McAveety (Glasgow Shettleston)

(Lab): To ask the Scottish Executive how it will ensure that the views of tenants are considered in stock transfer proposals. (S1O-2918)

The Deputy Minister for Social Justice (Ms Margaret Curran): Last month, the Scottish Executive published the "Code of Practice for Tenant Participation in Stock Transfers", which sets out a framework for tenant participation throughout the transfer process. Ultimately, transfer will proceed only if tenants vote for it in a secret ballot.

Mr McAveety: I welcome that announcement and the code of practice. Does the minister agree

that it is important that we continue to consult tenants to ensure that they shape and inform transfer proposals? More important, does she agree that it is tenants, not politicians—or self-appointed tenant leaders—who will have the final decision?

Ms Curran: I strongly agree with that. In Glasgow in the past few months, there has been enormous involvement in such issues on the part of tenants. I strongly welcome that. The Executive emphasises that tenants need to be at the heart of the process. We are getting the process right, will go on to win the prize and will get housing investment improved in Glasgow.

Fiona Hyslop (Lothians) (SNP): Does the minister agree that the £13 million that has been spent on developing the proposals could have delivered 5,000 central heating systems and double glazing for 2,500 homes? Is not it about time that the Government started to invest in front-line housing services, rather than consulting tenants about something which at the end of the day is Hobson's choice?

Ms Curran: That is an interesting departure from SNP policy. I said this morning that I look forward to revisiting the SNP's housing policy. It is surely needed. Does that mean that the SNP is no longer committed to tenant consultation? We cannot say that we are and then not resource it properly. In Glasgow, we are getting the information right to allow tenants to be involved and to make democratic choices. That is the future for Glasgow and for Glasgow's tenants and it lies best in the hands of the Executive, not in the hands of members of the SNP, who change their policy on the matter day by day.

Elderly People (Abuse)

10. Christine Grahame (South of Scotland) (SNP): To ask the Scottish Executive whether elderly people are safe from abuse in institutions. (S10-2924)

The Deputy Minister for Health and Community Care (Malcolm Chisholm): The Scottish Executive is determined to ensure that older people, whether at home or in care homes, are protected from abuse. To achieve that, the Executive is taking a number of measures, including developing new care standards and setting up a new commission to regulate care services and a council to regulate the social services work force. The introduction of the Adults with Incapacity (Scotland) Act 2000 will also introduce new protection for the most vulnerable people.

Christine Grahame: Is the minister aware that the action on elder abuse helpline, which has revealed that 26 per cent of perpetrators are paid

workers, is underused in Scotland and requires additional funding to publicise its service? Will he give the chamber and elderly people his assurance that he will use his best endeavours to secure that funding, so that the elderly, frail and frightened will know that they have somewhere and someone to turn to?

Malcolm Chisholm: The helpline is one issue that can be taken into account when we consider the new complaints procedure as part of the Regulation of Care (Scotland) Bill. We are determined, through the bill, to drive up the quality of long-term and other forms of care, which is why we are introducing a system with more independence, more consistency and more user focus. That will include a better complaints procedure and, for the first time, inspection against national standards of medication procedures and a range of other issues.

National Health Service (Statistics)

11. Lord James Douglas-Hamilton (Lothians) (Con): To ask the Scottish Executive what arrangements it is making to hold more NHS statistics centrally and which subjects are currently under consideration in this connection. (S10-2905)

The Deputy Minister for Health and Community Care (Malcolm Chisholm): A wide range of information is currently held centrally on the national health service in Scotland. That includes information about the number of patients with different conditions, the treatment provided, clinical outcomes, NHS staffing levels and financial information. Such information is used to meet the needs of clinicians and managers in the NHS and to ensure accountability to Parliament and to the public. Information held centrally is reviewed regularly to ensure that it meets the needs of all users.

Lord James Douglas-Hamilton: While I welcome the minister's constructive reply, does he accept that making more information available about specific illnesses can help with the prevention and treatment of illness? Will he keep the matter under continual review, with a view to making more information accessible all the time?

Malcolm Chisholm: As I indicated, the matter is under review. Work on several health topics is under review at the information and statistics division. Lord James Douglas-Hamilton is right that there is a potential impact on prevention and treatment; that is clearly one of the criteria that must be used when we decide what information to hold centrally. At the same time, a balance must be struck as there are cost implications, and if too much work is done on collecting statistics, it could be a burden on the NHS. The general point that Lord James Douglas-Hamilton makes is correct.

Mr Andrew Welsh (Angus) (SNP): How aware is the minister of the great concern felt by patients about the risks of contracting hospital-acquired infections? As it is a national problem, will he ensure that detailed information on that is available and held nationally?

Malcolm Chisholm: We recognise that it is a national problem; that is why we have said that we want a national solution, which is clearly outlined in "Our National Health: a plan for action, a plan for change", which was published in December.

The drive towards completely clean hospitals is at the heart of the proposals in the plan; that will clearly involve monitoring the effectiveness of our policies in that respect.

Universities (Funding)

12. Alex Neil (Central Scotland) (SNP): To ask the Scottish Executive whether it will instruct the Scottish Higher Education Funding Council to reconsider its proposals to amend its distribution of funding in view of the impact on newer universities. (S1O-2909)

The Minister for Enterprise and Lifelong Learning (Ms Wendy Alexander): The current consultation will not conclude until the end of March. I expect the council to take account of the views of those responding to the consultation exercise before producing its final proposals.

Alex Neil: Will the minister investigate why the consultants who were employed by the SHEFC to collate the views of people in Scotland on the issue were sacked two thirds of the way through the exercise, at the cost of hundreds of thousands of pounds to taxpayers? Will she also investigate why those consultants—and the expert group that the council set up to oversee the operation, which also had its task terminated—have since dissociated themselves from the proposals?

Ms Alexander: My officials have been in touch with the SHEFC on those matters. I have met both the Association of University Teachers and Universities Scotland over the past few days and have discussed those matters.

I have received assurances from the SHEFC that it will issue further information to the institutions that are likely to be affected by any new priorities. It is very keen to meet MSPs who have an interest in those matters.

Dr Elaine Murray (Dumfries) (Lab): Will the Executive consider changes to the remits of the SHEFC and the Scottish Further Education Funding Council to facilitate joint funding of courses provided by higher and further education establishments working in partnership?

Ms Alexander: I will be happy to write to Dr Murray on that matter.

Death Certification

13. Miss Annabel Goldie (West of Scotland) (Con): To ask the Scottish Executive whether the current procedure for certifying the cause of death prior to the disposal of mortal remains by cremation is adequate. (S1O-2903)

The Minister for Health and Community Care (Susan Deacon): The current procedure for certifying the cause of death prior to cremation is set out in the Cremation (Scotland) Regulations 1935.

The Scottish Executive believes that death certification procedures, including those applying to cremations, need to be reviewed in the wake of the Shipman case and will therefore take full account of the conclusions of the current Home Office review.

Miss Goldie: I thank the minister for her helpful reply.

The minister will know that, in the case of sudden deaths, cremation cannot proceed without the issue of form E1 by the procurator fiscal. Is she aware that a practice has arisen in Paisley whereby the fiscal, unable to secure toxicology reports timeously, is issuing certificates stating the cause of death to be, and I quote one instance, "Unascertained, awaiting toxicology"? Does the minister accept that that is totally unacceptable as an implement of the statutory procedures? Will she undertake to inquire into the matter forthwith?

Susan Deacon: I am unfamiliar with the details of the case from which Annabel Goldie quotes; I am more than happy to look into it and will write formally on it.

The report of the independent review group on the retention of organs at post mortem touched on a number of issues relating to hospital practice and the practice of the procurator fiscal service and the Crown Office more generally. It addressed the need for effective liaison between the two; we will take forward action on that. The Lord Advocate and I take those important and sensitive matters very seriously and we have discussed them.

The Presiding Officer: Question 14 has been withdrawn.

Organ Removal

15. Dennis Canavan (Falkirk West): To ask the Scottish Executive what response it will make to the report of the McLean review group on the removal of organs from dead patients. (S1O-2927)

The Minister for Health and Community Care (Susan Deacon): The Executive's response was announced on 6 February, which is the day when the report was published. We are now taking forward a significant programme of measures to

improve communication and consent procedures and to change the culture. We are backing that with major changes to the law.

Dennis Canavan: Although I welcome the minister's assurance that the organs of dead children will never again be removed without their parents' consent, will she take steps to ensure that the legitimate public outrage over the removal of children's organs without parents' consent will not discourage people from registering to donate their own organs, especially in view of the current shortage of donor organs that could save other people's lives?

Susan Deacon: Dennis Canavan raises an important point that is a matter of concern to me, the NHS and the medical profession more generally. I am very pleased that bereaved parents have been firm in saying that the cases involving organ retention should not and must not have an adverse effect on organ donation or medical research. I hope that, in light of the report that was published this week and the work that we are taking forward in response to it, we will be able to make progress on this whole issue to ensure that future arrangements are effective on every front.

Mr Kenneth Macintosh (Eastwood) (Lab): I thank the minister for her response and her statement earlier this week on this very sensitive and difficult issue. However, will she investigate the case of my constituent Mr Howard Brown, with whose details she might be familiar? Unlike many of the other unfortunate parents, who were not even consulted when their children had their organs removed by pathologists after they had died, Mr Brown made his views known and told the hospital that he did not want a post mortem or his children's organs removed. However, his wishes on the matter were either ignored or overruled.

Susan Deacon: I am familiar with Mr Brown's case and his particular concerns, not least because of his religious convictions and the additional hurt that was caused by the fact that those convictions were not taken into account. I am meeting him shortly to discuss those issues. I very much hope that the measures introduced this week will result in all parents and relatives being more fully involved in receiving information and communicating, and that the consent procedures will be far more effective and stronger than before to ensure that past practice will not be repeated in Scotland.

Nicola Sturgeon (Glasgow) (SNP): Will the minister join me in paying tribute to all the relatives who have been affected by the practice of organ removal without consent? More than any other factor, their determination to get answers led to this week's publication of the McLean report.

Furthermore, will the minister also assure me that legislation that will make informed consent necessary in future will be introduced without delay, to ensure that a practice that has caused so much distress to so many people can never happen again?

Susan Deacon: I announced last week—and confirmed again this week—that we are immediately moving forward with changes to the Human Tissues Act 1961 which will mean that the current provision, whereby doctors are required only to establish the absence of objection to organ removal, is replaced with a requirement to seek informed consent. We are taking those measures forward and will certainly ensure that legal changes are also matched by culture changes and changes to practice in future.

Young People (Health)

16. Alex Fergusson (South of Scotland) (Con): To ask the Scottish Executive what plans it has to increase awareness and treatment of conditions such as chronic fatigue syndrome and myalgic encephalomyelitis—or ME—particularly among young people. (S10-2935)

The Deputy Minister for Health and Community Care (Malcolm Chisholm): "Our National Health: a plan for action, a plan for change" commits the Scottish Executive and the national health service to take steps to work closely with patient support groups to ensure that the needs of those with chronic conditions are met effectively. In the case of CFS/ME, the Executive will consider the issue of good practice guidelines on treatment, taking account of advice, which is expected later this year, from the working group set up by the chief medical officer in England.

Alex Fergusson: Is the minister aware that CFS and ME officially do not exist among young people, particularly on the east coast of Scotland, as general practitioners and consultants seem reluctant to recognise the conditions? As thousands of schoolchildren are incapacitated to varying degrees by CFS and ME, will the minister look into providing a specialist NHS unit in Scotland to investigate those debilitating conditions? That would bring not only hope to the many sufferers, but considerable savings to the NHS.

Malcolm Chisholm: There is great controversy in the medical profession about the illness. Whatever the causes of the illness, we all recognise that it is serious and causes great distress and pain to the sufferers. The member's question will be answered to some extent once we have worked on the good practice guidelines later in the year. We recognise that a better framework is needed for the condition. That is why we are waiting to see what guidelines emerge in England;

we will take account of those guidelines when we draw up our own.

Ms Margo MacDonald (Lothians) (SNP): I hark back to a previous question about the collection of national statistics. I am informed that 30 per cent of people diagnosed as having ME are rediagnosed as having hepatitis C. Is the minister aware of that? Does he agree that it is conclusive proof that we need much more sensitive central collection of health statistics in Scotland for the self-management of many such conditions?

Malcolm Chisholm: Margo MacDonald raises two issues. The first, to which I gave an answer in response to Lord James Douglas-Hamilton's question, is about statistics. The second concerns the diagnosis of the condition. The issue is complicated and I do not want to tread on controversial medical ground. I have stated the importance that we attach to making progress on ME and I made a similar announcement in a recent debate on hepatitis C. We want to take action on the two serious conditions to which she refers, but it is difficult for us to have a debate on them because of the complexities and controversies involved.

Beta Interferon

17. Janis Hughes (Glasgow Rutherglen) (Lab): To ask the Scottish Executive when the Health Technology Board for Scotland will report on its findings regarding the clinical efficacy of beta interferon in the treatment of multiple sclerosis. (S1O-2911)

The Minister for Health and Community Care (Susan Deacon): The Health Technology Board for Scotland is unlikely to be in a position to report on beta interferon until September at the earliest. Today I arranged for a report on the board's progress to be placed in the Scottish Parliament information centre.

Janis Hughes: I thank the minister for her answer. Does she agree that the extremely long delay in the publication of the National Institute for Clinical Excellence report, which will feed into the Health Technology Board for Scotland report, is causing a great deal of stress for patients who are suffering from multiple sclerosis and for their families? Will she assure the Parliament that she will make every possible effort to expedite those reports?

Susan Deacon: Janis Hughes correctly points out that the publication of the HTBS information has been delayed primarily because of delays to the NICE advice. Those delays are due to on-going appeals. I share her concern and want to ensure that advice is received as soon as possible. However, I stress the fact that the HTBS operates independently from the Executive—that

is its role—and I would not want to interfere with its assessment process.

The Presiding Officer: Question 18 has been withdrawn.

Warrant Sales

19. Karen Whitefield (Airdrie and Shotts) (Lab): To ask the Scottish Executive what progress is being made in finding an alternative to warrant sales. (S1O-2920)

The Minister for Finance and Local Government (Angus MacKay): The working group that was set up by the Deputy First Minister and Minister for Justice to identify a workable and humane replacement to poindings and warrant sales is making good progress and is on track to report with its recommendations in June. Information about the group and its work can be found in a progress report that has been placed on a new website, which was launched by Scottish Executive ministers on 26 January. The internet address of that website is available from SPICe.

