

MEETING OF THE PARLIAMENT

Thursday 14 February 2002

Session 1

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Scottish Parliament

Thursday 14 February 2002

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

Parliamentary Bureau Motion

The Deputy Presiding Officer (Mr George Reid): Good morning. The first item of business is consideration of a Parliamentary Bureau motion. I ask Patricia Ferguson to move business motion S1M-2746, which is a timetabling motion on the Water Industry (Scotland) Bill.

Motion moved,

That the Parliament agrees that, at Stage 3 of the Water Industry (Scotland) Bill, debate on each part of the proceedings shall be brought to a conclusion by the time limits indicated (each time limit being calculated from when Stage 3 begins and excluding any periods for Question Time, First Minister's Question Time and when the meeting is suspended)—

Group 1 to Group 4 - no later than 55 minutes

Group 5 to Group 6 - no later than 1 hour 25 minutes

Group 7 to Group 8 - no later than 2 hours 20 minutes

Group 9 to Group 11 - no later than 3 hours

Group 12 to Group 15 - no later than 3 hours 30 minutes

Motion to pass the Bill - no later than 4 hours—[*Patricia Ferguson.*]

Motion agreed to.

Water Industry (Scotland) Bill: Stage 3

09:31

The Deputy Presiding Officer (Mr George Reid): We come to stage 3 proceedings on the Water Industry (Scotland) Bill. I do not intend to make the usual long preamble. I simply remind members that they should have with the bill, as amended at stage 2, the marshalled list of all the amendments that I have selected for debate and the groupings that have been agreed.

Bruce Crawford (Mid Scotland and Fife) (SNP): On a point of order, Presiding Officer. My intention is to be helpful about the process of lodging amendments for consideration at stage 3. Two SNP amendments were not selected for debate today. I understand the process of selection—I might not like it, but it is a reality. However, I seek further advice from the Presiding Officers on information that is provided to members who lodge amendments that are not successful in being selected. In the past, other members have suffered as a result of the process.

We are not told why certain amendments are not selected, which immediately breeds suspicion and makes members unhappy with the final position. In the interests of natural justice, the Presiding Officers must consider whether it would be sensible and more effective to allow that information to be imparted to members. In those circumstances, a proper discussion could take place. The final decisions would still rest with the Presiding Officers, but all suspicions would be removed.

The Deputy Presiding Officer: You may not be content, Mr Crawford, but guidance is given. You will find the selection criteria for amendments set out in "Guidance on Public Bills". We give serious consideration to all amendments, but we do not give reasons for not selecting them; if we did, we would be hooked into interminable debate on the subject.

Section 1—Water Industry Commissioner for Scotland

The Deputy Presiding Officer: We come to the first group of amendments to the Water Industry (Scotland) Bill. Amendment 2, in the name of the Minister for Environment and Rural Development, is grouped with amendments 3 to 8.

The Minister for Environment and Rural Development (Ross Finnie): I apologise for the large number of Executive amendments. Those who have served on the Transport and the Environment Committee and members who have been following the proceedings on the bill with

interest will recognise that, although the objectives of the bill are relatively simple, its progress has been a complex operation. I apologise for the fact that several technical amendments have been required. The majority of them are, however, of a minor, tidying-up nature and will not, I hope, cause Parliament much difficulty. The remainder have been lodged following constructive discussions that Allan Wilson and I have had with the Transport and the Environment Committee and I hope that those amendments will improve the bill.

The dual function—to which I shall allude later—of creating the legislative framework to bring the water companies together and managing the preliminary stages subject to the bill on the ground has put enormous pressure on the committee and its members. At the outset, I acknowledge the contribution of committee members to the process and our appreciation of the speedy and efficient manner in which they have worked.

Amendments 2 to 7 fall into the category of tidying-up amendments. The bill distinguishes between Scottish Water's core and non-core functions. The core functions are those involved in providing water and sewerage services on the public networks. The non-core functions are activities such as providing laboratory or consultancy services on a commercial basis to third parties. Provision of those services is a matter for Scottish Water and those with whom it contracts to provide the services. It would not make sense for the water industry commissioner to have any role in that relationship. This group of Executive amendments clarifies that the commissioner's functions relate solely to the core functions of Scottish Water.

The Executive lodged amendment 8 following the commitment that Allan Wilson gave to John Scott during stage 2 consideration of the bill. John Scott moved an amendment requiring the water industry commissioner to respond to the recommendations and representations from the new water customer consultation panels within a given period. We recognise the value of placing some form of reporting duty on the commissioner, but we take the view that requiring him to respond in all cases within a fixed time scale would be too inflexible and impractical. In any event, the bill requires the water industry commissioner to have regard to—he cannot ignore—any matter that is put to him by the water customer consultation panels. Amendment 8 requires the commissioner to include in his annual report the actions that he has taken in response to representations, reports and recommendations from the panels. It also requires him to give his reasons in those cases in which he has decided that it is not appropriate to take action in response to any representation, report or recommendation.

The arrangements established by amendment 8 will ensure a transparent process for the commissioner's dealings with representations, reports and recommendations from the panels. I hope that that will help Parliament—which will be able to discuss those reports—to hold the commissioner to account for his actions in that respect. I urge members to support the Executive amendments.

I move amendment 2.

Bruce Crawford: I thank the Transport and the Environment Committee for the work that it has undertaken during the consideration of the bill. I am not a member of that committee any more, but I know that several important debates took place in committee and that some important changes to the bill and ministerial responses were made because of those discussions.

Amendments 2, 6 and 7 appear pretty innocuous. The minister attempted to display a disarming charm in speaking to the amendments—and he can be charming—but it is on such occasions that ministers are most worth watching. I am sorry to say to Ross Finnie that, on this occasion, we have not been disarmed. Those amendments will put the interests of customers at risk, as they effectively neuter some important powers that the water industry commissioner will have on behalf of customers. By restricting the water industry commissioner to issues that relate solely to the core functions of Scottish Water, the Executive will unnecessarily overexpose the interests of the customers. I shall explain what I mean by that.

If Scottish Water were to become involved in a joint venture with other organisations to deliver, for instance, bundled services of gas, electricity and telephony as well as water, the authority for that would lie outwith its core functions. If the Executive amendments were passed, the water industry commissioner would have no locus in such a venture on behalf of Scottish Water customers. The venture might involve bundled services, laboratory services—which the minister mentioned—billing activity or even a farming activity such as the one that, until recently, was taking place around Loch Katrine. All those activities could be outwith the core functions of Scottish Water and there would be no role for the water industry commissioner in them. Nevertheless, if any such joint ventures or special purpose vehicles went belly up or ran into debt, Scottish Water would be required to accept its share of liabilities.

Any losses incurred in those circumstances would impact on Scottish Water and would hurt customers, yet the water industry commissioner would be powerless to intervene. That cannot be right. There must be a role for the water industry

commissioner in those circumstances to provide advice and guidance to Scottish Water. It would be wrong-headed to remove such powers from the WIC on behalf of customers; therefore, the Executive amendments are wrong-headed. I ask the minister to reconsider and I ask the Parliament to reject the Executive amendments if he does not.

John Scott (Ayr) (Con): I agree with the minister about the hard work that has been involved in bringing the bill to stage 3. Although the work has been hard, I have enjoyed it—it has been good fun.

Unlike Bruce Crawford, we have no difficulty with amendment 2. We are also happy with amendments 3 to 7. I welcome the minister's comments on amendment 8 and thank him for honouring his commitment to lodge at stage 3 an amendment similar to my amendment 15 at stage 2. Amendment 8 will allow the commissioner to be more open about his decision-making process. In particular, it will force him to give reasons for inaction on representations. I am happy with amendment 8.

Fiona McLeod (West of Scotland) (SNP): I will confine my remarks to amendments 3, 4 and 5. However, I will pick up on what the minister said about amendment 8, which we all agree is a good amendment. He said that amendment 8 will ensure that the customer, through the customer panels and the water industry commissioner, has his or her voice and views heard. I believe that amendments 3, 4 and 5 will restrict provisions that would ensure that those views are heard.

If the water customer consultation panels are to represent the views and interests of the customers, we cannot limit those views and interests to Scottish Water's core functions. The customer's interests in Scottish Water are bound up with the whole operation of the company; its overall performance could affect the delivery of its core functions. Therefore, the customer and the water customer consultation panels must be able to have their views heard on all matters that concern Scottish Water.

Bruce Crawford gave examples and I will give another, concrete example—MSPs in the west of Scotland might have received notice of the matter directly or through their constituents. West of Scotland Water has been sending out letters to customers in which it offers an insurance service, for £49 per annum, that will look after the pipes from a householder's gate to their doorway. As members will know, that service is the responsibility not of West of Scotland Water, but of the householder. The service is not a core function of West of Scotland Water, but its customers will have a view on, and an interest in, it. Through the water customer consultation panels, Scottish Water's customers should be able to have their

views and interests represented on such matters.

Amendment 4 is about the issuing of reports from the water customer consultation panels. Again, customers will take to the panels issues that are outwith the core functions of Scottish Water. They will expect to see those issues appearing in reports.

Amendment 5 is about recommendations to the water industry commissioner, as a sort of promotion of customer interests. Again, customers will take non-core function interests to the panels. The panels must be able to present those interests to the water industry commissioner so that the customer's voice is truly heard.

Ross Finnie: Two substantive issues are involved in this matter. First, the role of the water industry commissioner will not be to manage Scottish Water. We must be clear in our deliberations on the bill that there is a real distinction between the board of Scottish Water's role of managing and taking decisions and the commissioner's role of representing the customers' interests in strategic issues that concern the delivery of core functions. That is an important distinction.

Secondly, Fiona McLeod and Bruce Crawford spoke about the role of the commissioner if the board decides that Scottish Water should embark on other activities. The commissioner will not oversee the external, non-core functions of Scottish Water, but he will have a crucial interest in any contemplated or proposed activities. If he believes that such activities might damage or interfere with the balance of the core activities, he will have the right to be interested and play a role. That is an important point.

Fiona McLeod: I refer the minister to section 2(4), which states that a customer panel must

"make such recommendations as it considers appropriate to the Commissioner".

The minister wants to limit that responsibility to apply only to core function items. How will the customer panels and the water industry commissioner take account of non-core functions if amendment 2 does not allow them to?

09:45

Ross Finnie: The water industry commissioner will have no duty to investigate non-core functions. However, one should not interpret that to mean that the commissioner will have no right to complain about a proposal that might damage core functions. He will have such a right. The commissioner will have no right simply to raise issues that relate to non-core operations. If Scottish Water intends to embark on a non-core activity that will have a direct impact on the core function, the commissioner can complain about

the potential for damage to the core function. However, as I said, the commissioner will have no right to comment on the particular operation of a non-core function. I would like to press amendment 2.