Karen Whitefield: I thank the minister for his response. Does he agree that, in seeking a replacement to warrant sales, full consideration should be given to preventing as many people as possible from becoming bogged down in debt and that the Scottish Executive must ensure that debt advice services are widely and easily accessible, especially in our most deprived communities?

Angus MacKay: Karen Whitefield has raised one of the most important aspects of the work of the working group, which has focused no small part of its discussion on the important need to ensure that we put in place a comprehensive network of debt counselling and support. That will help to ensure that families and individuals do not get into debt in the first place and have some capacity to manage their financial position rather than falling prey either to the mechanics of the current system or, once the current system is abolished, to whatever new system replaces it and whatever methods are used by various creditors to try to secure their debts. It is equally important, of course, that we ensure that creditors feel confident that they can recover debts where appropriate. If we do not do that, current difficulties will continue to mushroom—the use of extreme collection methods has grown since news of the decision to abolish poinding and sale reached such prominence and people began to fear that there would be no alternative method for recovering debt.

First Minister's Question Time

SCOTTISH EXECUTIVE

Cabinet (Meetings)

1. Mr John Swinney (North Tayside) (SNP): To ask the First Minister when the Scottish Executive's Cabinet will next meet and what issues will be discussed. (S1F-840)

The First Minister (Henry McLeish): The Scottish Executive Cabinet will next meet on 13 February, when it will discuss issues of importance to the people of Scotland.

Mr Swinney: It has been reported this morning that the Prime Minister of the Republic of Ireland, Bertie Ahern, a good friend of Scotland, has been deeply offended by the events of the past 24 hours concerning his visit to Scotland. Will the First Minister, on behalf of Scotland and with the full support of the Opposition, extend to Mr Ahern an apology on behalf of the people of Scotland for the offence that he has been caused?

The First Minister: I agree with John Swinney's sentiment that any visit of the Taoiseach would have been warmly welcomed. We have strong links with Ireland, which we want to maintain and develop. Suffice it to say that, in view of what has happened in relation to the private visit of the Taoiseach, I have discussed the matter with the Secretary of State for Scotland, who has been in touch with the Department of the Taoiseach. I am pleased to be able to announce that, this afternoon, through the consul in Edinburgh, I will be extending a formal invitation to the Taoiseach to visit me and the Secretary of State for Scotland to discuss not only issues of importance to the two nations but a possible sports visit. I also hope that at that time the Taoiseach will be able to conduct the visit that he had planned for this weekend. I hope that that will get the support of the chamber in what John Swinney recognises as a delicate and sensitive matter.

I want to send this strong message from the chamber: we value visits from heads of state. We will do everything possible to ensure that there is no ruffling of our relationship with Ireland and we want to make sure that this matter is dealt with in a positive and dignified way.

Mr Swinney: I welcome the First Minister's remarks and hope that he will be able to go that little step further and apologise to the Taoiseach for the way in which this matter has been handled.

Let us consider for a moment how we have got into the mess that we are in. It is clear that a Labour MP in Westminster has been in direct

contact with the Irish Government to say that it is unsafe for the Taoiseach to come to Scotland. It is also clear that Strathclyde police have made it absolutely plain that it was perfectly safe for the Taoiseach to undertake the visit. However, it is unclear whether the Scottish Executive was telling the Taoiseach that he was perfectly welcome to come. Was the Scottish Executive telling him that it was safe for him to come to Scotland on Sunday and that he would have been a welcome visitor to the important event that he was to attend?

The First Minister: I can confirm the point that John Swinney has just made in what was an understandably angry but constructive question: the police raised no objections over the arrangements for the visit. I also want to make it clear that the Executive was not involved in what was a private visit, nor did we have anything to do with its cancellation. I say those words merely because they are factual. The key point is that, when visits such as this one are being organised, a host of lessons have to be learned. It will never be the intention of the Executive to deal with the heads of foreign Governments in any way other than one that follows the protocols.

As I said, this was to have been a private visit. I sincerely hope that, as I—with the Secretary of State for Scotland—am now formalising our invitation, any of the difficulties that have been experienced in the organisation of the private visit will not occur. We will extend the offer to the Taoiseach as soon as we can set an early date.

Mr Swinney: I welcome the First Minister's answer, but I am perplexed as to why the views of a Westminster Labour MP are superior to those of Strathclyde police on an issue of safety. Why, when the issue was obviously under discussion, was the First Minister not representing the views of Strathclyde police—for whom he has ministerial responsibility—and making it perfectly clear that it was safe for the Taoiseach to come to Scotland?

A source in the Irish Government tells us:

"If people are paranoid about unveiling a statue, it doesn't say much for the so-called 'Brave New Scotland'."

Does the First Minister recognise that damage has been done to the reputation of Scotland? Does he agree that the sooner he tells Westminster Labour MPs to mind their own business in relation to the affairs of the Scottish Parliament, the sooner the reputation of Scotland will be enhanced?

The Presiding Officer (Sir David Steel): Order. We have been on difficult ground here. I should point out that the First Minister is not responsible for what Westminster MPs say.

The First Minister: Let me build some common ground with John Swinney—to the extent that we are all concerned about Scotland's image in the

world. SNP members do not have a monopoly of wisdom on that. Although I disagree with Frank Roy, he is a constituency MP, with every right to speak up on behalf of his constituents. I cannot make this any clearer—I say factually and honestly: we were not involved in the private visit.

Mr Swinney: Why not?

The First Minister: I am responsible for many things, but I am not responsible for things that are organised completely outwith the Executive and outwith the Parliament and that are concerned with a personal visit.

There was a Celtic v Rangers game yesterday. David McLetchie and I were there, not, perhaps, to share the benefits of a great football match, but there was some good comradeship. There is another match on Sunday. I would not want anything to be said in relation to that that would foment any problems.

Let me make it clear: there is no room in our society for religious bigotry or intolerance. Each player on the pitch on Sunday, each fan who attends and the whole of Scotland will, I hope, support what I have said. If so, we can ensure that there will be a tough, competitive game of football with no bigotry and no sectarianism.

We will ensure that, when the Taoiseach comes here—I hope that he will want to visit the Parliament—everything is done following the proper protocol and procedures that a head of state would expect, which is also what this Parliament and this Government would expect.

Mr Michael McMahon (Hamilton North and Bellshill) (Lab): Does the First Minister agree that it would have been wrong for a constituency representative—particularly for a constituency in Lanarkshire, which has experienced divisions in its communities—not to have expressed concerns that were based on his knowledge of his constituency? Whether or not we agree with his analysis that there would have been problems on Sunday afternoon, does the First Minister accept that it is even worse for people to use this matter as a political football? That could create even greater divisions in the communities that we represent, where great work has been done to bridge the gaps.

The First Minister: I understand the concerns, as expressed by the SNP leader. However, it is important that we move forward from this point—the image of Scotland can only be enhanced if we do so. I would hope that any MP has a right to speak up and comment. I said that I disagreed with Frank Roy, but that in no way undermines the right of any individual in this Parliament or at Westminster to make their comments.

If we want to be a confident and civilised

Scotland in the 21st century, we must have no room for bigotry and we must ensure that any guest or intended guest who feels offended soon benefits from a warm welcome. Last Friday, Alasdair Morrison was in Belfast working on Gaelic issues with our colleagues from the north and the south. That is the way it is. That is how it will continue. I want the Parliament to move forward today.

Prime Minister (Meetings)

2. David McLetchie (Lothians) (Con): To ask the First Minister when he will next meet the Prime Minister and what issues he plans to raise. (S1F-832)

The First Minister (Henry McLeish): I last spoke to the Prime Minister on 25 January and we have no immediate plans to meet.

David McLetchie: I hope that the First Minister's next meeting with the Prime Minister will be more than the 30-seconds politics-free encounter that voters can expect from Labour candidates during the general election.

The First Minister will no doubt recall that he put his head on the block in the chamber on 13 December, when he gave a personal guarantee that

“no child, young person or adult who will sit examinations next year should face the chaos that we faced this year.”—*[Official Report, 13 December 2000; Vol 9, c 863.]*

However, as he will know, many head teachers have expressed concern, including in the press this morning, that a repeat of last year's chaos is inevitable because of the Scottish Qualifications Authority's refusal to change its assessment system. As matters stand, is the First Minister prepared to repeat today the personal guarantee that he gave to parents in December?

The First Minister: Yes.

David McLetchie: It must be very welcome to everybody to have that guarantee and it must be a great comfort to the First Minister to know that the preservation of his neck and head lies in the hands of Mr McConnell. *[Laughter.]* As the First Minister has such a personal interest in this matter, will he assure the chamber that Mr McConnell will, if necessary, use his powers under section 9 of the Education (Scotland) Act 1996 to give directions to the SQA to ensure that there is no repeat of last year's crisis?

The First Minister: I am pleased to rise to answer that. When I met Mr McLetchie in the environs of Hampden last night, he reminded me that my good colleague Mr McConnell had won a prize yesterday. I am sure that the whole chamber will join him in celebrating that award. I am also pleased that, after a few weeks, David McLetchie

has raised some laughter in the chamber.

The situation is clear. People can take comfort from the excellent parliamentary answer that the Minister for Education, Europe and External Affairs gave on the SQA. There was little point in moving to a simplified assessment procedure if it undermined our intention to have a successful 2001 diet for every child, young person and adult who is involved in the qualifications system.

Let us not keep talking things down. We had a moment last year. We have given commitments. We must not undermine morale. We must move forward so that, in August, every child and parent can be satisfied that the results have been delivered on time. That is our aim and we are on track to achieve it.

David McLetchie: I certainly hope that there is no repetition of last year's problem. I draw the First Minister's attention to what was said on behalf of Mr McConnell by a Scottish Executive spokesman, who is reported this morning as saying that the minister and his deputy were very disappointed by the SQA's decision on the change to the assessment procedure. Given that degree of disappointment at ministerial level, is it not appropriate that the ministers should consider exercising their statutory powers to take the steps that they think are necessary?

The First Minister: No. The Executive is right to express its disappointment about the fact that a possible change has not happened. However, we are underlining the fact that we cannot risk the 2001 diet by insisting on a change that could cause technical or procedural problems. The commitment is to have a successful diet. If it takes a bit longer to simplify the system, so be it.

Mr Alex Salmond (Banff and Buchan) (SNP): Will the First Minister speak to the Prime Minister about the extent of the immediate crisis facing our fishing industry? Does the First Minister appreciate that boats are already being diverted from the cod fishery to the haddock fishery and that fish processors are already concerned that the report that is due to be delivered to the Deputy Minister for Rural Development will bring with it no new money?

Does the First Minister accept that 25,000 people in Scotland—the equivalent of five Ravenscraigs—are directly or indirectly employed in fishing? Does he accept that, around the coast of Scotland, 20 per cent of jobs in some constituencies are fishing related? In my constituency, that figure is 40 per cent—*[Interruption.]* There was a time when Labour members listened when people talked about jobs in their constituencies.

The Presiding Officer: Order.

Mr Salmond: Will the First Minister offer encouragement to the fishing communities by saying that the response of the Scottish Government will be proportionate to the extent of the crisis that we face?

The Presiding Officer: On the point about members not listening, they are waiting for questions rather than statements.

Mr John Home Robertson (East Lothian) (Lab): Alex Salmond is very inexperienced.

The First Minister: With respect, Alex Salmond will have a new training ground to get back to quite soon. That might help him to hone his skills.

Alex Salmond has raised a serious issue and I will respond to it as such. We have made it clear that the industry is facing pressures and challenges. A number of steps have been taken, such as the setting up of the fish processors working group. We are working with colleagues at Westminster and looking at the implications of the reductions in stocks.

I assure Alex Salmond that we are working very hard on a number of initiatives that are supported by the industry. We are looking at decommissioning—that is important for the short-term and long-term future of the industry. I would be happy to give him a more comprehensive response, but that would take a few minutes. Suffice it to say, the issue is vital not only for parts of Scotland but for the whole of Scotland; it is also very important to the Executive.

Organ Removal

3. Mr John Home Robertson (East Lothian) (Lab): To ask the First Minister what safeguards are being put in place to ensure that children's organs are not removed and retained without the consent of parents. (S1F-842)

The First Minister (Henry McLeish): We will be seeking urgent changes to the law to make it an offence to remove or retain an organ at post mortem without actively seeking relatives' consent. We are also setting tough new standards on post mortem practice, which will be monitored by the Clinical Standards Board for Scotland.

Mr Home Robertson: Yesterday, I spoke to a parent in my constituency who was distressed because she had not understood that consent for a post mortem included consent for the retention of organs. I am sure that she and others will welcome the announcement by Susan Deacon and the First Minister on amendments to the law to establish the principle of free and informed consent. However, it is obvious that such amendments will take time. Will the First Minister give an undertaking that best practice in what is a sensitive area will be put in place forthwith in all

Scottish hospitals?

The First Minister: I am happy to respond by saying yes. The maximum urgency will be shown; the Minister for Health and Community Care has confirmed that changes are already taking place. Legislation is being considered both in Westminster and in Edinburgh, and a further part of the McLean report has yet to be prepared and published. The key is that parents must be involved in consent and that parents and relatives must have trust in the system. We are doing everything humanly possible to ensure that that happens.

We are all concerned about the confusion between organ retention and organ donation. It is critical that we ensure that organs are available for transplant. We must ensure that potential patients have confidence in the system and that organs for transplant will be forthcoming. We make a general plea to people in Scotland to continue to consider donations, which are vital to the health service and to the lives of the many patients who desperately need those organs.

Dr Richard Simpson (Ochil) (Lab): Will the First Minister join me in praising the Scottish Organisation Relating to the Retention of Organs and parents for their dignified and positive support for the continuation of organ donation? Will he ask the Minister for Health and Community Care to join Alan Milburn, who has called for a summit to promote organ donation for transplant, in ensuring that any unintended adverse effects that may arise from the organ retention report do not damage the transplant programme?

The First Minister: I endorse Richard Simpson's points on this sensitive issue. I confirm that, within the Scottish Executive, Susan Deacon is taking up the same idea as Alan Milburn is in relation to a summit. It is vital that the flow of donations should continue. I hope that the remarks in the chamber today will have reinforced people's confidence and that they will continue to come forward.

Water and Sewerage (Charges)

4. Christine Grahame (South of Scotland) (SNP): To ask the First Minister whether the recently announced increases in water and sewerage charges will be affordable for those on council tax benefits. (S1F-841)

The First Minister (Henry McLeish): The Scottish Executive's proposed water and sewerage affordability scheme is directed at those in receipt of council tax benefit and is intended to take effect in 2001-02. We are currently considering the results of the recently completed consultation and will announce decisions soon.

Christine Grahame: Is the First Minister aware

that all 30,000 band A and band B houses in the Scottish Borders—the households with the lowest incomes—will benefit not one penny from the proposed water and sewerage relief scheme? Is he also aware that the money raised from those households alone will benefit East of Scotland Water by £3 million? Does he therefore agree with his Westminster colleague, Brian Wilson, who said that an increase in water charges is an "assault on the poor"?

The First Minister: That is why Sam Galbraith and Sarah Boyack have been looking at the whole question of the impact of the water charges on the lowest-income groups in our society. Consultation has ended. An announcement will be made in mid-February and we will make a start on addressing some of the problems on 1 April.

Lewis Macdonald (Aberdeen Central) (Lab): Does the First Minister agree that, beside curbing the liability of those in receipt of council tax benefits, another good way of protecting the interests of low-income consumers is to have an equitable scheme of water charges—charges that are the same throughout Scotland? Does he agree that one way of pursuing that would be to consider seriously the proposal for a single Scottish water authority?

The First Minister: Discussions on that issue are continuing and they will be a basis for policy discussions. I certainly would not rule out Mr Macdonald's suggestion, if it could be proved that disruption would be minimal.

Budget (Scotland) (No 2) Bill: Stage 3

The Presiding Officer (Sir David Steel): We come now to stage 3 proceedings on the Budget (Scotland) (No 2) Bill. As there are no amendments to the bill, we will go straight into the general debate on motion S1M-1628, in the name of Angus MacKay.

Before I call the minister, I would like to point out a minor editorial change to the motion that has been published. It should read that the bill “be passed” rather than that it “is passed”. We must get our grammar right.

The Deputy Presiding Officer (Mr George Reid): Would members who are not taking part in this debate please clear the chamber quickly and quietly?

15:33

The Minister for Finance and Local Government (Angus MacKay): I had planned to begin today with

“We few, we happy few”

but I see that, unlike in previous discussions on finance and local government, members are still seated throughout the chamber. I hope that they will remain with us for the duration of the debate on this important topic.

Today’s is the final debate in this year’s budget process. It has been a long process, frustrating at times, but a fairly valuable learning experience for everyone involved. The key point that emerges is that this Executive is delivering a record £18.4 billion budget for Scotland, for the first time, in our own Parliament. That in itself should be a rewarding achievement for everyone concerned.

The process began last April with the publication of the first annual expenditure report. That document set out the broad strategic direction that the Executive intended to take and showed our plans for 2001-02. As well as setting out our expenditure plans, the annual expenditure report was our first attempt to draw those outside the usual parliamentary groups into the budget setting process. We deliberately set out to get a wider range of views; the 170 written responses that we received demonstrate that that was achieved.

To reinforce the involvement of those who are not usually active in the budget process, we took further steps—including four meeting days in Dumfries, Aberdeen, Gourrock and Fort William. Those meetings highlighted the impact of the budget on those areas and gave people the chance to raise issues that affect them locally, but

which had perhaps not registered in a national budget setting process. The meetings were well attended and raised issues including local government, transport and the elderly. The days brought an important regional and local balance to the budget process, so I am happy to give Parliament a commitment that we will repeat them this year.

Once we had considered the views received from the consultation, we got down to the difficult business of creating a budget for 2001-02 and, as a result of the spending review, setting out our plans for 2002-03 and 2003-04. The spending review delivered record levels of public expenditure; by 2003-04, public expenditure in Scotland will rise above £22 billion. That record public expenditure is built on the success of the Government’s macroeconomic framework, which has delivered very sound public finance alongside the essential foundations of low inflation and interest rates to achieve high and stable growth and employment in Scotland and the UK. In Scotland, that has resulted in low unemployment and sound growth. All those things allowed the chancellor to deliver a review that guaranteed additional resources for priority areas.

Andrew Wilson (Central Scotland) (SNP)
rose—

Angus MacKay: I will not give way at this stage.

In Scotland, health, education, transport and local government have all benefited from the record level of increase in public expenditure. In addition to the double-digit increases that the main spending programmes received, the spending review allowed us to act prudently and create a reserve.

The fact that we have a reserve has generated some grievous excitement on the SNP benches. Let me set the record straight on the reserve. First, the Executive’s rights of access to the UK reserve remain as before. They are the same as those of English departments and are set out in section 9 of the statement of funding policy.

Secondly, access to our own reserve will be through a three-stage process. Departments will normally approach me with requests for additional funding; final decisions on such requests will be taken at Cabinet and the budget revisions that result from Cabinet decisions will come to Parliament for approval.

Thirdly, our reserve is small and is designed to deal with emergencies and one-off non-recurring items. That way the reserve in future years is protected. If we use the reserve for recurring items, the reserve is diminished in this year and all future years. Doing so—as I think Andrew Wilson has suggested—would not be prudent.

Andrew Wilson: I welcome that clarification. Given the minister's previous statements on the reserve, it is a step in the right direction. Will he confirm that the reserve is a recurring item of expenditure in that allocations will be made to it year in, year out? Will he also tell us what the difference is between a reserve in Scotland that can be used for small, one-off emergencies and making application to the UK reserve, which is also for small, one-off emergencies? If there is a Scottish reserve, under what circumstances would the UK reserve be applied to?

Angus MacKay: The whole point of having a reserve is to deal with unforeseen circumstances. It is slightly bizarre of Mr Wilson to ask me to predict those unforeseen circumstances today. On his other point, the reserve cannot be recurring if, as he has suggested, we commit it on a recurring basis to funding, for example, free personal care. The whole point of the reserve is that it exists to deal with the unforeseen.

Andrew Wilson: I was not asking the deputy minister to say what the unforeseen circumstances might be—the point I was making is that a UK reserve exists to deal with small, unforeseen circumstances. What is the difference between applying to the UK reserve in those circumstances and applying to a Scottish reserve? If we, unlike other Government departments in the UK, have a reserve, under what circumstances can we then apply to the UK reserve?

Angus MacKay: When the emergency happens, I will let Andrew Wilson know.

The budget meets the needs of the Scottish people. It provides for NHS Direct, to provide everyone with access to medical advice 24 hours a day; for internet and e-mail access for all schools and improving all school pupils' access to modern computers; and for enhancement of the trunk road network to improve people's journeys. Those are just three concrete ways in which the budget will change and improve the lives of people in Scotland—they will affect the lives of everyone in Scotland for the better.

However, the budget process is about more than additional allocations to programmes, welcome and substantial though they are. It is also about ensuring that we get maximum benefit out of all our funding. The baseline budget for the current year rose from £17.6 billion to £18.4 billion as a result of the spending review—a welcome additional resource.

I have set out our best value and budget review programme because it is essential that our overall spending pattern matches our policy priorities and that the fixed budget delivers more. In other words, although it is important to allocate the £800 million extra, it is even more critical to have a

thorough, recurring and properly constructed process to review the £17.6 billion baseline, which constitutes the vast majority of our expenditure.

The best value approach will consider the whole range of Executive spending and will scrutinise what we are spending, why we are spending it and what that spending delivers. We will examine cross-cutting issues such as digital Scotland as well as areas of programme spending. Best value will aim to deliver more for the existing spending or the current service for less. The purpose is to create flexibility within a fixed budget so that we can meet more of the needs of the Scottish people—not for the sake of it, but so that we can tailor more of our money to our key priorities: supporting employment and training, tackling crime, beating drugs and improving our economy.

Mr David Davidson (North-East Scotland) (Con): Will the minister give way?

Andrew Wilson: Will the minister give way?

Angus MacKay: I will give way to Mr Davidson.

Mr Davidson: On Friday, when the First Minister visited Aberdeen, he spoke at the business breakfast run by the chamber of commerce. The convener of Aberdeenshire Council asked him about local government spending. The Minister for Finance and Local Government talks about flexibility in operation, but the convener of the council was complaining about the lack of flexibility—by the time additional burdens have been met, the council will have received an increase of only 1 per cent. Would the minister like to comment on that, given that the two points do not seem to agree?

Angus MacKay: I think that I am experiencing a personal "Groundhog Day"—I thought the local government finance debate was yesterday. Mr Davidson seems to be stuck in a time warp.

Mr Davidson: Is it not part of the budget?

Angus MacKay: Of course it is, but we had more than an hour and a half to discuss the subject yesterday. If the member does not mind, today, I will concentrate on the totality of the budget.

I give way to Mr Wilson.

Andrew Wilson: I thank the minister for allowing me to intervene—and on a more relevant point. Why has it taken the Executive 18 months to implement the idea of best value in the Scottish budget? Why did the Executive not seek to make those improvements on its entry to office, given that it was the SNP policy and we would have been delighted for the Executive to copy it?

Angus MacKay: I am aware that the SNP has fallen into the habit of claiming every successful policy that the Executive promotes—that is no

wonder, because we are a very successful Executive. However, it took me less than two months to introduce the concept of the best value and budget review group, which built on the sensible and direct suggestion made by my predecessor, Mr Jack McConnell, that we should address best value. The member will find that both finance ministers in the Parliament so far have taken the issue of best value very seriously in both theory and practice.

We are considering a new budget process, which is based on four principles. The process considers public service delivery to meet the needs of citizens, rather than service providers. It ensures that public services are of the highest quality and efficiency and must match the best anywhere in the world in their ability to innovate, share good ideas, control costs and, above all, deliver. We are seeking to ensure that information and communications technology is harnessed to improve public services. We are also trying to ensure more joined-up working, geared towards promoting a culture of improvement and innovation in public services.

Those principles have underpinned the budget process and will provide the foundation for the next budget process. We will continue to consult to identify people's needs. We will continue to work to ensure that best value delivers efficient and truly world-class services. Our modernising agenda, backed up by real investment, will continue to harness information technology. We will continue to develop our cross-cutting agenda to deal with issues such as drugs, social inclusion and equality, that do not fit easily into traditional departmental structures.

As many members are aware, the process has been long but rewarding. It is a process that has delivered a budget bill of some quality and impact to this chamber. I am proud that, again, this partnership Executive, this Lib-Lab coalition, is using this budget to deliver on our policy priorities and our commitment to achieving social justice in Scotland. The bill will make a substantial difference to the lives of everyone in Scotland, and I commend it to all members.

I move,

That the Parliament agrees that the Budget (Scotland) (No 2) Bill be passed.

15:45

Mr Adam Ingram (South of Scotland) (SNP): The SNP will not put any obstacle in the way of the bill today, even though we believe it is a poor shadow of what budget legislation ought to be in a Scottish Parliament. In saying that, I am making particular reference to the lack of financial powers that the Executive has at its disposal to benefit the

people of Scotland. The minister acknowledged as much with his recent announcement of a working party to scrounge around the deeper recesses of departmental spending to find any little pots of money that are squirreled away to fund what passes for discretionary spending by the Executive on matters such as student support, teachers' pay and, perhaps, personal care for the elderly.

As my colleague Andrew Wilson intimated, I recall members pouring scorn on SNP plans to release value from the Scottish block in a systematic way to fund the abolition of tuition fees and the restoration of maintenance grants. It would seem that the minister has been panicked into adopting SNP policy. Better late than never, I suppose. The minister could make a useful start by taking an axe to the overblown structure of spin doctors and special advisers, who would be on short rations by now if they were paid by results. A self-denying ordinance on glossy brochures would also be a good way of cutting the crap, as one of the same indelicately put it.

For the sake of argument, let us assume for the next few minutes that this Parliament was vested with fiscal autonomy rather than the less-than-parish-council powers that it has to make do with. For a start, we would be referring to the real economy out there, how to manage its growth and how much of our national income to devote to spending on public services.

Angus MacKay: I understand the direction that Mr Ingram is taking, but for the sake of reality, could we spend a few moments considering the actual powers and the actual budget, because the nationalists have not spent much time doing that at any stage?

Mr Ingram: I want to discuss the impact that this Parliament can have on people in Scotland. If the minister wants to talk about his powers in this Parliament, that is fine.

The Deputy Presiding Officer: You must speak to the motion, Mr Ingram.

Mr Ingram: Yes.

Mr Davidson: Some of Mr Ingram's party's spokesmen talked about housing debt this morning. Will he clarify for the Parliament how he would deal with the housing debt and how he would pay for it under the rules with which the minister has asked us to deal with it?

Mr Ingram: The Presiding Officer has just told me to speak to the motion.

The Deputy Presiding Officer: You have to speak to the motion, Mr Ingram.

Mr Ingram: Yesterday, the Government released the latest gross domestic product figures

for the Scottish economy, which showed growth of only 1.6 per cent in the year to the third quarter of 2000, compared with 3.4 per cent for the UK as a whole. That confirms that the Scottish economy is crawling along at a sluggish rate under new Labour, far below our potential and well behind the rest of the UK, while other small nations' economies race ahead.

The Minister for Enterprise and Lifelong Learning (Ms Wendy Alexander): Will the member give way?

Mr Ingram: Not just now.

As was highlighted in last week's debate on the Borders textile industry, manufacturing in Scotland has been particularly badly affected. The sector as a whole has been in recession for three of the past four quarters—so much for the benefits of a Scottish Chancellor of the Exchequer.

Ms Alexander: Will the member give way?

Mr Ingram: I am sorry, but I have to get on.

The fact remains that UK economic policy remains driven by the needs first, last and always, of the south-east of England, centred on the City of London. That is why we have consistently had exchange rate levels that hamstring the competitiveness of our manufacturing industry. The culture of greed has also been pandered to, with successive Governments cutting income tax, which benefits the wealthy most while maintaining, and even increasing, the overall tax burden through stealthy indirect taxation, which hurts the least-well-off most. I am sure that a majority in the Parliament would support significant moves to redress that balance and increase investment in public services well beyond the narrow scope of the bill.

It remains a fact that, at the end of the budget period, the Government will devote less of the nation's gross domestic product to public spending than was spent when the Tories left office.

Angus MacKay *rose*—

Mr Ingram: I am sorry; I have taken several interventions.