The Deputy Presiding Officer: In that case, I will put the question. The question is, that amendment 2 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division. As this is the first division in a grouping, the voting time will be two minutes.

FOR

Aitken, Bill (Glasgow) (Con)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)

Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 Matheson, Michael (Central Scotland) (SNP)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 72, Against 26, Abstentions 0.

Amendment 2 agreed to.

The Deputy Presiding Officer: I ask Mr Finnie to move amendments 3, 4, 5, 6, 7 and 8 en bloc.

Bruce Crawford: On a point of order, Presiding Officer. The SNP wants to oppose some of the amendments, but we want to support amendment 8.

The Deputy Presiding Officer: I was coming to that. I was going to ask whether members would be content for a single question to be put on amendments 3 to 8 or whether they want each amendment to be voted on. However, from Mr Crawford's point of order I take it that putting a single question is opposed. Therefore, we will put the question on each amendment.

Section 2—Water Customer Consultation Panels

Amendments 3 to 5 moved—[Ross Finnie].

The Deputy Presiding Officer: The question is, that amendment 3 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 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)
 Scanlon, Mary (Highlands and Islands) (Con)

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)
 Thomson, Elaine (Aberdeen North) (Lab)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 Matheson, Michael (Central Scotland) (SNP)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 69, Against 26, Abstentions 0.

Amendment 3 agreed to.

The Deputy Presiding Officer: The question is, that amendment 4 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (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, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Hyslop, Fiona (Lothians) (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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 73, Against 25, Abstentions 0.

Amendment 4 agreed to.

The Deputy Presiding Officer: The question is, that amendment 5 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 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)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 76, Against 27, Abstentions 0.

Amendment 5 agreed to.

Section 3—Functions of the Commissioner

Amendments 6 and 7 moved—[Ross Finnie].

The Deputy Presiding Officer: The question is, that amendment 6 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 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)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 75, Against 28, Abstentions 0.

Amendment 6 agreed to.

The Deputy Presiding Officer: The question is, that amendment 7 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)

Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 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)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Campbell, Colin (West of Scotland) (SNP)

Canavan, Dennis (Falkirk West)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Hyslop, Fiona (Lothians) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 74, Against 26, Abstentions 0.

Amendment 7 agreed to.

Section 5—Annual reports by, and information from, the Commissioner

Amendment 8 moved—[Ross Finnie]—and agreed to.

Section 20—Scottish Water

The Deputy Presiding Officer: Amendment 85, in the name of Bruce Crawford, is grouped with amendment 96.

Bruce Crawford: As we have consistently said, the SNP's support for the bill at stage 3 is dependent on the Executive's capacity to persuade us that its rhetoric will be matched by the words in the bill. That is particularly true with regard to ensuring that Scottish Water is wholly anchored in the public sector and that there is not the slightest doubt that that is where it will continue to be.

Unfortunately, doubts about that remain and the more digging that we have done, the greater our concerns have become. The Executive, through its rhetoric, has sought to assure us that Scottish Water is safe in its hands and will remain in the public sector, but all that it has done is succeed in confusing matters even further.

The basis for the Executive's position is that both the long title of the bill and the opening sentence of part 3 refer to Scottish Water as a "body corporate". By some legislative magic, that is supposed to ensure that Scottish Water will remain in public hands. Ross Finnie used that

argument in his letter of 12 November to the convener of the Transport and the Environment Committee and Allan Wilson used the same argument on 9 January, when he said at stage 2:

"Scottish Water is a body corporate, to be established by primary legislation, with statutory functions that clearly have public purposes".—[*Official Report, Transport and the Environment Committee*, 9 January 2002; c 2499.]

That is that, then—because the minister has told us that, all is well and we can rest easily. If only that were so. The ministers have clearly swallowed hook, line and sinker the advice that has been given to them by their civil servants. However, there is compelling evidence from independent sources that could be used to argue the opposite position from that taken by the Executive. Dr John Sawkins of Heriot-Watt University and Dave Watson from Unison gave evidence to that effect during the Transport and the Environment Committee's inquiry. Unison said in written evidence that it was concerned that

"these proposals are another step down the road to privatisation".

At best, the bill's wording is confusing, at worst, it is downright misleading.

There is also compelling evidence from earlier legislation that simply calling an organisation a body corporate does not necessarily establish that a body is a public entity. For example, a body corporate may be a company, as is shown in paragraph 5 of schedule 2 to the Requirements of Writing (Scotland) Act 1995 and in section 11 of the Competition Act 1980.

The purpose of the SNP amendments is to ensure that there is no scope to mislead or capacity for confusion. If the Executive is intent on matching its rhetoric with its actions, what possible fears could be caused by the insertion of the words "a public body"? The only answer can be none, unless there is a hidden agenda for the future privatisation of Scottish water.

I move amendment 85.

Bristow Muldoon (Livingston) (Lab): The SNP has obviously been rehearsing this argument for some time. However, I draw to the Parliament's attention the fact that the letter—to which Bruce Crawford referred—that Ross Finnie sent to the convener of the Transport and the Environment Committee at stage 1 clearly establishes that Scottish Water will be a public body. Indeed, the committee's report said:

"We welcome the Minister's unequivocal statement on this subject".

Remarkably, Adam Ingram and Fiona McLeod, who were members of the committee at the time, signed that report and did not dissent from that welcome. The report also says:

"we support the Bill's intention to establish a public corporation which is able to compete in a competitive market but which is properly accountable to the people of Scotland through Scottish Ministers and the Scottish Parliament."

Adam Ingram and Fiona McLeod agreed to that in full.

Amendment 85 does not seek to establish more clearly the fact that Scottish Water will be a public body, as that is quite clear already; the amendment is merely a piece of posturing. If the SNP wants to take that approach, it should put its A team into the committee rather than its B team.

John Scott: The committee discussed an amendment similar to amendment 85 at stage 2. I can honestly say that, having thought about the proposal since then, I can see no need for it. Scottish Water will unquestionably be a publicly owned utility, not a private company. If Bruce Crawford honestly believes that the Executive will privatise it, given its oft-stated intention not to, he is simply not prepared to accept the reality.

Bruce Crawford: Does John Scott remember what the Deputy Minister for Environment and Rural Development said at the Transport and the Environment Committee meeting on 16 January? He said:

"Scottish Water is, critically, much more likely to wish to form private companies than public companies".—[*Official Report, Transport and the Environment Committee*, 16 January 2002; c 2570.]

John Scott: That is far from privatisation. We are not talking about the same thing. I suspect that Bruce Crawford is deliberately missing the point.

We incline to the view that, in the long term, privatisation might prove to be in the best interests of Scottish consumers. However, we all have to confront the realities. That is what we are here to do today. The reality is that privatisation will not be delivered, which is why over the past year we have created the creature that we have, which is something of a halfway house.

At any rate, the Conservatives cannot see the need for amendment 85, which restates the obvious. We will therefore reject it. Amendment 96 is dependent on amendment 85. We will therefore not support that either.

10:00

Mr John McAllion (Dundee East) (Lab): Anything that would anchor Scottish Water in the public sector would normally get my full support, but I do not support amendment 85 because the only thing that could anchor Scottish Water in the public sector is the political will of the Government that happens to be in power. It may sound far-fetched and fantastical to suggest that the Tories would ever come into power in the Scottish

Parliament, but were they to do so, adding a phrase to the bill would not prevent them from privatising the Scottish water industry.

The SNP lacks critical judgment in that respect. Bruce Crawford mentioned the view of Unison that the bill is a step towards privatisation. I fear that too, but not in the way that the SNP suggests. Consider what is happening in England and Wales. The privatised water companies there now realise that they do not want to own the infrastructure. They do not want to keep it in private ownership; they are trying to get it back into the public sector. That is happening for a good reason: the infrastructure—the pipes and the plants—is heavily regulated and costs a lot of money to maintain. The private sector would rather that the pipes and plants be in the public sector.

I do not doubt that private water companies, wherever they happen to be, are happy for Scottish Water to own the entire water and sewerage infrastructure as long as they are able to compete in that publicly owned infrastructure for business. When the Executive introduces the water services bill, I will oppose it 100 per cent. I am opposed to the opening up of the water and sewerage industry to competition and will fight it with every breath in my body. Today's fight is not the real fight. What we are doing in Scotland is what the privatised water companies want to happen in England and Wales. I therefore think that Bruce Crawford's argument is false. The real battle will come later.

The Deputy Minister for Environment and Rural Development (Allan Wilson):

Amendments 85 and 96 are unnecessary. Part 3 of the bill establishes Scottish Water as a statutory body with clear public functions. It is as clear as can be—dare I say it, as clear as the water in my glass—that Scottish Water is a public body. I cannot believe that anybody could possibly mistake it for anything else. Attempts to repeat that demonstrable fact at various points in the bill are superfluous and contrary to good drafting. As Bristow Muldoon pointed out, amendments 85 and 96 are identical to two amendments that were defeated at stage 2. The SNP has been trying to run that hare—perhaps I should stay off hare analogies after yesterday's business.

The bill leaves no room for doubt that Scottish Water is a body corporate with public purposes. I assume that that is what Bruce Crawford means by "a public body". There has been some confusion, to which Bruce Crawford has added again today with his references to public companies and private companies. In fact, as he should know by now, public companies are those that are listed in the stock exchange and private companies are those that are not. The addition of

the words “a public body” to the bill would have no legal effect. Furthermore, the long title of the bill—this is probably the most important point—is important for defining the scope of the bill. It should contain only words that have a clear, understood legal effect.

I urge Parliament to reject amendments 85 and 96.

Bruce Crawford: I will deal first with John McAllion’s comments, because he has hit some of the nails right on the head. He is right that the contents of the water services bill will open up the industry much more to competition. I was in Brussels just a couple of weeks ago talking to European Community officials about that. There is no desire in the EC for us to go down that route. I have no doubt about that. However, the Water Industry (Scotland) Bill paves the way for the water services bill. We will not allow Scottish Water to become a private industry in any circumstances.

The minister can tell me until he is blue in the face that he has no intention of privatising Scottish Water. He could turn other colours—purple if he wished—but that would not mean that the rhetoric of the day would necessarily be matched by any actions in future. Indeed, if the minister has no plans to privatise Scottish Water, what could he have to fear from the words “a public body”? What would be lost? What is the truth behind the rhetoric? Why is the minister so reticent?

Ross Finnie: Does Bruce Crawford agree that the essential characteristic of a company, whether a public limited company or a private limited company, which is registered under the Companies Act 1985, is that it has shares and shareholders who can transfer those shares and therefore could keep the company in whatever domain they choose? The essential difference between a company registered under the 1985 act and the body that the Parliament will create is that the latter has no shares and no shareholders and cannot transfer. Does Bruce Crawford agree that those are the essential differences and that his point is entirely bogus?

Bruce Crawford: Section 25 gives Scottish Water the power to promote or form companies. The majority of the body could be transferred to a company by using that power.

Is it any wonder that we do not trust the rhetoric? I will give a perfect example of why that is so. The ministers have laid it on thick that they will control Scottish Water through directions to the organisation. Talking in committee about what the ministers can and cannot do, Allan Wilson said:

“we have issued to the committee the general powers and corporate governance directions, which make it clear that contracting out is one of the many activities on which

Scottish ministers may direct Scottish Water.”—[*Official Report, Transport and the Environment Committee*, 30 January 2002; c 2665.]

That piece of rhetoric was entirely misleading. Anyone who cares to take time to read through the directions will not find one word that restricts Scottish Water from privatisation or contracting out. The reason that we cannot trust the ministers is that they say one thing but deliver the opposite. Their actions condemn them.

The Deputy Presiding Officer: The question is, that amendment 85 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

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)
Elder, Dorothy-Grace (Glasgow) (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)
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)
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)
Robison, Shona (North-East Scotland) (SNP)
Sheridan, Tommy (Glasgow) (SSP)
Stevenson, Stewart (Banff and Buchan) (SNP)
Sturgeon, Nicola (Glasgow) (SNP)
Swinney, Mr John (North Tayside) (SNP)
Ullrich, Kay (West of Scotland) (SNP)
Welsh, Mr Andrew (Angus) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
Alexander, Ms Wendy (Paisley North) (Lab)
Baillie, Jackie (Dumbarton) (Lab)
Barrie, Scott (Dunfermline West) (Lab)
Boyack, Sarah (Edinburgh Central) (Lab)
Brankin, Rhona (Midlothian) (Lab)
Brown, Robert (Glasgow) (LD)
Butler, Bill (Glasgow Anniesland) (Lab)
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
Curran, Ms Margaret (Glasgow Baillieston) (Lab)
Davidson, Mr David (North-East Scotland) (Con)
Douglas-Hamilton, Lord James (Lothians) (Con)
Ferguson, Patricia (Glasgow Maryhill) (Lab)
Finnie, Ross (West of Scotland) (LD)
Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
Fraser, Murdo (Mid Scotland and Fife) (Con)
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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 30, Against 82, Abstentions 0.

Amendment 85 disagreed to.

Section 21—Transfer of functions from new water and sewerage authorities

The Deputy Presiding Officer: Amendment 9 is grouped with amendments 10, 11, 40 to 48, 51, 52, 54, 55, 56, 58, 59, 61 to 71, 74, 76 to 79, 83 and 84.

Allan Wilson: These are technical amendments, which I hope will be passed without a great deal of debate. The substantive amendments among the 30-plus amendments in the group are amendments 58 and 78. Their purpose is to place beyond any doubt the fact that Scottish Water's core functions are to be exercised in relation to the geographical areas that are served by the existing three authorities. They provide that Scottish Water's area of operation is to be taken to be the local authority areas covered by those three authorities.

Amendments 10 and 11 clarify that Scottish Water can exercise its non-core functions and can do anything necessary or expedient outwith its area in carrying them out. The other amendments in the group are consequential on the change from three water authorities to a single entity. They tidy up a number of statutory references to water authorities' areas and lines of supply. Accordingly, I recommend the amendments to the Parliament.

I move amendment 9.

Bruce Crawford: I do not intend to resist the amendments, but wish to ask the ministers a few questions to ensure that I entirely understand their intent. On amendments 10 and 11, under what circumstances might Scottish Water want to engage in activities outwith Scotland? If Scottish Water were to sell Scottish water via pipes to our neighbours in the south and generate a profit, I could understand why the provisions in those amendments might be necessary. Could the minister tell us of any other circumstances under which it may be necessary for Scottish Water to operate outwith Scotland?

John Scott: On amendment 9, we agree with the removal of section 21(2), which is entirely unnecessary, as subsection (1) says all that needs to be said, in that all the functions of the existing water and sewerage authorities will be transferred to Scottish Water. I apologise—that was probably self-evident.

I welcome amendments 10 and 11, although, like Bruce Crawford, I am interested to hear what the ministers have to say about them. Those amendments suggest to me that Scottish Water can, and should, be developing non-core business functions within and outwith Scotland. We believe that that will benefit Scottish Water and allow it to develop other income streams, which should ultimately benefit water consumers.

I accept the minister's point in reference to amendment 58 and others, and I am happy to accept the group of amendments as a whole.

Allan Wilson: In response to Bruce Crawford's point, it may be that there are customers in Scotland who would wish a UK-wide service from Scottish Water. Customers would be able to access that as a consequence of our amendments.

Amendment 9 agreed to.

Section 25—General powers

Amendments 10 and 11 moved—[Ross Finnie]—and agreed to.

Section 26—Code of practice

The Deputy Presiding Officer: We now progress to the fourth group of amendments, on Scottish Water customer standards and a consultation code. Amendment 12 is grouped with amendments 13 to 24.

Ross Finnie: We said at the outset that Scottish Water, as a publicly owned authority, must be properly responsive to the needs, interests and concerns of consumers. At stage 2, Des McNulty and others argued the case that Scottish Water should be subject to a code on local consultations. We accepted that argument, and amendment 24 provides for that code. It requires Scottish Water to prepare a code and submit it to ministers for their approval. The code will cover how Scottish Water will consult those affected by its activities and will require Scottish Water to have regard to the views of those who are consulted.

10:15

Before Scottish Water submits a code to ministers for their approval, it must consult each water customer consultation panel and must have regard to any comments on the code that any panel makes. Amendment 24 gives ministers the final say on approving the code and enables them, if they so wish, to modify the code before approving it. Those arrangements will ensure that Scottish Water engages in a proper dialogue with the customers and communities that it serves, which are affected by its activities. I believe that they form a valuable addition to the bill, and I am happy to commend them to the Parliament.

Amendments 12 to 16 and 18 to 23 are consequential on amendment 24. They avoid confusion between the new local consultation code and the code of practice on customer standards that is already covered in the bill. Amendment 24 also provides that Scottish Water will publish its consultation code, and amendment 17 makes identical provisions for the customer

standards code. I recommend this group of amendments to Parliament.

I move amendment 12.

John Scott: I am happy to accept amendment 12, as it will define more clearly what is expected of Scottish Water in its behaviour towards its customers. A customer standards code can only be a good thing, and I believe that it will certainly not impose an onerous burden on Scottish Water.

I wish to query amendment 24. I welcome the fact that it is to create consultation codes and believe that that will strengthen the bill and make it more acceptable in its day-to-day delivery. We are happy to support it, but I seek the minister's views on section 26(3), which reads:

"Scottish Water may ... revoke and replace ... its code of practice".

Presumably that cannot be construed by Scottish Water to mean that it can ignore the code of practice if it chooses to revoke and replace it. Could it revoke it and replace it with something meaningless, or indeed with nothing at all?

Dr Sylvia Jackson (Stirling) (Lab): I welcome amendment 24. As was outlined in the Transport and the Environment Committee, there is a need for consultation with, as the amendment says,

"persons who live, work or carry on business in any area significantly affected by such an activity, or who represent the interests of such persons".

At the committee, I raised the issue of Loch Katrine and the difficulty that I had experienced in persuading West of Scotland Water to consult the local communities, not only over the loss of sheep grazing in the area, but over the new integrated management plan. I hope—touch wood—that that process is now under way, but I would like a reassurance from the minister that the "core functions" referred to in the amendment are being interpreted in the broad sense, so that they cover areas of land that Scottish Water owns but that might not be used strictly for its core business.

Des McNulty (Clydebank and Milngavie) (Lab): I am delighted to support the Executive's amendments, and I thank the Deputy Minister for Environment, Sport and Culture for taking such a positive attitude on this matter. The amendments introduce a responsibility on the part of Scottish Water seriously to take account of not just individuals' interest but the community interest when considering how it carries out major projects.

I have had some negative experience of West of Scotland Water's consultation processes on its proposed water treatment plant in Milngavie. If the code of practice had been in place to govern the way in which that project was pursued, many of the concerns now being raised by the local community would have been dealt with in a

different, much more positive, way.

It is important that the consultation process is genuine and that the company is required to listen to people, to take their concerns seriously and to respond to them directly. When we are establishing a business that, by its nature, will look towards the customer interest, there should be a community dimension, and the amendments add that to the bill. I welcome the way in which the proposals have been presented and I hope that members will support the amendments.

Ross Finnie: On John Scott's point, whatever happens to the code remains subject to ministerial approval and to consultation. Sylvia Jackson referred to exactly the kind of circumstance to which the provisions in amendment 24 would apply. Dealing with cryptosporidium is very much part of the core function of Scottish Water. That is the sort of issue that would be covered by the code.

I hope that that deals with the points raised by members and that amendment 12 will be agreed to.

Amendment 12 agreed to.

Amendments 13 to 19 moved—[Ross Finnie]—and agreed to.

Section 27—Approval of code of practice

Amendments 20 to 23 moved—[Ross Finnie]—and agreed to.

After section 27

Amendment 24 moved—[Ross Finnie]—and agreed to.

Section 28—Charges for goods and services

The Deputy Presiding Officer: We move to the fifth group of amendments, entitled "Charges schemes—general". We are about 10 minutes ahead of schedule. The next amendment for debate is amendment 97, in the name of Tommy Sheridan, which is grouped with amendments 25, 98, 101 and 26.

Tommy Sheridan (Glasgow) (SSP): Amendments 97 and 98 should be a core priority of Parliament. Social justice in theory improves no one's standard of living. However, amendments 97 and 98 would deliver social justice in practice.

The current water charging system is quite simply unfair, as it is based on council tax bands. All objective observers, including such bodies as the Institute of Fiscal Studies, agree that the council tax is unfair and regressive, as it commands a higher proportion of income from the poor than from the wealthy. The low-paid and pensioners are particularly penalised by the

council tax system, while the well-paid and wealthy are pampered by it.

The effects of applying the council tax bands to water charges are even worse. There is a poor council tax rebate system, but there is no such system for water charges. The system proposed by the Scottish Executive would make no concrete difference to that situation. The poor, pensioners and the low-paid are penalised even more under the current water rates system than under the council tax. In Glasgow alone, 57,000 pensioners are entitled to either full or partial council tax rebate, but to no rebate on water charges.