That issue represents a double whammy for the hundreds of thousands of people—many on below-average earnings—who deliver the vital public services on which our society depends. We know that public spending from the Scottish budget—about 50 per cent of it—focuses heavily on public sector pay. As growth in GDP is accounted for by growth in profits and salaries, it is clear that if public spending lags behind GDP growth and falls as an overall share, public sector pay and employment will be subject to severe pressure, even in what the minister claims is a period of record cash spending.

What measures would a fiscally autonomous or independent Scottish Parliament implement to turn round those trends sustainably? We need look no further than across the North sea to the example of our fellow beneficiary of oil and gas fields under its waters—Norway. After 25 years of oil and gas extraction from the North sea, we are still only at the midway point of extracting recoverable reserves. The Treasury in London has been paid £160 billion. Scotland's per capita contribution to the UK has far outweighed any benefits that we have accrued from the much hyped higher identifiable public spending per head, which in any case is now being subjected to the ever tightening Barnett squeeze.

Elaine Thomson (Aberdeen North) (Lab): Will the member take an intervention?

Mr Ingram: No I will not, because I am reaching the end of my time.

The unionist propaganda put about by our opponents that an independent Scotland could not pay its way in the world or would be poorer for getting rid of the London connection is not only unpatriotic but patently untrue.

Angus MacKay: Will the member take an intervention?

Mr Ingram: Sit down please, minister. It is my turn to talk to you.

In the next two years, Scotland will contribute a combined surplus of revenue over expenditure through the exchequer that will amount to £7.7 billion. Instead of allowing that surplus to be squandered as it has been over the past 25 years, we should invest a large chunk of it in an oil fund, as the Norwegians do.

Ms Alexander *rose*—

Mr Ingram: I have said that I will take no more interventions. I am summing up.

The Norwegian fund was started in 1995 and is worth £30 billion—a third of Norway's annual GDP. By 2006, the total value of the fund will overtake the value of Norway's share of the remaining North sea oil reserves.

Fiscal autonomy would allow us to do the same. The SNP's proposals for a future generations fund along the lines of the Norwegian model show that income from such a fund could be worth more than £1 billion a year within five years, and much more than that in the future. Through such a measure, the Parliament could make a difference to the lives of every family and individual in Scotland.

15:54

Mr David Davidson (North-East Scotland)

(Con): Like the SNP, the Conservatives will not impede the bill, as we have said. However, as I have said, the budget process failed this year. The committees did not have the opportunity for scrutiny that they should have had. I appreciate that the problem lies in the comprehensive spending review, but perhaps when the Deputy Minister for Finance and Local Government winds up he will share with us the Executive's views about how the process can be made effective.

The Minister for Finance and Local Government talked about best value. It is interesting that he did not go into great detail about how the Administration's spending will be dealt with to obtain best value. I look forward to further comment on that. I wonder, given recent comments—especially from spokesmen for the Executive—whether he believes that the problems in local services in Scotland are due to poor management by councils or due to the poor way the Executive co-operates with councils.

There has been much this morning from Margaret Curran and others about how well the Executive co-operates with councils, but that is not the message that we are getting on the ground. Perhaps the minister might enlighten us about whether the Executive is considering the introduction of the tartan tax. It would be helpful if we knew about that, so that we can prepare Scotland for the shock—as it would turn Scotland into the most highly taxed part of the UK.

Angus MacKay: I am grateful for the opportunity to clarify that we have absolutely no intention of introducing any kind of increase in income tax. Following the 1978-style election broadcast from Mr Ingram, perhaps Mr Davidson would be interested in joining me in speculating at what level Mr Ingram thinks income tax should be set.

Mr Davidson: A more appropriate question for Mr Ingram would be how the SNP would pay for Scotland's share of the national debt that is spent on behalf of all of us in the UK if Scotland became independent.

The Deputy Presiding Officer: Order. Members will remember the last time we considered this subject, when I had words on the matter of party political broadcasts. I am quite prepared to allow large illustrative examples, provided they lead analytically towards the motion before the chamber.

Mr Davidson: Am I allowed to talk about Scottish taxation at all?

The Deputy Presiding Officer: Yes.

Mr Davidson: Thank you.

On the subject of Scottish taxation, we would abolish the graduation tax and return to the

uniform business rate. Why should Scottish businesses pay a higher poundage than the rest of the UK? After the election, when we are restored to power, we will introduce a rates relief package throughout the UK for essential small rural businesses.

New Labour has frequently stated that "Things can only get better." The question is, for whom? Is it for criminals, as new Labour's spending on law and order has been quite pitiful? Our police forces remain under-resourced, despite the pressure on them to deliver their service. Police numbers are down. This week, the SNP came out with a comment about 1,000 new officers; when we were last in power, we put 2,000 additional officers into the Scottish police forces.

Andrew Wilson: The member is correct to say that there are fewer police officers on the beat today than when the Conservatives left office, but does he not take any responsibility for that, given that that comes as a result of the Labour party copying his party's spending plans?

Mr Davidson: It has not done so on that subject. We made a commitment to restore police numbers early on and we will continue to be committed to that. It has always been a serious matter for us that the Scottish people should live in a safe and just society.

Angus MacKay: If this Administration were to achieve a record number of police officers during its period in power, would Mr Davidson welcome that as an outstanding achievement that is well in excess of anything achieved by any previous Government in Scotland?

Mr Davidson: What I would applaud is the achievement of what the police have asked for, which is that long before 2004 the Government restores police numbers to the level they were at when we left power.

The SNP will support us—I am not sure about the Liberals—when we say what a shame it is that there is nothing in the budget on funding for Sutherland. I will come to that later. Much has been said about several issues that relate to different parts of the spending, but the issue is not so much about tax collection as about spending what is already in hand. In the health budget alone, there must be a clearer indication that there is spending of the underspend from last year; our trusts in particular are very short of money.

The Minister for Health and Community Care (Susan Deacon): David Davidson refers—not for the first time—to an underspend. Will he confirm that he recognises that every penny that was carried over from last year's health budget to this one is either being spent on continuing capital projects or has been allocated to areas of health expenditure such as delayed discharge and other

older people's services, and the needs of drug users? Given that his party is on record in the news releases as saying that it would pay for free personal care by utilising that money, can he tell us what he would have done?

Mr Davidson: It is what else we would have done. We would have reduced bureaucracy in the administration of the health service by the abolition of the health boards, as we think they have outstayed their welcome. We would have co-ordinated the social care and health budgets and delivered them uniformly. There are many thousands of millions of pounds involved in that process. I am sure that we could make a major saving there.

Alex Neil (Central Scotland) (SNP): Michael Portillo advocates cuts of £8 billion in his proposed UK budget. The Scottish consolidated fund's share of those cuts would be about £400 million a year. After David Davidson has spent the extra money to implement the recommendations of the Sutherland report as well as all the other things that he has promised, where will the £400 million-worth of net cuts come from?

Mr Davidson: If Alex Neil looks carefully at the comments that have been made—the press is well aware of them and there are lists and lists of them on the internet—he will find detailed discussion on how money will be saved, where it will be saved and where extra resources will be gained. We remain committed to ensuring that there will be real-terms increases in public services when we are returned to power.

Is my time getting on a bit, Presiding Officer?

The Deputy Presiding Officer: You have an amplitude of time. I would suggest another two or three minutes.

Mr Davidson: That is very kind of you.

The other thing I am a bit concerned about is that when we track the spending proposals the minister and his team give us, we seem to get back to the recycling of information. The health minister told us of another £100 million this week, on drugs spending—which it is quite clear is what was announced to the chamber in September 2000. If we are to have clarity and transparency in the budget process, the minister will need to get a hold of some of his colleagues and ensure that they make it clear that they are only redefining an existing spend.

Mr Keith Raffan (Mid Scotland and Fife) (LD): It is not often that I come to the rescue of the Executive, but that is completely unfair. As Mr Davidson must be aware, Mr Gray made it quite clear in his announcement this week that he was detailing how the £100 million would be spent, and he referred to the fact that that money had initially

been announced last September. Why does Mr Davidson not just read what the minister said?

Mr Davidson: If that is the case, the minister should ensure that the press reports him accurately.

Angus MacKay: Will Mr Davidson give way?

Mr Davidson: I am sorry, but the Presiding Officer has asked me to wind up.

Angus MacKay talked about infrastructure, but I am afraid that Labour is still not back to the same level of infrastructure spending that the Conservatives promised at the last election. Scotland's taxpayers and motorists have borne a huge burden of taxation under Labour, and Scottish business groans under the bureaucratic burden while our public services are being squeezed. Much of the largesse in the budget comes from increased taxation across the board, on everything from pensions to petrol.

New Labour has introduced new taxes on marriage, on mortgages—despite the 0.25 per cent reduction in the interest rate this afternoon—on petrol and on pensions. The list goes on. Since the general election, Gordon Brown has raised the tax burden by £25 billion. Ordinary families in Scotland are paying almost £700 a year more in tax and those burdens will be increased by council tax increases across Scotland. Savings are down by two thirds and the tax burden is up by 6 per cent.

The Conservatives will help by slashing taxation on savings. High taxation under Labour makes the cost of doing business higher and, unless addressed, will put at risk future jobs, growth and prosperity. Under Labour, Scots work harder, pay more and get less.

16:03

Donald Gorrie (Central Scotland) (LD): I am happy to support Angus MacKay's budget. It is a good starting point for the activities of the Executive and the Parliament. Its presentation has been improved through the efforts of my predecessors on the Finance Committee but, as a new member of the Finance Committee, I would like to pursue further improvements. We have already started to do things better than they are done at Westminster, but the presentation of the budget, although doubtless comprehensible and satisfactory to ministers and civil servants, is not comprehensible or satisfactory to the Parliament.

The budget is the collective wisdom of the ministers as to how their £16 billion, or whatever it is, should be spent in the best interests of Scotland, and the Parliament must be able to scrutinise it. David Davidson mentioned that there may be particular reasons why it is difficult to

scrutinise the budget this year, because additional money came from the Chancellor of the Exchequer during the year. However, we must present the figures in such a way that not just MSPs, but interested people outside, can scrutinise them.

The McCrone money for improved pay and conditions for teachers, for example, should figure in the budget. As far as I can see, it does not. If I have missed it, I am sure that the minister or somebody else will be happy to tell me so. I accept that, for tactical negotiating reasons, the Executive was not too keen to publish a figure because then the teachers would have known what to ask for, but it should be possible to track an issue like that. The reforms that arose from the Cubie report—the end of student fees and the start of grants to students from the endowment fund—should also appear, in future years if not the coming one. It should be possible to track policies through the document, which is not possible at the moment.

My second suggestion could perhaps be implemented through the committees, rather than the plenary. I will take an example at random. The document says that an Executive aim is nearly to double the number of closed-circuit television cameras for public control, safety and so on. In a well-organised establishment, we would get a report that told us whether, once the number of cameras was doubled, crime had halved or safety had improved. Such a report should be produced and presented to the committees—the Audit Committee or the relevant justice committee.

The Executive is keen on social justice, which is important. Although there is a budget line for social justice, the items that are being paid for and the new projects that are related to it are not clear. We should bring together, in a sensible way, all the money that goes on trying to improve the lives of our communities, rich or poor.

If a considerable number of members took the view that, for example, we should put more money into diversion from prison and less money into prisons—we are moving in that direction, but say that some people wanted it to happen more—the figures should be clear, so that they could press on the issue with knowledge of the figures.

There is always an argument about the balance of expenditure between the criminal side of tackling drugs—enforcement and detection—and the medical side—treatment and trying to get people off drugs. That is an important political issue and the figures should be set out clearly. In particular, it is wrong that the development department covers so much Government activity. That should be reconsidered.

Finally—I have spoken to the minister about

this—I am keen that the Finance Committee should examine the funding of the voluntary sector, which is broken up between different bits of the budget. We must consider how the sector is dealt with to ensure that there is a partnership between central and local government, charities, the lottery and all sorts of other people, including the voluntary sector itself. That would be a good thing for the Finance Committee to examine and would improve the presentation of the budget, making it more sensible. Then we would know what was spent on the voluntary sector.

We can still improve the system, but the minister deserves credit for the progress so far. The budget is a fair basis for the Executive's and the Parliament's activity.

The Deputy Presiding Officer: We move to the open debate. Five members want to speak and they can reasonably expect to have five minutes, or even a bit more.

16:09

Elaine Thomson (Aberdeen North) (Lab): We are completing this year's budget cycle today. As was mentioned, it is the first time that we have used the financial issues advisory group budget procedure. Donald Gorrie is right and I am sure that the Finance Committee, with the minister's support, will examine the budget process and streamline it further.

We must recognise how things have changed. I was told that in the whole of Scotland, only one academic—I should say that he was from Aberdeen—regularly contacted the Scottish Executive finance department about the budget. The process has now been opened up and requests for more information are coming in—although not thick and fast—and suggestions for the budget to be presented in a more transparent way.

Communicating financial information in easy-to-understand and attractive ways that hold the reader's attention is not straightforward. I see that we have our usual mass turnout in the chamber. Developing information that is accessible to the general public—from grannies to teenagers—as well as to the financial anoraks among us is one of the more important statements about the kind of Parliament and Executive that we want.

We want to know how the spending—as the minister said, the record spending this year of some £18.4 billion—translates into better services. We should talk not only about inputs and outputs, such as an increased number of teachers, but about the real outcomes, such as reduced illiteracy, increased numeracy, improvement in Scotland's appalling health statistics and raised productivity. Those outcomes will enable us to

move away from being the heart disease capital of the world and towards, for instance, being a world leader in the use and exploitation of digital technology, in the front rank of the emerging global e-world.

We want to know about those outcomes. I was pleased that the minister emphasised how we can use new technology to drive forward the modernising government agenda to give us that level of information. That should give Donald Gorrie the cross-cutting information that he wants, so that he can see more easily how we are spending money on, for example, the drugs issue.

There is record spending in many different sectors this year. Local government has received an increase of 10.5 per cent in real terms over the next three years. That will allow local authorities to continue to repair the ravages of the Tory years and provide the services that contribute to improving the quality of life of Scotland's citizens.

Andrew Wilson: I am grateful to Elaine Thomson for giving way. Is it a matter of regret to her that it will take until 2002 for the Labour party to deliver the same level of funding to local government that it had when the Tories left office?