Members may be aware that, since 1996, water charges for domestic customers have increased by 105 per cent—a massive hike. A further increase of 10 per cent is expected this year. Those increases have been borne by those on fixed and low incomes: people on benefits, state pensions and low wages. The new charging system proposed under amendments 97 and 98 is based on personal income. It would be fair, transparent and progressive. It would deliver social justice, rather than talking about it.

Almost 80 per cent of Scottish pensioners currently live on incomes of less than £10,000 per year. The Office of Water Services in England and Wales estimates that by 2003-04 single pensioner households will pay 14 per cent of their income in water charges alone. Observers expect that the percentage in Scotland will be similar or even higher. In Scotland 882,000 citizens are trying to survive on an income of less than £10,000 per year. The demographic trend in Scotland is towards much smaller households. By 2003-04, it is expected that only 5 per cent of households will contain more than three working adults. At the moment, 80 per cent of households contain only two working adults.

The Inland Revenue would collect the water tax under contract to Scottish Water. The estimated cost of collection would be £20 million per annum. Currently it costs £45 million per annum to collect water charges. Someone with an income of £17,500 per year—the Scottish average—would pay £121 a year in water tax. A two-adult household on average income would pay £242 a year. In Glasgow, such households currently pay £260 a year. In the east of Scotland they currently pay £270, while in the north of Scotland they currently pay £330.

Amendment 97 seeks to protect the poor, pensioners and the low-paid, and to effect a redistribution of income in our country. It is trying to charge appropriately for an essential service—not a service that should be paid for according to use, but an essential service. The proposed scheme recognises the essential nature of water and sewerage services. The amendment would

increase the disposable income of the poorest, while ensuring that the wealthy pay more. It would also deliver an extra £201 million this year for water and sewerage investment. Given that incomes rise year on year, that amount is bound to increase.

I move amendment 97.

Allan Wilson: Amendment 25 is consequential on the addition of section 34A to the bill at stage 2. Section 34A defines the meaning of the term "occupier" for the purposes of determining who is liable to pay water and sewerage charges. Amendment 25 would add the new section to the list of matters that are to be taken into account when fixing charges under section 28 of the bill.

Amendment 26 is a minor, tidying-up amendment. It would remove the reference at section 36 of the bill to section 13 of the Modifications of Sewerage (Scotland) Act 1968. The bill would repeal section 13 of the 1968 act, as under a single water authority it is no longer required.

I turn now to amendments 97, 98 and 101. Members will be aware that over the past three months we have debated exhaustively Tommy Sheridan's ideas for water charges—which might be described more appropriately as a proposal for a water tax. The issue was raised at the stage 1 debate on the bill, when I listened intently to what the member had to say at length about his proposed scheme. The Transport and the Environment Committee did the same at stage 2. Since then, there has been a 30-minute debate in the chamber on the topic.

I am not sure that I have anything new to say on the subject, other than to state the obvious. Amendments 97, 98 and 101 would scrap the current arrangement under which local authorities collect water and sewerage charges, replacing it with a requirement on Scottish Water to take a specified proportion of a customer's income as payment for the services that it provides. That would require Scottish Water to establish each customer's income. As we made clear at stage 2, such an approach would be incredibly cumbersome and would require a great deal of time, effort and, undoubtedly, expense.

Dennis Canavan (Falkirk West): Why would it be so difficult, given that the Inland Revenue already has the required information?

Allan Wilson: I have been in correspondence with Tommy Sheridan, and estimates of the costs of implementing the scheme vary. I believe that he himself calculates a collection charge of approximately £40 million per annum. There would undoubtedly be costs to the water company associated with Tommy Sheridan's proposed scheme.

The advantage of the current link between water charges and council tax bands is that the bandings, once established, remain constant. Tommy Sheridan's proposed scheme would lack that advantage. Instead, there would need to be constant revision of a customer income database, which is unproductive in cost and effort. As Tommy Sheridan knows, I cannot see how his scheme would work in practice.

No less significantly, the amendments would require Scottish Water to act in a highly intrusive manner in respect of its customers' income. The authority would not have information about its customers' income. Dennis Canavan suggested that the Inland Revenue already has the relevant information. However, giving the authority power to obtain that information would raise serious questions about individuals' rights to privacy in matters such as their income. Scottish Water would require such information in order to implement a practical charging scheme based on the system that Mr Sheridan proposes. For all those reasons and many more besides, I ask the Parliament to reject amendments 97, 98 and 101.

10:30

John Scott: I say to Mr Sheridan that the argument for progressive taxation has not been well made at either stage 2 or stage 3. It might be an admirable socialist principle and what we would expect from Tommy Sheridan, but the tax that he suggests would encourage high earners to move elsewhere. This week, I was at a conference at which the Minister for Enterprise, Transport and Lifelong Learning said that she was trying to bring in more people to create jobs in Scotland and generate business and wealth for the Scottish economy. The imposition of a progressive tax would drive those people and their businesses, on which we must depend, from Scotland.

The tax that is being suggested is not equitable. Quite simply, the proposals are impractical. We cannot support amendment 97.

If we accept amendment 98, we must also accept amendment 101, but we cannot accept either because, as Allan Wilson said, that would mean that we would be unable to collect any charges. The proposals could not work.

Bruce Crawford: I start with what John Scott said. We have known for a long time that the Tories do not like progressive taxation, but we do. I was quite astonished by his comment about people leaving the country because of high taxation. He should acknowledge the number of young people leaving our country because they do not have decent jobs or opportunities and because the economy is struggling. That is happening day in, day out.

I realise that Tommy Sheridan is trying to produce a progressive scheme, but it is stepped. It might have anomalies and it should be tapered. Tommy Sheridan will concede that, on 16 January, he said that work needed to be done on the matter. He said:

"University of Paisley staff will produce a full academic report within two months."—[*Official Report, Transport and the Environment Committee*, 16 January 2002; c 2593.]

We have to make the legislation today and I do not have enough information in front of me to make a solid judgment about whether amendment 97 would be a proper way to produce such a scheme. Tommy Sheridan's proposal might work if we had a local income tax-based system, but we do not have that at the moment.

Regardless of that, there is no question but that the Executive must address the cost of water as a priority. The low-paid, pensioners and the poor must find their position vastly improved. That is particularly true given some of the increases in the East of Scotland Water and West of Scotland Water areas of late. We have already argued that such increases were unnecessary.

I am absolutely astonished that the minister has not told us today about the work that the water industry commissioner has undertaken to examine proposals that would give the minister and the Parliament a new framework to address affordability. I thought that the minister would have told the Parliament that that is happening. The work is continuing. The quicker we get it, the better, because the issue must be addressed soon.

Bristow Muldoon: There are significant questions about whether the proposals in amendment 97 fall within the powers of the Scottish Parliament. The amendment is an innovative attempt by Tommy Sheridan to introduce a redistributive taxation system. The appropriate place to address income tax and benefits is through the income tax and benefits system, which is a reserved matter. The appropriate place for the issues to be discussed is Westminster.

The SNP should clarify its position; it appears to be trying to sit on the fence. It does not wish to say that it supports Tommy Sheridan's proposals, but nor does it wish to oppose them. During stage 2, SNP members sat on the fence and abstained on the matter. The SNP should be clear and tell us whether it supports the proposed water tax. It should tell us whether, if the people of Scotland were unfortunate enough to see the party in power, the proposed tax would be added to the shopping tax that was launched last weekend.

Amendment 97 also raises issues of practicality, as the minister outlined. The amendment must be

taken along with the proposals for a council income tax that Tommy Sheridan made a few weeks ago. Both measures would result in greater centralisation of decision-making in Scotland and in the Parliament. They would have uncertain impacts on the overall taxation burden on people in Scotland.

We must also address the issue of significant changes in taxation being suggested purely to deal with the water industry. What taxation does Tommy Sheridan or the SNP propose to deal with the many other demands that they make for health, education, transport and so on?

The Parliament should reject amendment 97, but I am interested in hearing the SNP be clearer about where it stands. Tommy Sheridan does not expect to be elected to power next year and I suspect that the SNP does not either, as it is sitting on the fence.

Donald Gorrie (Central Scotland) (LD): I assure Tommy Sheridan that the Liberal Democrats, at UK level, have argued consistently for a more progressive tax system. We regret that the Labour Government in Westminster has not brought in such a system. However, we do not feel that using the water system is the right way to introduce progressive taxation. We will certainly continue to press for a more progressive tax system at Westminster, where MPs have the power to decide the issue.

We feel that the 40 per cent rate of income tax should go up for those who earn £100,000 or more, but we do not support amendment 97.

Des McNulty: Questions must be asked about the mechanics and arithmetic of amendment 97. It seems strange that Tommy Sheridan is making a proposal whereby people would pay less for their public services—by his rhetoric—but more money would be made available for those services. There is a flaw in his argument that the scheme would deliver £201 million more for water and sewerage services in Scotland.

Tommy Sheridan is right to suggest that the average payment in the West of Scotland Water area for a family living in a band D house is £266. Under his scheme, a family living in a band D house in that area and on the UK average income would pay £534, which is double what they pay just now. There are real issues about the arithmetic of Tommy Sheridan's suggestion.

Why should we stop at water? Why do we not have income tax for gas and electricity? If we wanted to take the socialist line, we could do that.

Tommy Sheridan: We do not have a bill in front of us to do that.

Des McNulty: Will some people end up paying three, four or five income taxes, so that the

amount of tax that they pay exceeds considerably the amount that they earn? Is that the world that Tommy Sheridan wants? Perhaps it is, but he should at least be honest about it and not try to dress it up as something that it is not.

Tommy Sheridan: I will try to address the points that have been made in the order that they were made.

First, if the minister is absolutely honest with himself, he will conclude that he has failed to grasp the whole concept of the Inland Revenue being contracted to collect the money on behalf of Scottish Water. That is where the £20 million annual charge comes in. That is £25 million less than what is currently spent on collecting water charges.

Given the very restricted powers that the Scottish Parliament has, we must be innovative. We must examine the limited powers that we have to redistribute income. Every single one of us has already been recoded. Andy Kerr, the Minister for Finance and Public Services, could send me a letter breaking down in detail how much each individual in each income band would pay if there were a one penny increase in tax, because the Inland Revenue has already worked that out. We are talking about using that knowledge to have a redistributive form of Scottish water tax, which is where the charge and collection costs come in.

John Scott has the idea that my proposal would drive high earners from Scotland. The Conservatives used the same argument when they were opposed to the Scottish Parliament. I do not know whether he still opposes the Parliament now that he is a member of it, but his party certainly used to oppose it. The Conservatives used to say, "If we have the Parliament, all the high-income earners, the entrepreneurs and the business people will leave Scotland." I do not know whether this will wake John Scott up, but people are leaving already, yet we do not have progressive tax. Progressive tax will not force people out of the country.

Bill Aitken (Glasgow) (Con): Mr Sheridan is correct to say that people are leaving Scotland, but does he agree that they are doing so to live in tax regimes that are much more liberal than ours? Few of them are leaving to go to countries that are more left-wing than here.

Tommy Sheridan: I am glad that Bill Aitken raised that point—we might even go into a wee double act together. Does he not know that no country in Europe has a lower tax rate than Britain has? Every other country in Europe has a higher tax rate than Britain has—even America taxes its wealthy at a higher rate than we do. For Bill Aitken's information, I advise him that 200,000 tax exiles from France live in Britain—they are exiled

here because of the low tax regime.

The Deputy Presiding Officer (Mr Murray Tosh): You have made your point, Mr Sheridan. Can we get back to amendment 97?

Tommy Sheridan: Mr Aitken should bear that point in mind. If he is suggesting that the introduction of a water tax would lead some Tories to leave Scotland, so be it. That, in itself, would be a reason to support the introduction of a water tax.

Bruce Crawford spoke about anomalies and about the fact that more work is required on my proposal, and I accept his point 100 per cent. The University of Paisley is producing an academic research paper. The university has already delivered its first report, which showed that my proposal is feasible, practical and would deliver a redistribution of income. On that basis, I appeal to the SNP to support my amendments.

On Bristow Muldoon's point about competency, I advise him that my proposal is competent. He was absolutely right to argue that tax issues are reserved to Westminster.

Bristow Muldoon: I raised the question of vires because, during stage 2, Tommy Sheridan justified his proposal by quoting schedule 5 to the Scotland Act 1998, which gives, as an exception to reserved matters,

"Local taxes to fund local authority expenditure (for example, council tax and non-domestic rates)."

My point is that Tommy Sheridan is not proposing a local tax—he is proposing a national tax.

Tommy Sheridan: What is important is what the tax is raised for—the water tax would be raised specifically to cover water and sewerage charges, which makes it an exception under the Scotland Act 1998.

We should increase top-rate tax, because 10p on the rate for those earning £100,000 a year would raise £3.5 billion. Is it not about time that Labour increased the top tax rate nationally? I am sure that, privately, Bristow Muldoon would admit that that should be done.

Des McNulty said that there was a problem with the arithmetic—he was right, but the problem is with his arithmetic. The difficulty is that he cannot add up. Households that are on the average UK income of £17,500 would pay £121 a year. A two-adult household in which both adults earn the average income would pay £242 a year. That is less than any of the average payments in Scotland now.

The proposals in amendments 97, 98 and 101 are redistributive, fair and progressive. I believe that they should be at the core of the Scottish Parliament's work, because they would deliver protection for our poor and for our pensioners.

10:45

The Deputy Presiding Officer: The question is, that amendment 97 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Canavan, Dennis (Falkirk West)
Sheridan, Tommy (Glasgow) (SSP)

AGAINST

Aitken, Bill (Glasgow) (Con)
Alexander, Ms Wendy (Paisley North) (Lab)
Baillie, Jackie (Dumbarton) (Lab)
Barrie, Scott (Dunfermline West) (Lab)
Boyack, Sarah (Edinburgh Central) (Lab)
Brankin, Rhona (Midlothian) (Lab)
Brown, Robert (Glasgow) (LD)
Butler, Bill (Glasgow Anniesland) (Lab)
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
Curran, Ms Margaret (Glasgow Baillieston) (Lab)
Davidson, Mr David (North-East Scotland) (Con)
Douglas-Hamilton, Lord James (Lothians) (Con)
Ferguson, Patricia (Glasgow Maryhill) (Lab)
Fergusson, Alex (South of Scotland) (Con)
Finnie, Ross (West of Scotland) (LD)
Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
Fraser, Murdo (Mid Scotland and Fife) (Con)
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, Dr Sylvia (Stirling) (Lab)
Jackson, Gordon (Glasgow Govan) (Lab)
Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
Johnstone, Alex (North-East Scotland) (Con)
Kerr, Mr Andy (East Kilbride) (Lab)
Lamont, Johann (Glasgow Pollok) (Lab)
Livingstone, Marilyn (Kirkcaldy) (Lab)
Lyon, George (Argyll and Bute) (LD)
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)
McAveety, Mr Frank (Glasgow Shettleston) (Lab)
McCabe, Mr Tom (Hamilton South) (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)
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)
Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
Scanlon, Mary (Highlands and Islands) (Con)
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)
Smith, Mrs Margaret (Edinburgh West) (LD)
Stephen, Nicol (Aberdeen South) (LD)
Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
Thomson, Elaine (Aberdeen North) (Lab)
Wallace, Ben (North-East Scotland) (Con)
Wallace, Mr Jim (Orkney) (LD)
Watson, Mike (Glasgow Cathcart) (Lab)
Whitefield, Karen (Airdrie and Shotts) (Lab)
Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
Campbell, Colin (West of Scotland) (SNP)
Crawford, Bruce (Mid Scotland and Fife) (SNP)
Cunningham, Roseanna (Perth) (SNP)
Elder, Dorothy-Grace (Glasgow) (SNP)
Ewing, Dr Winnie (Highlands and Islands) (SNP)
Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
Ewing, Mrs Margaret (Moray) (SNP)
Fabiani, Linda (Central Scotland) (SNP)
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)
McAllion, Mr John (Dundee East) (Lab)
McLeod, Fiona (West of Scotland) (SNP)
Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
Neil, Alex (Central Scotland) (SNP)
Paterson, Mr Gil (Central Scotland) (SNP)
Quinan, Mr Lloyd (West of Scotland) (SNP)
Robison, Shona (North-East Scotland) (SNP)
Russell, Michael (South of Scotland) (SNP)
Stevenson, Stewart (Banff and Buchan) (SNP)
Sturgeon, Nicola (Glasgow) (SNP)
Swinney, Mr John (North Tayside) (SNP)
Ullrich, Kay (West of Scotland) (SNP)
Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 2, Against 80, Abstentions 33.

Amendment 97 disagreed to.

Amendment 25 moved—[Allan Wilson]—and agreed to.

After section 30

Amendment 98 moved—[Tommy Sheridan].

The Deputy Presiding Officer: The question is, that amendment 98 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Canavan, Dennis (Falkirk West)
Elder, Dorothy-Grace (Glasgow) (SNP)
Sheridan, Tommy (Glasgow) (SSP)

AGAINST

Aitken, Bill (Glasgow) (Con)
Alexander, Ms Wendy (Paisley North) (Lab)
Baillie, Jackie (Dumbarton) (Lab)
Barrie, Scott (Dunfermline West) (Lab)
Boyack, Sarah (Edinburgh Central) (Lab)
Brankin, Rhona (Midlothian) (Lab)
Brown, Robert (Glasgow) (LD)
Butler, Bill (Glasgow Anniesland) (Lab)
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
Curran, Ms Margaret (Glasgow Baillieston) (Lab)
Davidson, Mr David (North-East Scotland) (Con)
Douglas-Hamilton, Lord James (Lothians) (Con)
Ferguson, Patricia (Glasgow Maryhill) (Lab)
Fergusson, Alex (South of Scotland) (Con)
Finnie, Ross (West of Scotland) (LD)
Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
Fraser, Murdo (Mid Scotland and Fife) (Con)
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, Dr Sylvia (Stirling) (Lab)
Jackson, Gordon (Glasgow Govan) (Lab)
Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
Johnstone, Alex (North-East Scotland) (Con)
Kerr, Mr Andy (East Kilbride) (Lab)
Lamont, Johann (Glasgow Pollok) (Lab)
Livingstone, Marilyn (Kirkcaldy) (Lab)
Lyon, George (Argyll and Bute) (LD)
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)
McAveety, Mr Frank (Glasgow Shettleston) (Lab)
McCabe, Mr Tom (Hamilton South) (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, 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)
Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
Scanlon, Mary (Highlands and Islands) (Con)
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)
Smith, Mrs Margaret (Edinburgh West) (LD)
Stephen, Nicol (Aberdeen South) (LD)
Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
Thomson, Elaine (Aberdeen North) (Lab)
Wallace, Ben (North-East Scotland) (Con)
Wallace, Mr Jim (Orkney) (LD)
Watson, Mike (Glasgow Cathcart) (Lab)
Whitefield, Karen (Airdrie and Shotts) (Lab)
Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
Campbell, Colin (West of Scotland) (SNP)
Cunningham, Roseanna (Perth) (SNP)
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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)
McAllion, Mr John (Dundee East) (Lab)
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)
Robison, Shona (North-East Scotland) (SNP)
Russell, Michael (South of Scotland) (SNP)
Stevenson, Stewart (Banff and Buchan) (SNP)
Sturgeon, Nicola (Glasgow) (SNP)
Swinney, Mr John (North Tayside) (SNP)
Ullrich, Kay (West of Scotland) (SNP)
Welsh, Mr Andrew (Angus) (SNP)

The Deputy Presiding Officer: The result of the division is: For 3, Against 82, Abstentions 30.

Amendment 98 disagreed to.

Section 31—Approval of charges schemes

The Deputy Presiding Officer: Amendment 87 is grouped with amendments 88, 99, 89 and 100.

Fiona McLeod: In speaking to amendments 87, 88 and 89, I bring to the—[*Interruption.*]

The Deputy Presiding Officer: Order. There is a lot of chatter around the chamber.

Fiona McLeod: Thank you, Presiding Officer.

Amendments 87, 88 and 89 are relevant to the charges schemes that customers will have to pay. My intention is to ensure that customers have a voice and that their views are considered in developing charges schemes. Charges will be of fundamental concern to each customer of Scottish Water.

On amendment 87, it is important that the water industry commissioner consults the water customer consultation panels when he draws up charges schemes. If the commissioner is to be the customers' champion, as we hope he will be, he must surely take on board customers' views on charges, as charging is one of the most fundamental activities that Scottish Water will undertake for each of its customers. Even if the water industry commissioner is simply to be an economic regulator—I say that because, when the committee took evidence at stage 1, and again during stage 2, the ministers referred to the water industry commissioner as an "economic regulator"—he should take on board customers' concerns, as the deputy minister conceded during stage 2. The water industry commissioner is to be the customers' champion and is to be concerned with customers' interests, so it is important that the commissioner takes cognisance, through the water customer consultation panels, of customers' views, because it is a fundamental fact that charges will affect them economically. If the water industry commissioner had to seek approval for charges through the customer consultation panels, that would strengthen his advice.