Elaine Thomson: I am told that that is not entirely accurate. There are some record increases in spending. Local authorities will announce budgets this year that are a considerable improvement on many previous years.

There is a 20 per cent increase in the communities budget, which will target money at our poorest communities through the better neighbourhood services fund, which will receive about £90 million over the next three years.

By 2003-04 record education spending across the Scottish budget will top some £5 billion. That is £1,000 for every woman, man and child in Scotland. That investment in the future will allow Scotland to succeed in today's and tomorrow's economies.

I will briefly address Adam Ingram's speech. It is disappointing that we constantly hear from the SNP that oil money will resolve everything. That does not recognise that the position that many of the Scandinavian nations are in with their oil fields—especially Norway—is different from the position that the United Kingdom is in with its continental shelf. It is not reasonable to propose that we base the budget on oil revenues.

Is the SNP really saying that we should open and close hospitals—

Andrew Wilson rose—

Elaine Thomson: No, I do not feel like giving way.

Is the SNP proposing that we should open and close hospitals according to whether the price of oil is \$8 per barrel or \$32 per barrel? Actually, I want the SNP to answer some of my questions, so I will finish the next one and let Andrew Wilson in. Is the SNP proposing Scandinavian rates of income tax of about 40 or 50 per cent?

Andrew Wilson: The whole point of a future generations fund is that at times of plenty—such as at present—money is put away to allow an income stream in perpetuity. Norway has enjoyed such an income stream from North sea oil, whereas in Scotland that income has come and gone under successive Westminster Administrations.

On Elaine Thomson's second point, the SNP position matches that of the Westminster Conservative MP, David Davis. The people of Scotland should be allowed to levy a 40 per cent income tax rate if they choose to do so. Although that is not the position we are outlining in today's debate, they should be allowed that choice.

Elaine Thomson: Oil revenues are used to help reduce the country's national debt—something that Norway does not have—as well as putting extra money into the budget. I have not received an answer to my question. Does the SNP support 40 or 50 per cent tax rates?

The budget will begin to tackle inequalities and reduce the gap between rich and poor, and between urban and rural communities. Most important, the budget allocated today represents a huge increase in spending this year and in future years.

16:16

Alex Neil (Central Scotland) (SNP): Adam Ingram mentioned last year's discrepancy in gross domestic product growth between Scotland and the rest of the UK. We grew at 50 per cent of the UK rate, which is important for the budget. If there were no such output gap—which is currently about 10 per cent in terms of GDP per head—the value of the Scottish economy would be about £7 billion a year higher. Furthermore, the public purse's share of that additional output would be £3 billion a year. If the output gap between Scotland and the rest of the UK can be closed, next year's budget could be £21.5 billion instead of £18.5 billion. Every member should be concerned about that gap between Scotland and the UK, which has existed for years—*[Interruption.]* No doubt that is Gordon Brown on the phone looking for advice. Every member should be concerned that the output gap is getting wider, not narrower.

It is important that we try to spend as much as possible of that £18.5 billion on generating economic growth in Scotland. I will give one small

example, from the Scottish Enterprise budget, of where I believe our priorities are wrong. The gateway programme for start-up companies that was introduced by Scottish Enterprise last year gives each of those companies a computer worth £500, whether it needs or wants one. That is a complete and utter waste of money.

In comparison, only 1 per cent of the Scottish Enterprise budget is spent on export promotion in Scotland. The £6 million or £7 million that we spend through Scottish Trade International on promoting all Scotland's exports is less than the Danes spend on promoting the export of their bacon. If we reviewed that expenditure, we could get a bigger bang for the buck and use some of it to close the output gap between Scotland and the rest of the UK.

I repeat that we should not underestimate the importance of the output gap. As a nationalist I do not believe that we will close the gap until we get independence, which is another argument. However, if we can close it, Scotland will be better off to the tune of £7 billion every year.

I will pick up a couple of points that were raised by the minister and by the First Minister in his speech on the programme for government last week. I hope that the minister will respond in his winding-up speech. These are genuine questions, not attempts to score political points—although once we get the answers, I will no doubt try to score political points.

My first question is about access to the United Kingdom reserve. We know that we will have a reserve in Scotland as part of the Scottish budget, but how, when and under what circumstances do we get access to the UK reserve, which is a substantial chunk of money?

The second question that I would like the minister to answer concerns the budget review group that was set up recently as a result—I think—of the First Minister's unilateral promises on the Sutherland report. Can the minister tell us the remit of the budget review group? When will it report? What is the scope of the reallocation of funding that the group is looking at? Who is on the group? Will the outcome of its deliberations affect the content of the bill, particularly schedule 1?

Those are the key points that I would like the minister to address in his winding-up speech. I would love to go on to explain how, in an independent Scotland, we would use the oil and be much better off, but I will leave that for another day when I have a bigger audience.

16:22

Des McNulty (Clydebank and Milngavie) (Lab): It is a mark of the success of the Minister

for Finance and Local Government and his counterpart at Westminster that only seven Opposition members are participating in the debate. Even David Davidson, who is normally an effective speaker, betrayed the fact that his heart was not in some of the criticisms that he was making. I will reflect on the differences between the Labour approach to economic policy over the past three or four years, and that of the previous Conservative Government, as they raise some interesting issues for the Scottish Parliament.

Under the Conservatives at Westminster, economic policy was geared towards financial management. In particular, it was geared towards monetary policy and the control of monetary policy. By contrast, when Labour took power at Westminster, responsibility for the exchange rate was handed over to the Bank of England so that it could take an independent approach, and the Treasury's role was transformed. Recent press comment has suggested that Gordon Brown is too powerful and that he is interfering in different areas, but he has fundamentally redefined the role of the Treasury.

The traditional Treasury role was to say no. Its responsibility was to deny resources that were needed in the health, education and benefits sectors. By progressively transforming people's lives through the introduction of initiatives such as the new deal, examining the benefit rates and considering ways in which the country's resources can be mobilised to meet social needs, Labour has displayed a markedly different approach from that adopted by the Conservatives.

Alex Neil: Is Des McNulty saying that Gordon Brown is the chancellor who likes to say yes? If so, why did he say no to Sutherland?

Des McNulty: One of the characteristics of devolution is that we make up our own minds about how we allocate the money that Gordon Brown's successful economic management has secured. If one looks across the range of things that we have been able to invest in in Scotland, between now and 2003-04 there will be growth of 14 per cent in real terms. That is an achievement of stability and sound economic management.

The challenge for us is not simply to take Gordon Brown's money and decide under which budget head it should be allocated; it is to think creatively about how economic and financial management can meet different kinds of objectives. The Government has wedded itself to social justice—that is what we are about and what we are seeking to achieve. Over the next two or three years, I want there to be, in the way budgets are laid out and money is spent, a more transparent mechanism for achieving social justice and a better system of distribution.

Andrew Wilson: One point of correction—and I hope that it is not too flip—is that it is not Gordon Brown's money, but the people's.

If the Labour party is committed to social justice, why is it devoting less of the nation's wealth to public services this year than was being spent when the Conservatives left office?

The Deputy Presiding Officer: Could you wind up please, Mr McNulty?

Des McNulty: I repeat the point that there is a 14 per cent increase in spending in real terms and that there is a contrast between that and the £16 billion that the Tories, who are the real Opposition, want to take out of public services.

I have a criticism of the approach that the Government is adopting. The way in which our budget has been allocated means that there is a risk that issues will be driven by initiatives and addressed by the allocation of specific amounts of money. It is important that, in our budgetary management, we find ways of making our approach as joined-up as possible. That is not helped by departmentalism and a mechanism that simply allocates money to departments and to initiatives introduced by individual ministers. Ministers must be asked how they are taking forward the joined-up agenda, whether they can pool resources and whether there is a positive mechanism to allow them to get what Alex Neil calls a bigger bang for their buck. They can do that only by thinking creatively about how their budgets are managed.

16:27

David Mundell (South of Scotland) (Con): I was struck by the minister's comments about the roadshow. Indeed, Mr McConnell came to Dumfries and, although it is always welcome to have ministers travelling around Scotland, if the public are to have faith in the gesture, they must be able to see a connection between what is fed into that process and what comes out. They must believe that their inputs make a difference. In Dumfries, for instance, people want the Government to change its funding proposals for the A75 and, if they were asked by the Government, they would say that that is the sort of thing that they want money to be spent on.

I agree with a point that Des McNulty made towards the end of his speech. He talked about the initiatives and funds that are available under various guises and which local authorities and other organisations may bid for. People are spending an enormous amount of time and effort bidding for a bit of money that, at the end of the day, must be matched. While there is a superficial attraction for the Executive in being able to announce that it is launching a new fund for this,

that and the other, that ties a lot of people's time up and achieves only one or two objectives rather than the whole set.

I want to concentrate on information and communications technology. I feel strongly that budgeting processes in the Executive do not sit well with the acquisition of information and communications technologies. Such acquisition does not necessarily fit into the stovepipe approach that is often adopted in the budgeting process, in which it is difficult to account for the difference that moving towards e-government or e-delivery would make to the bottom line.

That process does not allow services to be evaluated against their respective provision costs in a big-picture way. People are too often drawn to existing budgetary measures, rather than towards promoting process engineering as the way forward. If we are to put e-government at the heart of the process, we must be able to look at things in a bigger-picture way, rather than regarding them as part of a stovepipe budgeting process. That includes taking new approaches. One of the interesting issues that the Enterprise and Lifelong Learning Committee discussed yesterday was the use of Government procurement as a basis for creating and leveraging demand, leading to private sector investment in ICT. As the Minister for Enterprise and Lifelong Learning accepted at that meeting, that will require fundamental rethinking of the procurement process. It needs more than just messing around at the edges.

If we are to go forward with information and communications technology, we have to think differently about how we relate to the budget process, even if we do not go as far as to implement an idea that I am still reasonably minded to endorse; that people should not get money unless they have satisfied certain criteria that relate to the electronic delivery of services.

16:32

Dr Richard Simpson (Ochil) (Lab): I welcome the fact that an iterative process is developing between the Minister for Finance and Local Government—as was developing with the previous Minister for Finance—and the Finance Committee, after its 18 or 20 months of existence. That is helping to move the budget process forward effectively. We have not reached the end of the journey yet—there is a long way to go—but there is a welcome desire to move forward.

Before coming on to some of the budget issues, I found it astonishing to listen to what Adam Ingram said about the oil fund investment. I have a picture in my mind of Adam Ingram and Andrew Wilson in their dreams. Their worst nightmare is about being in charge of the Scottish economy

and opening their newspapers one morning to find that the oil price has dropped to a new low because oil is no longer required. I am not claiming that the SNP says that its budget is based entirely on the price of oil, but it is irrational to say that a futures fund can be set up before the national debt is drawn down, as the Chancellor of the Exchequer is doing.

Andrew Wilson: The setting up of such a fund is precisely what the Norwegian Government has done. In good times, with the plentiful supply of North sea oil, it is possible to invest. Ireland is copying that policy. Is not it a good idea that not only this generation, but future generations, should benefit from the bounty of North sea oil?

Dr Simpson: It seems rather bizarre, starting from a position of debt, to start a separate investment fund. If the national debt could be drawn down, the amount of interest that would have to be paid on it would reduce. That is an investment. If we went into a recession—we hope that we will not—and if public expenditure had to be maintained from such a fund, national debt could be expanded.

Andrew Wilson: I am grateful to Dr Simpson for giving way a second time. Has it occurred to him that the interest on the Norwegian national debt is less than the annual return on Norway's investment fund?

Dr Simpson: I want to move on, as we are getting into a sterile debate.

The Conservatives' position on the budget is even more of a nightmare. Their combined proposals of tax cuts and increased public expenditure seem bizarre in an English context. In a Scottish context, in which the Conservatives now seem to be committed to universal free care and abolishing means testing for almost everything, their proposals seem quite beyond belief.

The cross-cutting issues are the most important. The minister referred to that in his speech. In health, for example, it is important that we do not look only at the 15 per cent increase in real terms over three years and the effect that that will have on the health service, but that—as the Scottish Council Foundation suggests—we consider the health impact of every budget. That is a positive thing to do. For example, measures such as central heating for the elderly have a health impact. I would like the budget and the budget statement to say for each element of the budget what the impact is on health. The Executive is very good at saying what its cross-cutting spending on drugs is. I would like such information to be laid out for each element of the budget so that we know what the target is for each department and what it will spend.

That practice could be extended to other areas,

so that we could see the impact of the social justice targets that the Government is rightly setting itself, and how that links with the UK budget for objectives such as the elimination of child poverty. The Scottish people should be able to see integrated partnership working in practice. We should not be afraid of referring to the UK budget in our budget papers.

In conclusion, I welcome the budget as it is laid out. I welcome the progress that we are making on the budget process, but I do not believe that we have reached the end of that journey. We have a long way to go.

16:36

Mr John Home Robertson (East Lothian (Lab): The Opposition spokesmen have demonstrated rather painfully how difficult it can be to see the wood among the trees when dealing with budgetary issues, but I hope that the chamber will forgive me if I speak deliberately about trees. There are a number of references in the bill—in section 3 and schedule 4—to the Forestry Commission. As I was partly responsible for the difficult circumstances that led to the previous Minister for Finance being dubbed “Lumberjack” by some unkind Opposition members, I draw members' attention to the anomalous position of the Scottish part of the Forestry Commission, which has caused some fairly serious budgetary problems this year and could well do so again next year.

The headquarters of the Forestry Commission is in Edinburgh. Most of Britain's woods are in Scotland, as is the vast majority of the Forest Enterprise estate. That should be good news, because until 1999 Forest Enterprise was a nice little earner, which more than covered the costs of the work of the Forest Authority and support for private sector planting and management.

However, as members will be aware, world timber prices collapsed in 1998-99, and Forest Enterprise can now barely break even, so grants for new planting and for native woodlands and so on depend now on funding from the taxpayer. That creates significant budgetary problems in Scotland. The Forestry Commission is a UK quango, with Chinese walls between its Scottish, English and Welsh components. It emerged last year that the English part of the Forestry Commission had access to extra funding from the UK Treasury reserve when things got difficult. Therefore, UK taxpayers—including Scots and Welsh taxpayers—are giving more support to England's comparatively small forestry sector, while the larger Scottish forest has to depend on its share of the Scottish Executive's Barnett block. Wales is in the same position as Scotland.