Amendment 88 is about publication of the charges schemes. It should be an absolute given that every customer has access to the full contents of a charges scheme, not just to an amended or an abbreviated version. If the full scheme is not published, customers will ask why they cannot be informed about a scheme for which they must pay. They will wonder what the minister, the water industry commissioner or Scottish Water is trying to hide from them.

Amendment 89 relates to section 32, on the commissioner's advice on charges. When advising on charges, the commissioner must take into account everything except the views of the customers. That seems wrong-headed and top-down rather than bottom-up.

Amendments 99 and 100 are about informing Parliament and involving it in the process of achieving a charges scheme. I hope that no parliamentarian would not want to be involved in that process.

I move amendment 87.

Dennis Canavan: Under amendment 99, parliamentary approval would be required for any increase in water charges that was above the rate of inflation.

There is widespread concern about the escalation of water charges since water was removed from local authority control and the quangos took over. In my area, for example, water was owned and controlled by Central Regional Council until 1995-96. We had the lowest water charges in the whole of western Europe and the council had a progressive, forward-looking investment programme for capital projects.

Since the East of Scotland Water quango took over, there has been an increase in band D water charges of more than 170 per cent, which is well above the rate of inflation for the period in question. In the year 1998-99 alone, the increase was 40 per cent—more than 26 times the rate of inflation for that period.

Similarly, in Tayside region there has been an increase of 123 per cent since the North of Scotland Water Authority quango took over from Tayside Regional Council. Between 2000 and 2001, the increase was 45 per cent, which was 25 times the rate of inflation for that period.

Such increases have placed huge—and, in some cases, intolerable—burdens on consumers. The quangos and the Executive claim that such excessive increases are necessary to fund the capital investment projects that are required. The public find that difficult to accept. Who do they complain to? They complain to members of the Scottish Parliament, as their elected representatives. Therefore, we should have the opportunity of monitoring increases and, if necessary, vetoing them, when they are above the rate of inflation.

Under amendment 99, it would be up to Scottish Water and the Scottish Executive to justify such increases to Parliament. Parliament would have the opportunity to approve or disapprove them. Such arrangements would make Scottish Water's charges schemes more accountable to the consumers through their elected representatives in the Parliament. The amendment would ensure a greater degree of parliamentary accountability and a fairer deal for the consumer.

I ask the Parliament to approve amendment 99.

John Scott: Amendment 100 is about accountability and transparency. It is designed to

further strengthen the hand of the commissioner, who will play a vital role in the success or failure of Scottish Water. Although we all expect Scottish Water to be a success, it is important that the commissioner's advice on charging is heeded. If it is not taken account of, or is modified, that must not be done furtively or behind closed doors. The reason for ignoring or modifying the commissioner's advice must be the subject of parliamentary scrutiny. That is why I lodged amendment 100.

The Deputy Presiding Officer: In the interests of the timetable, I will go straight to the minister.

Ross Finnie: The level of charges is a sensitive issue, about which we must be properly concerned. The amendments that we are discussing seek to alter the arrangements that are set out in the bill for preparing, approving and publishing the charges.

We must be careful about the sensitive balance between the customer—and the commissioner, who, after all, is charged with acting on behalf of the customer—and an industry that is trying to do a job under the control of the Parliament. Scottish Water will be accountable for providing the highest possible quality of water and the best quality service for sewerage disposal at the most competitive price in the interests of the Scottish public. That is a difficult balance to achieve.

The provision in amendments 87 and 89 for the involvement of the customer panels ignores what the water industry commissioner will do under the existing proposals. The panels will have the general function of representing local views. The commissioner's role is to take an objective view of the totality of customers in relation to charges schemes. I am convinced that provisions already exist for the panels' views on charges to be appropriately referred to and taken account of by the commissioner, because section 2(5) of the bill states that the commissioner must have regard to the panels' representations, reports and recommendations.

In relation to amendment 89 in particular, it is important to leave the role of approving charges schemes to the commissioner, who is the independent economic regulator—that is the correct phrase—with all the relevant expertise. It is appropriate that quality and standards priorities, environmental obligations, the panels' views and ministerial directions about quality objectives are all part of the consideration. The commissioner must take account of all those factors before reaching a decision.

Amendment 88 provides for the publication of a charges scheme by whoever approved it—the commissioner or the Scottish ministers. That provision is unnecessary—section 33 of the bill

provides for a summary of the charges to be published by Scottish Water and for the full scheme to be made available.

Amendment 100 provides for the reasons for ministers' modification or rejection of the commissioner's advice to be laid before Parliament, which would be a backward step. Under section 32(7), all the relevant papers on a charges review—including ministerial correspondence—will be published. I am confident that full disclosure will enable a full understanding of the outcome. Fragmenting the publication process would not be a benefit.

Dennis Canavan raised the interesting notion that charges should stick to the level of inflation. Although that is superficially attractive, we must remind ourselves of our purpose in creating Scottish Water. On the advice of the water industry commissioner, it is clear that the only way that we can control charging and make Scottish Water more efficient and more responsible to its consumers is to create Scottish Water in the form that is set out in the bill.

Dennis Canavan might have a nostalgic view of his local authority, but the truth is that the Scottish water industry has had to spend £2 billion over the past three years and will need to spend £2 billion in the next three years. That needs to be paid for. That level of investment cannot be obtained without cost. The water industry commissioner has made it clear that a revenue cap is needed to drive down charges, which have risen over the past three or four years, but it is important to take a strategic view on that.

Dennis Canavan: Will the minister give way?

Ross Finnie: No, I must close.

The Transport and the Environment Committee recognised that the industry's massive investment needs mean that, even with major efficiency improvements, further increases will be required. Legislating to make it impossible or difficult for Scottish Water to meet the necessary targets would be highly undesirable. Accordingly, I invite Parliament to reject all the amendments in the group.

11:00

The Deputy Presiding Officer: Fiona McLeod may speak for one minute.

Fiona McLeod: I should inform members that my stage 2 amendments on the code of practice and customer involvement were similar to my amendments in this group. Those amendments were accepted by the minister and agreed to by the committee. It would be logical for members to accept my argument that the customer's voice should be heard before charges can be increased.

Given the recent unnecessary increases in charges from both East of Scotland Water and West of Scotland Water, we must support amendment 99.

The Deputy Presiding Officer: The question is, that amendment 87 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)

Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (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)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 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)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 50, Against 66, Abstentions 0.

Amendment 87 disagreed to.

Amendment 88 moved—[Fiona McLeod].

The Deputy Presiding Officer: The question is, that amendment 88 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (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, Dr Sylvia (Stirling) (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)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 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)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 48, Against 65, Abstentions 0.

Amendment 88 disagreed to.

Amendment 99 moved—[Dennis Canavan].

The Deputy Presiding Officer: The question is, that amendment 99 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)

Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 33, Against 82, Abstentions 0.

Amendment 99 disagreed to.

Section 32—Commissioner's advice on charges

Amendment 89 not moved.

Amendment 100 moved—[John Scott].

The Deputy Presiding Officer: The question is, that amendment 100 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 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)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (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)

Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 Maclean, Kate (Dundee West) (Lab)
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 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Murray, Dr Elaine (Dumfries) (Lab)
 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, Tavish (Shetland) (LD)
 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)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 50, Against 64, Abstentions 0.

Amendment 100 disagreed to.

Section 35—Collection of charges by local authority

Amendment 101 not moved.

Section 36—Primacy of duty to maintain domestic water supply etc

Amendment 26 moved—[Ross Finnie]—and agreed to.

Section 37—Reduced charges

The Deputy Presiding Officer: Amendment 27 is grouped with amendments 1, 90 and 102. We have slipped slightly behind our timetable, so I ask speakers to be as brief as possible.

Allan Wilson: Section 37 has generated considerable interest. Yesterday, the Executive announced the details of the water charges exemption scheme for smaller voluntary organisations. The result is that a full exemption from charges will be provided for four years for all premises that are currently eligible for charge relief, provided that the organisation that is responsible for paying the charges has an income of less than £50,000 a year.

Scottish Water will provide the exemptions in regulations that will be issued by ministers under section 37. At present, the bill is drafted in such a way that the regulations could provide only for reductions and not for exemptions. As the intention is that organisations could be totally exempted from charges rather than simply have their charges reduced, amendment 27 is necessary to give ministers sufficient statutory backing.

The purpose behind the Executive's scheme is to ensure that the continued phased withdrawal of reliefs does not affect those groups and bodies that provide local service with little or no support from central or local government. From the outset, that objective has been shared by the Transport and the Environment Committee, which concluded in its stage 1 report that the current reliefs arrangement is

"too broad-brush and not sustainable".

My concern with amendments 1, 90 and 102 is that each takes as a starting point the definition of a Scottish charity that appears in the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990. As a result, the amendments would extend reliefs well beyond those premises that currently receive them. The amendments would extend the reliefs to something like 30,000 bodies and cause a consequential cost increase of about £27 million. The cost could be more if other organisations were to take advantage of the new approach by establishing themselves or parts of their organisations as charities. For example, local authority swimming pools or various university premises might attempt such a move.

Obviously, that would go in the opposite direction from that which was advocated by the Transport and the Environment Committee. In the process, a substantial and open-ended burden would be placed on Scottish Water and its customers, who are ultimately the people who must meet the costs of relief. That extra cost on customers should be seen in the context of our previous debate on Mr Sheridan's amendments 97 and 98.

That situation simply would not be sustainable. Indeed, it would not be fair, as costs would be passed on to customers, who would effectively

face a 5 per cent surcharge or compulsory charitable donation. For people on low incomes of £10,000 or less per annum or for people on fixed incomes, that would be neither equitable nor fair.

Richard Lochhead (North-East Scotland) (SNP): Will the minister give way?

Allan Wilson: I am sorry. I have to be brief, but I am happy to come back and answer any points later.

There was a full and useful debate at stage 2, and we have had constructive discussions with the Scottish Council for Voluntary Organisations and representatives of churches and youth organisations. I met representatives from those groups and we announced our proposals yesterday. Our proposals, which we have drawn up after consultation with those organisations, are good news for local halls, churches and other organisations and premises that will receive relief as they do at present. Most, if not all, of those organisations will pay no charges at all for four years and will be eligible for a further four-year exemption if they still satisfy the scheme's criteria at that point.

In addition to that significant scheme, there will be a hardship fund for the next two years, which will help those groups that face particular hardship as a result of the withdrawal of relief, even though they exceed the income threshold.

I believe that targeting help where it is needed is the right approach. It contrasts with the approaches underpinning the amendments that have been lodged by Robin Harper, Richard Lochhead and Dennis Canavan, which I believe are unsustainable and unfair. I therefore recommend that Parliament reject amendments 1, 90 and 102.

I move amendment 27.

Robin Harper (Lothians) (Green): At stage 2, Jackie Baillie lodged an amendment that was identical to amendment 1, except that amendment 1 reduces the amount of the water charges that charities would have to pay from 30 to 20 per cent. That would make very little difference to the people paying, but a great deal of difference to the charities. I thank Jackie Baillie for providing the basis for amendment 1. As she said at stage 2, the purpose of the amendment is quite clear. It would provide for all Scottish charities a relief scheme that is based on metered water supplies.

I understand that Scottish Water will move to metering all non-domestic supplies by the end of March 2003. Subsection (1) of amendment 1 proposes the free installation of meters for Scottish charities and paragraphs (a) and (b) ensure that meters are installed by 31 March 2003 or as soon as reasonably practicable. The target is

challenging but, as Jackie Baillie said, many voluntary organisations are already metered, and the aim is achievable.

Subsection (2) of amendment 1 says that

“Scottish Water must provide detailed advice on ... minimising water consumption”.

Water conservation is vital, even in a wet country such as Scotland, not because water is in short supply, but because supplying it costs money and uses resources. I direct members' attention to article 9 of the forthcoming EU water framework directive, on water pricing policies. That article will insist on efficiency in water use, so we might as well start moving with the spirit of the directive now.

Subsection (3) is the nub of amendment 1. It gives charities 80 per cent relief and largely maintains the status quo. That is what the Executive proposes to do, but only for the next four to eight years.

Subsection (4) refers to local authorities because I understand—again, from what Jackie Baillie said—that some local authorities provide assistance with water provision on a one-off basis for agricultural shows and village fetes, for example.

Subsection (5) determines that the amendment covers all Scottish charities. The Executive's suggested income threshold of £50,000 a year is not sufficient. Organisations such as the National Trust for Scotland, the Scottish Wildlife Trust and larger social charities will not be covered. Charities that are high-volume water users, such as hospices, care homes and disabled day care centres, will not ultimately be helped by the Executive's scheme. The Executive's argument that local and central Government should reflect the withdrawal of reliefs by increasing grants to charities is unrealistic and is passing the buck, as there is no guarantee that such compensation would be paid in the long term.

11:15

The current cost of charitable relief is estimated at £15 million. The Executive has just revealed that it reckons that my proposal would cost £27 million. In reality, that still means only a few pounds on people's water bills. Has anybody in this chamber yet received one letter from any constituent complaining about the amount of subsidy that they are already paying to charities? I am willing to bet that the answer to that question would be no.

Charities will have to pay large amounts of money out of badly needed funds if the bill goes through without amendment 1. I understand that Capability Scotland is set to lose £90,000 and that

the National Trust for Scotland will lose more than £100,000. That is the equivalent of five full-time posts or 14 seasonal posts. Let us not take those funds away from charities. Amendment 1 would maintain the status quo and provide a guarantee for charities in the future.

Richard Lochhead: Amendment 90 is the SNP's second and final attempt to amend the bill in this way. Our case for retaining the on-going commitment to give 80 per cent water rates relief to charities is simple. The whole point of keeping the water industry in public ownership is to help us to deliver social justice in Scotland. That is why we have to include in the bill the commitment to help the voluntary and charitable sector. We are talking not about a new arrangement, but about a continuance of the existing arrangements. We are not talking about new costs.

Executive ministers have made a mess of the issue over the past two or three years. A number of players have acted out various shambolic scenes in the comedy of errors that we have witnessed over that period. First there was Sarah Boyack, then Sam Galbraith, then Rhona Brankin, then Allan Wilson, and today Ross Finnie.

The SNP's campaign has been vindicated, because we have come quite a long way in two years. When the campaign started more than two years ago, the voluntary sector's pleas to the Executive about the proposed removal of all water rates relief were totally ignored. After that, the Government introduced a delay, but that still did not sort out the problem. The next minister introduced another delay in the phasing of the withdrawals. Then there was a leaked memo from the Executive saying that it would exempt organisations that had an annual income of less than £5,000. Then, on the eve of stage 2, the position changed again so that organisations with an income of less than £10,000 would be exempt. Last night, at the 11th hour, just before the stage 3 debate, the Executive upped that threshold to £50,000 and offered a hardship fund.

Allan Wilson: Does Richard Lochhead welcome that increase?

Richard Lochhead: As I said, we welcome all five of the concessions that have been made so far as a result of the outcry from the voluntary sector in Scotland and from the SNP and other parties in this Parliament.

I refer the minister to yesterday's press release from the Scottish Council for Voluntary Organisations, which was headed “Executive running in right direction over water”. Well, that is quite right. The Executive is running in the right direction. The difficulty is that it has not arrived. If amendment 90 is agreed to today, we will have arrived.

The last thing that our voluntary sector and charitable organisations need is for water rates reliefs to be removed at a time when the basic rate of water charges has increased substantially over recent years. Jackie Baillie told the committee at stage 2 that charities would lose £15 million because of that decision. If we introduced water meters, that would save £6 million, leaving a bill of £9 million. The minister's announcement yesterday offers £500,000 of support. That would leave a bill of £8.5 million for the charitable sector, the bulk of which would be paid for by organisations with an income of more than £50,000, which are not exempt. Those organisations will include hospices, care homes and nursing homes.

It is imperative that this Parliament sends out the right message to the voluntary sector in Scotland today. Those organisations devote their time to helping the more vulnerable members of our society. Surely, for the first time in centuries, our new Scottish Parliament should not remove that principle from the bill today, but should continue to give 80 per cent water rates relief to charities. I ask each and every MSP in the chamber to look at their mailbags over recent months and years and to support amendment 90, so that we can continue to support the organisations that support the more vulnerable people in our society.

Dennis Canavan: I will concentrate my remarks on amendment 102, in my name. The Executive seems to have accepted the principle of reduced charges for certain categories of consumer. However, the indications so far are that the Executive's proposals are inadequate. As I understand it, the Executive proposes exemptions for organisations that currently qualify for relief and that have an annual income of less than £50,000 in respect of the premises that the organisation occupies. I welcome the raising of the threshold, which was initially £5,000, was increased to £10,000 and is now £50,000—it is beginning to look like an auction. However, the Executive is not going far enough.

The Executive proposals would rule out relief for many deserving organisations that have an annual income of more than £50,000, including organisations that provide a valuable service to the community, such as churches, hospices and miners welfare organisations. Those organisations would find it more difficult to provide that valuable service if relief from water charges was withdrawn.

Take Strathcarron hospice in my constituency, which provides an excellent service to people with terminal illnesses and their families. The hospice has an annual turnover of about £2.8 million. About half the hospice's revenue comes from voluntary subscription. Relief from water charges currently amounts to about £9,000 per annum.

Under the Executive proposals, the hospice would lose that money and would have to find another £9,000 per annum from voluntary subscription in order to maintain its excellent standards of patient care.

Under amendment 102, charities such as that hospice, and other approved organisations, would be eligible for at least 80 per cent and up to 100 per cent exemption from water charges. The criticism has been that if we give relief to all charities there might be some that are undeserving cases. It has been suggested that some of the biggest beneficiaries of such a proposal would be private fee-paying schools. Amendment 102 attempts to address that criticism by excluding such schools.

Bruce Crawford: Will the member give way?

The Deputy Presiding Officer: In view of the time scale it would not be reasonable for Mr Canavan to take an intervention. I would like Mr Canavan to conclude as quickly as possible.

Dennis Canavan: Any deserving organisations might be considered under section 37 as it is drafted. I ask the Parliament to support amendment 102, which will enable charities such as hospices and churches to continue their valuable service to the community.

The Deputy Presiding Officer: I will call as many members as I can to speak, but I would be obliged if members could limit their speeches to two minutes.

Des McNulty: We had a lengthy debate in the Transport and the Environment Committee about the balance between social responsibility and the burden that it is legitimate to place on charge payers. The committee's view was that we needed a more targeted scheme than that currently in place. We said that such a scheme should concentrate on voluntary organisations that had premises that were not supported from local or central Government sources; we considered premises such as scout huts and church halls to be particularly vulnerable to the sudden imposition of charges. I am delighted that the minister has listened to the committee and has proposed a very good scheme, which is probably more generous than the scheme that the committee initially envisaged. When we consider the problems and issues involved, it seems that the minister has come up with a scheme that will satisfy the vast range of local organisations—those are the people in whom we were particularly interested.

Richard Lochhead makes a point about supporting social justice. That is important, but it is also important that we support social justice in the right way. The primary mechanism for that should be a social justice budget delivered by central Government, rather than relief from water charges.

At an earlier stage—in the committee report and at stage 1—Robin Harper signed up to the principle of a more targeted scheme. He has not made clear why he is now taking a different view in amendment 1. Richard Lochhead does not understand his own amendment. Amendment 90 does not maintain the status quo but would make a significant extension to the current scheme by including all charities. Dennis Canavan made a point about hospices. My understanding is that the minister gave a clear commitment that the position of hospices would be protected in relation to the extension of charges scheme. That is something that I have campaigned for strongly. The biggest hospice in the UK is in my constituency and I am delighted that the minister has responded positively to our suggestions.

Fiona McLeod: I want to get to the fundamentals. Every member must see this as an example of our commitment to Scotland's charities. While we wait for the Executive to introduce charity legislation, we need the Water Industry (Scotland) Bill to show that we support Scotland's charities by giving them 80 per cent relief from water charges. If we vote against including such a provision in the bill, how can we say that we have a compact with the voluntary sector to deliver vital services to some of the most vulnerable members of our society?

There are problems with the latest deal. The minister asked whether we welcome the deal. I have pushed and pushed on the issue and the Executive has moved and moved, so of course we welcome it. However, the problem is that it takes us back to special pleading. Two members have talked about hospices. Because of the special pleading on hospices, the Executive said at stage 2 that Malcolm Chisholm would ensure that the money that hospices receive from the Government covered water charges. Do we have to keep making special pleas for different charities? The new hardship fund is a case of more special pleading, making more special cases and having charities tied up in bureaucracy to plead with the Executive to pay their water bills. It is not appropriate and it is not right that we ask charities to do that.