I will not disclose what happened in private discussions in Whitehall last year, but I happen to know that it took very hard work and a very long time to get £2.3 million extra from the UK Treasury reserve to compensate the Scottish Executive for part of that distortion. I observe merely that the commitment in the UK Labour party's manifesto was not to sell off large chunks of Forest Enterprise woods. The UK Government has an obligation to heed that undertaking on behalf of the whole United Kingdom, including Scotland. I urge the Minister for Finance and Local Government to take a tough line this year on behalf of the Parliament and of an industry that is very important to the economy and environment of rural Scotland.

Finally, I repeat the opinion that the position of the Forestry Commission as a distinctly anomalous United Kingdom quango ought to be reconsidered. The Parliament and the Executive should be able to take direct responsibility for the important Scottish components of the Forestry Commission, without the need for an obscure, complicated and unaccountable UK quango. As things stand, things have been difficult and there may be more to do on that issue in the future.

Having concentrated on the trees, I strongly support the wood in the form of the budget.

The Deputy Presiding Officer: We now move to winding-up speeches, which will have to be kept to time. Donald Gorrie and Annabel Goldie have four minutes each.

16:40

Donald Gorrie: I want to raise a point that I think has not been raised. I think that our ministers and the Parliament, through its committees, must negotiate with or take on the Treasury because of the very foolish rules that the Treasury applies to quite a lot of British public finance transactions, especially in relation to the use of capital and what the Treasury counts against public expenditure. The Treasury counts local authority self-financed expenditure, but that is entirely irrelevant to the national scene. It is money raised and spent locally at the wish of local voters and it has no effect across the board nationally. Our water authorities are quangos—they are public bodies—whereas the English water authorities are companies and are, therefore, out of the picture.

There are many other anomalies and rules that prevent us from acting sensibly. Successive Governments have invented schemes, such as the private finance initiative and the public-private partnership. Those schemes are often not a good bargain for the public, but are mechanisms for getting round the Treasury rules. Life is quite difficult anyway, but it is not at all helpful to make it

harder because of some damned stupid rules. The Treasury must wake up—we are no longer living in the days when it existed to stop Charles II spending on his mistresses money that Parliament had voted for the fleet. We have progressed a little beyond that.

Much of public accountancy in this country aims to ensure that money is wasted legally—people do not worry whether money is spent cleverly or not, so long as it is spent legally. We must grow up and take a more intelligent approach, but we are often prevented from doing so by the Treasury. I know that the Treasury is not within the Parliament's control, but I hope that Angus MacKay will speak to Gordon Brown, who I am sure is a good friend of Angus MacKay's, and urge him to get a grip on those out-of-date rules, which often inhibit us from doing what we would like to do.

The debate has shown that there is no great opposition to the bill as it stands. The budget is a reasonable stab at what the Scottish Executive—or Government—and Parliament think we should be spending, but I am sure that we can improve its presentation, as other members have said.

I commend the minister for having got a good grip on the subject. I am sure that his officials work hard at the budget, but they must develop and become more transparent, rather than remaining opaque. I do not know whether individuals can be transparent or opaque, but members know what I mean.

We will all support the budget, but we must continue to struggle to get more intelligent rules out of the Treasury, so that we can run our affairs more sensibly.

16:43

Miss Annabel Goldie (West of Scotland) (Con): I begin not with figures but with words. I see from the proposed change to the motion that the budget bill will "be passed". I suggest that that wording is defective. If the motion is agreed to, it will be a statement of laudable future intent, but it does not seem to me to convey immediate effect, although I presume that the Executive's desire is to pass the bill today. While I am not here to help the Executive, I submit that a better-phrased motion would read "that the Parliament agrees to pass" the bill.

Andrew Wilson: I do not know whether my comments will help, but it occurs to me that the bill will require royal assent—that is when it will be passed.

The Deputy Presiding Officer: We are indebted to Mr Wilson, but can we continue?

Miss Goldie: Presiding Officer, I lob those thoughts to you for your consideration.

The background to the budget process and the final stage of the bill still bears repeating. That process was inadequate because there was insufficient disaggregation, which meant that the Parliament's committees were unable to do their intended or proper job of scrutinising thoroughly proposed expenditure in each area of activity. That seems to me to be a serious criticism of the whole budget process. I hope that it will be addressed in the future.

The bill seems to be deficient because of that initial inadequacy. As the minister said, we are dealing with £18.4 billion of public money, which has been made possible only on the back of high taxation—tax on marriages, tax on mortgages, tax on petrol, tax on pensions, tax on business and a higher rate poundage in Scotland than in England. The public are entitled to know what the budget is about. The public are entitled to ask what they have in exchange for the tax take. As far as we can gather, they have 180,000 on the waiting list for the waiting list, and fewer police than they had in 1997. In addition, crime has gone up, prisons are closing and tuition fees are becoming a graduate tax to be repaid when graduates' earnings reach £10,000. It seems to me that that is a dismal message for the public and that aspects of the budget process and the bill deserve serious criticism. If the public were acutely aware of the specific content of the bill, they would be deeply concerned.

Without adequate disaggregation, what can we tell about the bill? Not a lot—but we can tell that the Executive's administration budget is to increase by 6 per cent. I say to the minister that I do not find that an especially attractive area of proposed expenditure. It is a sorry message for the people of Scotland to hear. Do they want to hear that expenditure on the Executive is going up to £213 million?

As my friend Mr David Davidson said, the Conservatives do not intend to stand in the way of the bill, but that is not to say that we do not have serious reservations about the process that has accompanied it.

16:47

Andrew Wilson (Central Scotland) (SNP): It is with great pleasure that I sum up the debate on behalf of the SNP. The confidence in which SNP members hold their finance team is shown by the fact that they are willing to let us take part in the debate unaided.

We will have to consider the structure of the budget process in detail. The minister raised that point at stage 2 in committee and, although I cannot speak on behalf of the Finance Committee, I certainly think that that issue should be

considered—especially as we have had a rather rapid progression through the stages at this time of the year. For example, stage 2 questions that were raised in committee have yet to be answered; we are now at stage 3. Clearly, those questions could be allowed to pass because they were not germane to the passing of the bill, but such a situation is not desirable.

In his opening speech, the minister referred to the fact that we were enjoying the outcomes of sound management of the economy. He said that, in his view, the Scottish economy was undergoing "sound growth". That is a surprise to me, given that figures released by the Executive yesterday showed that the manufacturing sector in Scotland was in recession and that the Scottish economy was in fact growing less than half as quickly as the economy of the rest of the UK. If that is sound growth, it makes me very upset indeed. What would the Executive consider to be fast growth?

The minister's view might have something to do with the fact that the Minister for Enterprise and Lifelong Learning, who is no longer here, has set an Executive target for inward investment—to drop from 19,300 jobs to 8,000 jobs. That struck me as a rather unambitious target for Wendy Alexander.

I am grateful to the minister for the comments that he made on the reserve. I think that we now have clarification that it is in fact a recurring line in the budget—despite his contradiction of that point at stage 2.

An interesting and pressing contribution was made by Mr Home Robertson on forestry—and I speak as someone who has an interest in forestry as a former employee of the Forestry Commission, which members will tell from my ruddy appearance. Mr Home Robertson raised an important point on access to the UK reserve to pay for the shortfall in the Scottish budget because of the forestry crisis. When he sums up, will the minister address that point and tell us how he will apply to that reserve in future, given that in his own budget he now has a reserve of his own for the first time? Surely the response of the Treasury will be—fairly reasonably—that he should access his own reserve. That is the contradiction inherent in the question that remains outstanding from the question-and-answer session that we had with the minister earlier in the debate.

We welcome the idea of the best value review. I noted with interest the comments in *The Sunday Times* of 21 January, in which a senior source in the Scottish Executive team said:

"Colleagues have signed up to the general principle of better use of money".

I have to say that that will be alarming to no one. I should be interested to hear the answer to the question that I put at stage 2: which colleagues

oppose the idea of the better use of money? Who were the foxes in the Cabinet that were against the idea of using the people's money better? Is the minister really paying people to brief the Sunday papers with that kind of thing?

Turning to the budget itself, I believe that it would be churlish not to recognise many of the improvements in funding. We need to look closely at what will be delivered in consequence. In a normal Parliament, the budget debate would be a wide-ranging assessment of how we raise and allocate money. That cannot be done here because we have fewer financial powers than any other Parliament on earth. We have no power to borrow. I suggest that the Minister for Finance and Local Government looks closely at the suggestion made by Sutherlands ING, the best-performing bond issuer in the market, that the Government should have borrowing powers in Scotland so that it can allocate the people's money more efficiently.

As Annabel Goldie said, it is important to look at the outcomes of the budget rather than just the inputs. Despite the fact that this is a record year in cash spending, like every other year, the outcomes in public services are not improving. I am glad that the Minister for Justice has arrived because, for example, record spending on justice is delivering fewer police on the streets than we had when the Conservatives left office. Homelessness under Labour is at record levels—nearly 3,000 more people registered as homeless since Labour came to power. NHS waiting lists—a key measure in Labour's election manifesto—will be higher at the general election in May than when Labour took office. So waiting lists and homelessness have risen and there are fewer police on the streets—three outcomes of supposed record spending by the Labour party.

The Deputy First Minister and Minister for Justice (Mr Jim Wallace) *rose—*

Andrew Wilson: I am delighted to give way.

The Presiding Officer (Sir David Steel): The member is on his last minute.

Andrew Wilson: I would have been delighted to give way. We can deal with the matter by correspondence—that will be terrific.

The budget outcomes that we must look at are important. The Finance Committee will play a part in that. I ask the deputy minister to answer some of the points raised this afternoon, particularly on the Scottish reserve in relation to the UK reserve, and John Home Robertson's excellent point on forestry. Perhaps future budget debates will create greater interest if the Parliament has some normal powers, so that we can also allocate some of the tax that we raise.

The Presiding Officer: Thank you. That

situation was my fault because I forgot to remind the member that it was his last minute.

16:52

The Deputy Minister for Finance and Local Government (Peter Peacock): Many important points have been made in the debate, as well as the usual flights of fancy from the SNP, while the Conservatives continue to try to disguise from the Scottish public the impact of their £16 billion spending cuts and how that will hit Scottish people.

As I said in the stage 1 debate, the bill highlights the achievements of the Scottish Government over the past year. It reflects a record level of public expenditure made possible by the sound stewardship of the economy by the Labour Government. A fair share of the UK's wealth comes to Scotland through the continuing success of the Barnett formula in delivering for Scotland. That fair share is without the need for an annual round of detailed and damaging negotiations—the very thing that the SNP seeks in trying to undermine the Barnett formula.

The spending review has provided increases of £800 million in the year to come, £1.9 billion in 2002-03 and a further £3 billion in 2003-04. As Angus MacKay indicated in opening the debate, we are delivering record levels of resources for key programmes.

A number of points were made in the debate; I will try to respond to as many as I can. Adam Ingram began with a stunning, stimulating and truly scintillating contribution. Then he accused the Executive of grubbing around looking for savings and a moment later tried to claim credit for the policy of looking for savings. The only people who are grubbing around looking for anything are the SNP, grubbing around looking for policies to declare to the Parliament on anything of importance.

Then we had the usual position adopted by the SNP in the chamber, debating the things over which we do not have powers but not focusing on the things over which we have enormous powers—calling for full fiscal powers as if that was some panacea for all the ills of Scotland and we would then live in a land of milk and honey with nothing to worry about. SNP members never face up to the contradiction in their position these days, when they try to appear very cuddly to the Scottish people, saying, "Vote for the SNP—that does not mean independence, as you will get a subsequent shot to vote again when you can reject independence." In essence, the SNP is preparing to sell to the Scottish population a position where it might have to manage the budget that we have in the devolved settlement, yet SNP members never,

ever in the chamber face up to stating the difficult choices in a Scottish budget they would make on stated SNP priorities—although, in fact, they have not been stated. Instead they move on to Norway, where the perfect answer to all our problems lies. We will be flowing with oil, which will solve all difficulties. Yet the SNP knows perfectly well that academic analysis shows that even if all the oil revenues were retained in Scotland, there would still be a £2.5 billion deficit—

Andrew Wilson: Will the minister give way?

Peter Peacock: No. I have quite a lot to get through. [MEMBERS: “Go on.”] I will finish my point. There will still be a £2.5 billion deficit between the SNP’s fanciful plans and reality.

Andrew Wilson: The SNP is delighted that the Deputy Minister for Finance and Local Government is devoting so much of his speech to attacking the party of which he is so afraid. The figures to which he refers are out of date. On the current analysis, Scotland is contributing significantly more in taxation revenues to the UK Treasury than it receives in spending. That is something that the Secretary of State for Scotland refused to deny.

Peter Peacock: The figures are far from being out of date—they are exactly up to date. As Elaine Thomson said, imagine the spectacle of Andrew Wilson as the Scottish finance minister. He would get up particularly early every morning to read the predictions of oil prices in the financial pages and would then have to phone the Scottish Executive headquarters to tell officials to cancel that hospital, that school and that road programme because the oil price had suddenly collapsed. It is a nonsense, he knows it is a nonsense and thankfully the Scottish people know that it is a nonsense, which is why they have never supported the SNP in government.

I will turn to the Conservatives. I see that David Davidson had to leave early—he was obviously unable to face the criticism of his speech. When will the Tories come clean on their plans for the future of Scotland? Annabel Goldie specifically said that she would not mention figures in her speech—no wonder. The Conservatives are proposing, at UK level, £16 billion of cuts in the public services that people would enjoy under a Labour Government. The Conservatives must tell us where the axe would fall. Will it be on the extra 15 per cent that we plan to spend on health, the extra 13 per cent that we plan to spend on justice, the extra 45 per cent that we plan to spend on transport, the extra 17 per cent that we plan to spend on education, arts and sport or the extra 20 per cent that we plan to spend on communities? It is said that even Mickey Mouse would be embarrassed by the Conservative figures. Perhaps it is time for some answers.

Miss Goldie: I thank the minister for the courtesy of allowing me to clarify the position. It is perfectly clear that most informed commentators regard the much-touted figure of £16 billion as entirely speculative and a malicious invention of the Labour party. That is borne out by respected commentators such as Evan Davis of BBC’s “Newsnight”, who said:

“The Tories are telling the truth and only by wilfully misreading the Conservatives’ spending plans can you call it £16 billion.”

The figure that has been costed is £8 billion. It is no wonder that the minister is unhappy and reluctant to hear comment on the subject, because heading the tally of that £8 billion is a £1.8 billion reduction in the costs of government. That will raise a cheer from the voters. Reducing fraud by £1 billion—[*Interruption.*]

The Presiding Officer: Miss Goldie—

Miss Goldie: I am unable to continue, but I hope that I have managed to destabilise some of the minister’s bile and vitriol. [*Interruption.*]

The Presiding Officer: Order. I appeal to members not to hold conversations in the chamber. It is becoming difficult to hear the speeches.

Peter Peacock: I notice that Annabel Goldie did not seek to answer the question, but simply revealed that in her estimation there would be £8 billion of cuts, as if that were in some way acceptable. I will stick to our figures, which have been worked out carefully. We will continue to tell the people of the United Kingdom that the Tories plan £16 billion of cuts, although they will not say which vital public services will collapse as a consequence.

Des McNulty contrasted the progress that has been made by the Labour Government at UK level and the previous decline under the Tories. He highlighted how Gordon Brown has released new resources into the economy to tackle many of the social issues that have plagued us for many years. In so doing, the Chancellor of the Exchequer has turned round the economy, making more wealth available to tackle important social issues.

Richard Simpson and David Mundell raised an interesting point about the way in which we develop our budgets in Scotland and the extent of our capacity to join up services more effectively. That is an issue which we want to consider very carefully. The Executive tends to allocate money quickly out to the silos of expenditure—education, health, transport and so on. Perhaps we need to develop new techniques to consider the things that connect all the services. That is a matter to which we will pay close attention in the coming period.

I return to the essential facts, which are so

unpalatable to the Opposition parties in the Scottish Parliament. The Budget (Scotland) (No 2) Bill will increase the health budget by 15 per cent, the justice budget by 13 per cent, the transport budget by a massive 45 per cent, the education, arts and sport budget by 17 per cent and the communities budget by 20 per cent. Those gains and improvements are without precedent in modern times. It is a record budget that does not promise but which delivers £800 million extra this coming year, £1.9 billion extra the year after and £3 billion extra in 2003-04.

On top of that, we have demonstrated our commitment to getting more out of existing funding. We have backed up that commitment by taking the first steps to a robust best value process. I commend the achievements that I have outlined to the Parliament, and commend the bill that will deliver them.

Decision Time

17:00

The Presiding Officer (Sir David Steel): There are no Parliamentary Bureau motions before us today, so we move straight to decision time.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): On a point of order. I ask the Presiding Officer to investigate the lack, once again, of heating in the chamber.

The Presiding Officer: Your point of order gives me a chance to make two remarks. First, contrary to what has been reported, I have never ruled against the wearing of coats in the chamber—I notice that Margaret Jamieson is wearing hers. I objected to coats being draped over desks and chairs, which is a different matter, and it has not happened since coat racks were put outside the chamber.

Secondly, we have turned up the heating as far as it will go. However, in my capacity as head janitor, I went to investigate. The front door was standing open when I looked, and the cold blast was coming up past John Knox and straight into the chamber. I have given instructions that that door is to be kept closed, and I invite the nicotine addicts to help us to ensure that it stays closed when they venture outside.

I am afraid that there are 12 questions to put to the chamber tonight. The first question is, that amendment S1M-1634.1, in the name of Allan Wilson, which seeks to amend motion S1M-1634, in the name of Robin Harper, on renewable energy, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 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, 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)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 McMahan, 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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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, John (Ayr) (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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 78, Against 34, Abstentions 0.

Amendment agreed to.

The Presiding Officer: As that amendment was agreed to, amendment S1M-1634.2, in the name of Fiona McLeod, falls.

The next question is, that motion S1M-1634, in the name of Robin Harper, on renewable energy, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 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, 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)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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, John (Ayr) (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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 78, Against 34, Abstentions 0.

Motion, as amended, agreed to.

Resolved,

That the Parliament recognises the vital importance of renewable energy as a means of tackling climate change and promoting sustainable development; acknowledges the potential benefit for the Scottish economy from promoting and encouraging renewable energy projects; endorses the commitment shown by the Scottish Executive to the promotion of renewable energy contained in the document Working Together for Scotland, and supports the Executive's proposals for future policy on renewables as outlined in the current consultation paper on renewable energy policy.

The Presiding Officer: The next question is, that amendment S1M-1624.1, in the name of Malcolm Chisholm, which seeks to amend motion S1M-1624, in the name of Tommy Sheridan, on the national health service, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)

Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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)
 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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 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)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 Harper, Robin (Lothians) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)

McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 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 62, Against 49, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The next question is, that motion S1M-1624, in the name of Tommy Sheridan, on the national health service, 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)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (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)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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)
 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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 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)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 Harper, Robin (Lothians) (Green)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)

Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 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 63, Against 49, Abstentions 0.

Motion, as amended, agreed to.

Resolved,

That the Parliament notes that the MMR vaccine commands the support of all the major health organisations in the UK, that it is recommended by the World Health Organisation, that it is used in over 30 European countries, as well as in the USA, Canada, Australia and New Zealand and that the two UK independent expert committees, the Joint Committee on Vaccination and Immunisation and the Committee on Safety of Medicines, remain unequivocal that, on the scientific evidence available, there is no causal link between MMR vaccine and autism; further notes that there is in progress a major study funded by the Medical Research Council into the causes of autism, and agrees that, in the best interests of all Scottish children, there is a need to present to concerned parents the facts about MMR and single antigen vaccines in an objective, accurate and responsible way.

The Presiding Officer: The next question is, that amendment S1M-1626.2, in the name of Margaret Curran, which seeks to amend motion S1M-1626, in the name of Tommy Sheridan, on local authority housing capital debt, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 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, 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)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 McMahan, 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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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, John (Ayr) (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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 77, Against 35, Abstentions 0.

Amendment agreed to.

The Presiding Officer: As that amendment was agreed to, amendment S1M-1626.1, in the name of Linda Fabiani, falls.

The next question is, that motion S1M-1626, in the name of Tommy Sheridan, on local authority housing capital debt, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 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, 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)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)

Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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, John (Ayr) (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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (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)
 McLeod, Fiona (West of Scotland) (SNP)

Morgan, Alasdair (Galloway and Upper Nithsdale) (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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 77, Against 34, Abstentions 0.

Motion, as amended, agreed to.

Resolved,

That the Parliament recognises the need to provide innovative solutions to tackling the high levels of local authority housing debt; notes that the use of capital receipts contributes to the management of that debt burden; welcomes the Executive's community ownership initiative as a means of lifting the debt burden from tenants, securing a step change in investment and putting tenants at the heart of rebuilding communities, and also welcomes the Executive's commitment to provide all council and housing association tenants, and all pensioners in both public and private housing, with warm and dry homes through the installation of central heating and insulation by 2006.

The Presiding Officer: The next question is, that amendment S1M-1627.2, in the name of Peter Peacock, which seeks to amend motion S1M-1627, in the name of Tommy Sheridan, on the abolition of council tax, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

Alexander, Ms Wendy (Paisley North) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (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)
 Macdonald, Lewis (Aberdeen Central) (Lab)

Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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)
 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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 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)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)

Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 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)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Harper, Robin (Lothians) (Green)

The Presiding Officer: The result of the division is: For 62, Against 48, Abstentions 1.

Amendment agreed to.

The Presiding Officer: As that amendment was agreed to, amendment S1M-1627.1, in the name of Kenny Gibson, falls.

The next question is, that motion S1M-1627, in the name of Tommy Sheridan, on the abolition of council tax, 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)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Galbraith, Mr Sam (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (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)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 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)
 Munro, Mr John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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)
 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)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Canavan, Dennis (Falkirk West)
 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)
 Grahame, Christine (South of Scotland) (SNP)
 Harding, Mr Keith (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)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Salmond, Mr Alex (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 62, Against 21, Abstentions 29.

Motion, as amended, agreed to.

Resolved,

That the Parliament welcomes the substantial reforms that the Executive has brought to the operation of local government finance by the delivery of three-year budget figures for grant, by the removal of expenditure guidelines and by increasing the funding of councils; further welcomes the indications from the Executive that it will pursue further reforms in the future, and notes that the Local Government Committee of the Parliament is to conduct an investigation into the financing of local government.

The Presiding Officer: The final question is, that motion S1M-1628, in the name of Angus MacKay, which seeks agreement that the Budget (Scotland) (No 2) Bill be passed, be agreed to.

Motion agreed to.

That the Parliament agrees that the Budget (Scotland) (No 2) Bill be passed.

The Presiding Officer: Before I move to members' business, I want to amend something that I said at the beginning of question time: the number of members who were not called last week was 25, not 14. We did much better than that today.

Redundancy Packages (Ailsa-Troon Workers)

The Presiding Officer (Sir David Steel): The members' business debate is on motion S1M-1489, in the name of John Scott, on non-payment of redundancy packages to Ailsa-Troon workers.

Motion debated,

That the Parliament condemns the action of the Cathelco Group, owners of Ailsa Troon shipyard, which has failed to pay 16 shipyard workers redundancy payments totalling some £300,000 due to them under the terms of their contracts; further notes that these workers had demonstrated their loyalty to the yard by remaining to complete an order after the other workers had been laid off by Cathelco, and urges the suspension of the award of any further government contracts to Cathelco companies until such a time as Cathelco honours its commitment to all its staff.

17:11

John Scott (Ayr) (Con): I speak in today's debate both in sorrow and in anger. I thank the 66 members who have supported the motion.

The Ailsa Company was founded by the Marquis of Ailsa in 1885. The yard's second dry dock was opened in 1899 and, after refurbishment in 1937, was extended to its present size, to accommodate ships up to 120m in length. It is the only dry dock of that size in the west of Scotland and so has strategic significance in defence terms.

To jump forward quickly, after trading through the years variously as Ferguson Brothers (Port Glasgow), as part of the Scott Lithgow group, as Ferguson Ailsa, as Ailsa-Perth Transport and as Appledore Ferguson Shipbuilders, the yard was sold in March 1996 to Cathelco of Chesterfield. It appeared that, under the name of Ailsa-Troon Ltd, the yard's future for shipbuilding was again secure.

Members may remember that 1999 was one of the yard's busiest years. It had a healthy order book and Caledonian MacBrayne was using it for its annual ferry maintenance programme. In May 1999, Alasdair Bisset, then chief executive of the yard, said:

"The yard is ideally placed to compete for repair and refit work for vehicles trading along the UK's West Coast."

At that point, Ailsa-Troon employed 287 people. In the summer of 1999, the yard was competing for contracts at home and abroad. It had a £20 million landing craft contract with the Ministry of Defence, a £5.5 million contract with CalMac for a new 50m ferry for the inner Hebrides and a full repair and refit order book. All appeared to be going well. A further boost was given to the yard in May 1999, when it became eligible for funding

from the shipbuilding intervention fund. In July 1999, John Home Robertson toured the thriving yard. On 15 December 1999, Mr Bisset said:

"We are very pleased with the progress that the company has made in increasing its share of the available repair work and it will certainly be a record year for the yard."

It seems as though that was almost the kiss of death for the yard because, thereafter, despite a full order book and a huge number of buoyant press releases, things seemed to go horribly wrong. Less than a year later, the yard was closed and everyone was laid off.

On 7 June 2000, 95 staff were laid off and Cathelco talked about a downturn in the market—a gap in the order book. On 18 August 2000, the real hammer blow came, when Cathelco effectively announced the closure of the yard, with a further 70 lay-offs. It was announced at the time that around 20 people would remain to finish existing contracts.

By October 2000, just four months ago, most of the staff had been made redundant and had been given reasonable redundancy packages. However, the 16 key workers who were hand-picked and, indeed, implored to stay on by Cathelco did not, at that time, receive their redundancy packages. Instead, they were assured that, on completion of the work, they would be paid in full. Given that all their colleagues had been adequately compensated for their redundancies, those loyal men and key workers had no reason to doubt that assurance.

However, in December 2000, as the work finished, instead of being given their redundancy packages—which totalled some £300,000—the men were told that they would in effect receive no payment from Cathelco, as the yard had been put into administration by its owners. That meant that the 16 key staff would become creditors of Ailsa-Troon—not even preferred creditors, at that. I believe that that is a heinous situation. Were it not for the redundancy payment service, the men would have been left with nothing. Some of them had worked there all their life—in particular, Mr Dykes, who has spent much of his working life there since 1954.

Cross-party pleas to Cathelco to do the decent thing by those men have fallen on deaf ears. One is left with the conclusion that Ailsa-Troon was, under Cathelco's ownership, at first badly managed then desperately managed, seeking work that yielded no profit. In the final analysis, the yard has been asset-stripped. I do not at all support Cathelco's proposal to change the site from industrial to residential and leisure use.

The whole affair, as I am sure all members will agree, has left a very bad taste in Troon and in the west of Scotland. The purpose of today's debate is

to try to shame Cathelco to do the decent thing by its former employees. It appears that Cathelco has not broken the law, but its actions are, for me—and I suspect for everyone else in the chamber—morally repugnant. Cathelco has e-mailed me and other members to tell us of its financial difficulties. None the less, I believe that it has a moral obligation to its employees, particularly those who, by staying at the yard, kept both Ailsa-Troon and Cathelco afloat until Cathelco management cut its ties and responsibility by putting Ailsa-Troon into administration.

In order to shame Cathelco into doing the right thing, I have also asked Tony Benn MP, in whose constituency of Chesterfield Cathelco's head office is situated, about the matter. He and I have asked Stephen Byers of the Department of Trade and Industry whether that department and the Ministry of Defence will withhold future Government contracts from the company until it pays its employees the difference between what they should have been paid and what they have received from the redundancy payment service.

Given the scale of job losses in Troon caused by the closure of the shipyard, I ask the Deputy Minister for Enterprise and Lifelong Learning and Gaelic whether he has any special plans to encourage the creation of new jobs in that part of Ayrshire to replace the 287 that were recently lost. I know that that is also a matter of concern to my colleagues. In asking him that question, I welcome yesterday's confirmation of objective 2 funding for the west of Scotland and recognise that Troon will benefit from that eventually, if not immediately. I also look forward to welcoming Wendy Alexander to Ayrshire on 28 February, when I hope she will have concrete proposals to make.

I know that other members will have points to raise and I look forward to their contributions to the debate.

17:18

Cathy Jamieson (Carrick, Cumnock and Doon Valley) (Lab): I do not particularly like to be involved in discussions in Parliament on what I consider to be industrial relations matters. In normal circumstances, I would expect that such issues would have been resolved by the work force, the trade unions and the management—they should not have to be brought to the Parliament. However, the situation in Troon is now at a critical stage.

I congratulate John Scott not just on bringing the matter to the chamber but on the contribution that he has made to the debate. I do not always agree with him, but I am glad that he has been converted to the cause of socialism. I welcome him to the real world of what it can really be like for ordinary

workers who are up against it when their jobs are taken from them and they have no real say.

John Scott: I would not want members to think that I have not lived in the real world until now, whatever Cathy Jamieson may think.

Cathy Jamieson: I am sure that John Scott has lived in the real world, but many workers may feel that politicians of all persuasions who have not gone through the process of being made redundant do not understand their situation. I am glad that John Scott has been able to approach one of my Westminster colleagues, Tony Benn, a man for whom I have immense respect; I hope that Tony has given John his support.

I received a letter today from the Cathelco Group. It points out, as if this resolves the matter:

"It should . . . be noted that a significant number of the final 16 employees in Troon have been successful in getting new jobs."

Frankly, that is not good enough. If workers are made redundant, the issue is not whether they are likely to get another job; the issue is the length of time that they have worked for the company. It is their right to have received a redundancy payment. It would have been all very well if they had received the minimum redundancy payment, but what has happened, as John Scott pointed out, is that the men were asked to do a further job of work in the knowledge that they had no long-term future at the plant. I do not think that many of us would like to be in the situation of knowing that we did not have a long-term future, being asked to do a job of work and then, frankly, being dumped.

As John Scott also highlighted, there are question marks about the ulterior motives behind the situation. I want manufacturing industry in Ayrshire to continue—we do not want to lose any of it. The area around the port in Troon has been zoned for industrial use. I do not want that to be lost. The Scottish Executive has made commitments on infrastructure improvements. We want the whole area to be built up—I know that John Scott will feel strongly about that as well. If the real motive is to sell off the site to the highest bidder and there is some kind of manoeuvring to up the price so that there can be some leisure or housing development, that takes the situation even further down the heinous line than John Scott suggested.

The workers are entitled to have the good and long service that they have given recognised. It is a matter of regret that we must discuss this matter in Parliament. I hope that the minister will be able to give us a positive response, although I accept that it is not within the Scottish Executive's power to resolve the matter—it is up to the company to resolve it. Like John Scott, I hope that the company will have been shamed into action.

17:22

Mr Adam Ingram (South of Scotland) (SNP): I congratulate John Scott on securing this members' business debate and thank him for giving me the opportunity to speak in it. I associate myself with the remarks that he and Cathy Jamieson have made.

The Ailsa-Troon shipyard provided 150 jobs to a skilled work force in Ayrshire. Now it is closed. Not only that, but the last of the work force are not even to be given the redundancy packages that they are due.

I will make three points. First, the fact that closure had been in the pipeline since March last year demonstrates that Cathelco had always intended to shut the yard. Secondly, at the time of the original takeover, the yard was in a financially viable position and still had a potentially lucrative future in Ayrshire. Thirdly, Cathelco was well aware of the financial implications of any redundancy measures.

As I said, Cathelco never had any intention of saving the shipyard. Apparently there was a buyer at the table in August 2000, but Cathelco actively discouraged him from pushing for a sale. A month before the closure, the website was replaced with one advertising and serving Cathelco's property division. Why? Because Cathelco wanted the land for other purposes. Cathelco made a submission to South Ayrshire Council for the land covered by Ailsa-Troon to be rezoned for housing and leisure. The document was compiled, I believe, in March 2000. Some in the council were aware of what was happening long before Cathelco announced publicly its plan to close the yard.

In its submission, Cathelco states that one of the reasons for the shipyard's closure was that the yard was unprofitable. John Scott has shown how the view of the company changed over a short space of time from the 1990 election campaign, when the company said—I was there—that everything was absolutely wonderful. In reality, Cathelco was planning hotels, leisure facilities, restaurants, pubs, houses and marina facilities months before the workers were aware that they were soon to be jobless.

What about the workers? All but 16 of them were given a redundancy settlement, which cost Cathelco £520,000. The final 16 were owed £300,000, which Cathelco said that it could not afford to pay and was not an issue because

"a significant number of the final 16 employees have been successful in getting new jobs."

Apart from the fact that that is not the issue, I wonder what a significant number is to these people.

The final 16 workers were the most loyal—they

had been there the longest and were the most expensive to make redundant. When they were asked to stay on, Cathelco knew that it would not have enough money to pay them the redundancy money that it owed—it knew that almost 10 months earlier. This is a disgrace. I wish John Scott well in his campaign and I will do anything that I can to support him.

17:25

Phil Gallie (South of Scotland) (Con): I compliment John Scott on securing this debate and I thank him, on behalf of people in Troon and all the workers at Ailsa-Troon, for the hard work that he has put into their interests over recent months. I, more than most, appreciate how much work he has put in.

My involvement with Ailsa-Troon goes back over the past 10 years and I have experienced the peaks and the troughs. New owners have come in and made promises that have offered hope for the yard. When Cathelco came in, I had hopes once again. I talked to the workers and management at the yard and there was a new enthusiasm—they believed that at long last more money was on the table and that there would be investment.

Those hopes and aspirations were short-lived. The way in which Ailsa-Troon has been brought to its knees is disgraceful. It was hoped that there would be additional work for Ailsa-Troon, given the developments that were to take place at Troon harbour. Many people called for those developments and gave them support because they saw advantage for Ailsa-Troon in that project; that has now been lost as well.

We should all remember the way in which Cathelco has treated the area and the work force. Cathy Jamieson talked about coming to the cause of socialism. This has nothing to do with socialism. We live in a capitalist society—whether Cathy likes it or not. We depend on good companies creating good jobs for people.

Cathy Jamieson: Will Mr Gallie give way?

Phil Gallie: Not just now.

Cathy Jamieson: Will Mr Gallie take an intervention, as he mentioned my comments?

Phil Gallie: I will come back to the member; I always do.

Our economy is dependent upon companies and people having faith in them—Cathelco has blown that apart.

Cathy Jamieson: I accept that Mr Gallie is not a convert to socialism, but does he agree that a positive working relationship between the trade union movement, the workers and the management is crucial in creating and keeping

jobs and that, in this case, the workers have been let down?

Phil Gallie: Absolutely.

That takes me on to the point that the workers put their trust in this company. The 16 workers who continued in their roles gave their all to protect the company's interest and they did so believing that they were doing the right thing for Cathelco. They sympathised, to some degree, with the position that the company was in, but Cathelco did not deserve that trust. It cut out on its workers' interests and it stepped back from redundancy payments—I believe that wages are due to the workers for that period. It is unforgivable for a company in this country to treat its workers that way.

That has nothing to do with socialism; it has everything to do with good company practice, good management and sound industrial relations. That is the way that a company must work with people to deliver its product and to command respect. Cathelco has lost all that respect.

I go along with John Scott's plea that it should be a long time before the Government considers giving any orders to Cathelco.

17:29

Alex Neil (Central Scotland) (SNP): I join other members in congratulating John Scott on securing this debate. I associate myself with the comments made by all the previous speakers.

This debate is not about Red John Scott or Red Phil Gallie, but about human decency and people fighting for their rights. I welcome the fact that there is a united front right across the chamber on the issue. Many members have mentioned the key points in the case. First, this operation did not have to go out of business; it was a viable business that was deliberately closed down to make a fast buck on the speculative property market in Troon, which is wealthy.

Secondly, in addition to the steps that were outlined in John Scott's motion, I hope that the local authority does not agree to any change of use of the site as long as Cathelco can benefit financially from the site. I am not making an ideological point, as the Tories did with Rolls-Royce. This is a case for public ownership of land, if ever there was one.

We must also learn two legislative lessons from the situation, both of which unfortunately relate to reserved matters. The first refers to companies going into receivership, administration or liquidation. The workers who are owed money should be preferred creditors; they should not be standing at the end of the queue. I hope that we can take the matter up with the Westminster

Parliament, because it requires careful consideration.

The second major legal issue relates to redundancy law. Clearly, the company had a moral obligation to fulfil the workers' rights. That obligation has not been met but, as John Scott said, the company is not in breach of any existing law. The law therefore needs to be reviewed in this kind of situation.

I hope that, in his summing up, the minister will address the important point of the implications of this situation on the Ayr economy. Ailsa-Troon has a unique shipbuilding capacity in the west of Scotland, particularly in Ayrshire. That issue affects not just the relatively small town of Troon and the surrounding area, but the wider Ayrshire economy. As John Scott and Phil Gallie said, we hope to develop the Troon harbour area into a major growth point in Ayrshire, but Cathelco's activity has done enormous damage to those prospects. I hope that the minister will indicate what action will be taken by Scottish Enterprise Ayrshire, Scottish Enterprise and the Executive to attract alternative employment prospects to the area so that we can overcome the problems that Cathelco has created.

17:33

The Deputy Minister for Enterprise and Lifelong Learning and Gaelic (Mr Alasdair Morrison): I thank John Scott, the local MSP, for initiating this debate on the non-payment of redundancy packages to the final 16 workers at Ailsa-Troon. It is quite clear that members of all parties care very deeply about this matter and I recognise the expertise of Alex Neil, John Scott, Cathy Jamieson, Phil Gallie and Adam Ingram, all of whom know this part of the world better than I do.

The debate has rightly focused on the highly unsatisfactory position of the 16 Ailsa-Troon workers and I support the sentiments of my fellow members regarding their fate. By holding this debate, we are further demonstrating our determination to secure the best possible outcome for them. I hope that tonight we have highlighted the shoddy treatment that has been meted out to them.

John Scott has clearly set out the facts of the case. As he said, the Cathelco Group took over Ailsa-Troon in 1996. He made some other pertinent remarks about the chronology of events, for which I am grateful. The fact is that the workers received neither the promised redundancy packages nor any moneys from the company, because it then went into administration. Although they will receive the statutory redundancy payments, those payments will amount to much

less than Cathelco promised. In any language, that is clearly an injustice and I support the need to achieve a fair outcome for the employees.

Many of us agree that Cathelco's failure to pay the redundancy payments that were due under the terms of the employees' contracts was unacceptable. As members have said, to complete an order, the workers stayed on after their colleagues had been laid off. They voluntarily helped out when the company could have been sued for breach of contract. In doing so, they undoubtedly demonstrated their loyalty.

Like all members present, my priority on this issue is to secure payment for those 16 men. I will support all moves to achieve that. I note Mr Scott's efforts to do that in conjunction with Tony Benn, the MP for Chesterfield. I note also what Cathy Jamieson and, I think, Adam Ingram said about a letter from the company and that Cathy Jamieson denounced that letter's tone and content. I add my voice to that condemnation.

Unfortunately, acting on a matter that concerns a company that has gone into administration is not within my power. That, as has been noted, is a reserved matter. However, we are in close contact with colleagues in the Department of Trade and Industry about what can be done. They have confirmed what the men will receive. All 16 employees will receive the statutory minimum that the Government guarantees. They will also have a preferential claim on any moneys paid out by the firm with respect to their unpaid wages and holidays.

For any redundancy pay over and above the Government-guaranteed minimum, the men will receive a dividend in the pound from the funds realised from the sale of the company's assets. In that respect, they will be ranked equal to other unsecured traders. The administrators have advised the DTI that the workers will receive some payment, although it is unfortunately too early to say exactly what it will be.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Does the minister agree that, in the circumstances, there is a case that the directors of Cathelco should have personal liability to meet the redundancy payments?

Mr Morrison: As I said, the matter is outwith my powers and will be dealt with by my colleagues at the DTI. I respectfully urge Mr Ewing, in conjunction with the local member, to make the relevant representation to the relevant minister.

John Scott: In his discussions with the DTI, which has been in touch with the administrators, has the minister been given any indication as to what the dividend might be? Can he give a ballpark figure?

Mr Morrison: I do not have that detailed information, but immediately after the debate I shall work with officials to ensure that the local member is given the information he seeks.

Phil Gallie: Will the minister confirm that if money is paid to the workers in respect of a dividend, there will be no reclaim of the statutory redundancy money that has been paid through the benefits system?

Mr Morrison: That is another question that requires a detailed answer. I shall be happy to liaise with colleagues to ensure that Phil Gallie's question is addressed in full. Both his and John Scott's questions are matters of detail and I shall do everything in my power to ensure that they receive a response as soon as possible.

Once it became clear to the Executive that redundancies could not be avoided, the Executive and Scottish Enterprise Ayrshire offered full support to those who were affected. A local response team was set up under the partnership action for continuing employment arrangements, which involved the relevant public agencies in helping everybody to find a new job. Cathelco contracted an outplacement consultant to deliver redeployment activities to the work force in the Troon shipyard.

The on-site facility opened in September and local organisations worked with the consultants to provide information and contact names for all local and national programmes of assistance. Those programmes included skillseekers, business start-ups and local business directories for speculative approaches. The local jobcentre advised the workers of relevant employment vacancies and career guidance assistance was offered through the adult guidance network. As victims of a large-scale redundancy, the workers were given immediate access to all training for work opportunities.

It is pertinent to dwell on some positive aspects of the outlook for Ayrshire. Several new initiatives have been introduced that are supported by Scottish Enterprise Ayrshire and will reduce unemployment in the area generally. The men could benefit from them. Work has started on the new £30 million Prestwick international aerospace park; Scottish Enterprise Ayrshire has made significant capital investment in the Irvine Riverside business park; and a programme is under way to provide a range of high-quality office and light industrial units. Today sees the opening of the new Ayrshire facilities of Citiraya (UK)—I apologise for my pronunciation—which is a Singaporean electronics recycling company that will create 46 new jobs over the next two years.

In conclusion, I want to comment on the final part of the motion, which urges

"the suspension of the award of any further government contracts to Cathelco companies until such a time as Cathelco honours its commitment to all its staff."

I can confirm that the Scottish Executive has not awarded any contracts to Cathelco and that it has no intention to do so. I cannot comment on the position of the Whitehall departments, but I assure members that we will make our position clear to our colleagues at Westminster.

There is clearly broad cross-party support on this issue. Today's debate sends a clear message to the company that the answer is in its hands. On behalf of all members present, I urge Cathelco to do the decent thing and give the men their due.

Meeting closed at 17:40.

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