Amendment 1 is not ideal, although we will support it because it is better than nothing. However, the issue is not conservation and the amendment will affect disproportionately charities that need to use water to deliver their services, such as hospices. We cannot support amendment 102 because fee-paying schools are not just private schools. The seven grant-maintained schools—Donaldson's College, the Craighalbert Centre, the Royal Blind School and so on—are charities that provide a national service. We cannot put them under threat.

Dennis Canavan: Will the member give way?

The Deputy Presiding Officer: No. The member cannot take an intervention at this point.

Fiona McLeod: I urge members to vote for amendment 90. That provision must be included in the bill to prove to voluntary and charitable organisations that the Parliament is serious in supporting their work and will not tax them in it.

Jackie Baillie (Dumbarton) (Lab): I am extremely disappointed by some of the speeches that have been made. At stage 1, Fiona McLeod made none of the points that she just made. However, I am glad that she listens and learns. As Robin Harper and Richard Lochhead are both so keen to agree with and quote my opinion, perhaps they will support what I am about to say.

I have no doubt that section 37 was the most contentious section at stage 2—particularly for voluntary organisations and charities that currently enjoy relief from water charges. Timing is everything. In April, many voluntary organisations will, for the first time, lose up to 40 per cent relief. It is therefore essential that we move quickly. That will place a significant burden on many voluntary organisations that have few reserves, little flexibility and limited funding streams. That is why I lodged an amendment at stage 2, which was supported by Maureen Macmillan and several other Labour MSPs. The Executive—helpfully—agreed to reflect further on the amendment's proposal in order to ensure that there is targeted relief for voluntary organisations.

I welcome and endorse the Executive's proposal, which is based not on the size of an organisation—I point out to Fiona McLeod that the Water Industry (Scotland) Bill is not the place to define charities—but on premises. The proposal is based not on a turnover of £5,000, which was the starting point, but on premises' income of up to £50,000. I particularly welcome the hardship fund of £1 million for organisations that might initially encounter difficulty if they do not meet the eligibility criteria. I also note that the minister will consult the voluntary sector on the detail of the scheme. That is also welcome because we will produce better policies and outcomes if we involve the voluntary sector early.

11:30

I ask for the minister's response to four very quick points. First, I seek confirmation that the income threshold for premises relates to income generated by those premises and so excludes staff costs for running the services. Secondly, does the relief cover consumption and standing charges? Thirdly, will free water metering continue to be available, together with advice and practical support on water conservation? Last, will the

minister reflect further on the date of eligibility for the small number of voluntary organisations that have moved premises and lost relief as a consequence?

I conclude by emphasising my support and, I hope, the chamber's support for the Executive's proposals. I know that those proposals will be welcomed by community organisations in my area. They are a positive example of a committee and the Executive working together and I thank the minister for listening.

John Scott: I supported Richard Lochhead's stage 2 amendment and I intend to support amendment 90 today. As I said at stage 2, the targeted relief that is proposed by the Executive misses the target. Large charities are every bit as important to Scotland as small ones and for the Government to suggest otherwise is simply dishonest. The Conservative party's campaign on behalf of such charities has never faltered.

In particular, charities that use high volumes of water must have allowances made for their needs. I refer again to the Ayrshire Hospice, Malcolm Sargeant Cancer Fund for Children and Hansel Village in my constituency as three charities that spring immediately to mind. Their costs will rocket if the reliefs are discontinued.

The Executive's proposals have a Dickensian feel about them, with Ross Finnie playing the unlikely role of Scrooge and Richard Lochhead and I as rather well-fed stand-ins for Oliver Twist. However, there is an argument that some charities are more in need of support than others. That is self-evident. Until the Executive makes proposals that result from the McFadden report—which attempts to sort out the more deserving from the less deserving—we have a duty to support all charities equally. Until the Executive makes better proposals that my party is happy to examine on their merits, we must not throw the baby out with the bath water and, in so doing, damage our most valuable charities.

It is essential that our major charities also enjoy reliefs. Although I welcome the new £50,000 threshold, it is important that we agree today that our larger charities should benefit and continue to benefit from the 80 per cent reliefs that they currently enjoy. I urge the chamber to consider that.

Nora Radcliffe (Gordon) (LD): I would like to bring the debate back within the parameters of the real world. What will be the amendments' end result?

When the three water authorities were set up, charitable reliefs were to be withdrawn because it was deemed to be inappropriate that water-charge payers support charities that should be supported by the public purse.

Richard Lochhead: Will the member take an intervention?

Nora Radcliffe: I do not have enough time to take interventions and Richard Lochhead has had his turn.

The Government intervened so that the burden did not fall immediately on charities. We are now setting up a new body and removing charitable relief from an area in which such relief is inappropriate and returning it to an area in which public support for charities is appropriate.

The debate is not about whether charitable effort should be supported—that is a given. The argument is about the sensible way to support charities and whether it is sensible to make all water-charge payers, some of whom are the vulnerable people we have been talking about, pick up the social bill for charitable effort that the public purse should be paying.

We say that we should support charities, but if we agree to such open-ended and generous amendments on charitable relief, it is not we who are being generous, but we who are being generous on behalf of water-charge payers who—as has been said—include people on low incomes. Members should bear that in mind because that is the real debate.

The Transport and the Environment Committee debated the issue. We zeroed in on a group of charities that we thought would be liable to be disadvantaged by the removal of reliefs. We thought that those charities should get more time to adjust to the withdrawal of charitable reliefs. We asked the Executive to come back with a targeted scheme, which it did, although there were criticisms of it. The Executive went to the SCVO and the voluntary sector and then made the scheme more generous. It has added a limited hardship fund to pick up unforeseen special cases. That is laudable and I welcome it.

We must bear in mind the end result, which should be that charitable relief does not sit with water-charge payers, but with the public purse. We are not talking about whether to support voluntary effort, but about the best and most appropriate way to do that.

Allan Wilson: I will be as brief as I can.

The Executive's priority is clearly the delivery of social justice. One of the anomalies of the bill has been that the debate has concentrated on water relief when the aims and objectives of the bill are to establish a single company to oversee the water industry. The bill is not ideal for the purpose of discussing social justice.

Bristow Muldoon: Does the minister acknowledge that during the stage 1 debate at the Transport and the Environment Committee, Robin

Harper, Fiona McLeod, Adam Ingram and John Scott all supported proposals that are more or less the same as those that are now being proposed by the Executive?

Allan Wilson: I acknowledge what Bristow Muldoon said. I have noticed certain inconsistencies in the SNP's approach to the matter.

I clarify the position for the benefit of the nationalists, who do not seem to understand what is being proposed. Scotland's 13 hospices will receive separate treatment outside the relief scheme. Water charges are not a significant part of those hospices' overall running costs. I have calculated that the charges constitute less than half of 1 per cent of their costs. Withdrawal will be taken into account along with the increased health board funding that was announced by my colleagues in the health department.

Fiona McLeod: Will the minister give way?

Dennis Canavan: Will the minister take an intervention?

Allan Wilson: I will take an intervention from Dennis Canavan.

Dennis Canavan: Is the minister saying that the Minister for Health and Community Care will give to health boards a ring-fenced additional amount of money for each hospice? For example, in the case of Strathcarron Hospice, will the Executive give an additional ring-fenced £9,000 per annum to Forth Valley NHS Board to make up for the money that it is losing through the loss of water relief?

Allan Wilson: Lest there be any doubt, the answer to that question is yes. Is that clear enough for the nationalists among us?

Fiona McLeod: Will the minister give way?

Allan Wilson: With respect, I must move on.

A number of important questions were asked by my colleagues. To the questions on income that is generated and free meters, the answers are yes—the expected date of implementation applies to all those currently being charged.

I believe that the scheme is workable and that it will benefit more than 90 per cent of the groups that were targeted by the Transport and the Environment Committee as being deserving of the charitable relief that we now intend to provide. I commend the scheme to the Parliament.

The Deputy Presiding Officer: The question is, that amendment 27 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North-East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Ms Margo (Lothians) (SNP)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeish, Henry (Central Fife) (Lab)
 McLeod, Fiona (West of Scotland) (SNP)

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)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Mundell, David (South of Scotland) (Con)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robison, Shona (North-East Scotland) (SNP)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Thomson, Elaine (Aberdeen North) (Lab)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Welsh, Mr Andrew (Angus) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Wilson, Andrew (Central Scotland) (SNP)

ABSTENTIONS

Harper, Robin (Lothians) (Green)
 Sheridan, Tommy (Glasgow) (SSP)

The Deputy Presiding Officer: The result of the division is: For 114, Against 0, Abstentions 2.

Amendment 27 agreed to.

After section 37

The Deputy Presiding Officer: I probably should not do this, but since I have everybody here I advise members that they are requested to take their places by 1.45 at the latest this afternoon, for the address by the Portuguese president.

Amendment 1 moved—[Robin Harper].

The Deputy Presiding Officer: The question is, that amendment 1 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (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, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)

Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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)
 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, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 33, Against 79, Abstentions 0.

Amendment 1 disagreed to.

Amendment 90 moved—[Richard Lochhead].

The Deputy Presiding Officer: The question is, that amendment 90 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)

Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (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, Dr Sylvia (Stirling) (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)

Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 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)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 49, Against 65, Abstentions 0.

Amendment 90 disagreed to.

Amendment 102 moved—[Dennis Canavan].

The Deputy Presiding Officer: The question is, that amendment 102 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Canavan, Dennis (Falkirk West)
 Sheridan, Tommy (Glasgow) (SSP)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Campbell, Colin (West of Scotland) (SNP)

Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North-East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Ms Margo (Lothians) (SNP)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeish, Henry (Central Fife) (Lab)
 McLeod, Fiona (West of Scotland) (SNP)
 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)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Mundell, David (South of Scotland) (Con)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)

Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Robison, Shona (North-East Scotland) (SNP)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
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 Smith, Iain (North-East Fife) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Thomson, Elaine (Aberdeen North) (Lab)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Welsh, Mr Andrew (Angus) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Wilson, Andrew (Central Scotland) (SNP)

ABSTENTIONS

Harper, Robin (Lothians) (Green)

The Deputy Presiding Officer: The result of the division is: For 2, Against 109, Abstentions 1.

Amendment 102 disagreed to.

Section 46—Interests of customers

The Deputy Presiding Officer: Amendment 103 is grouped with amendments 28, 30, 29, 31, 32 and 33. I will have to be tight on time with this group.

11:45

David Mundell (South of Scotland) (Con): When one starts moving amendments to bills it becomes addictive. My amendment today—amendment 103—relates to development, and arises because of my concern about the current situation with West of Scotland Water in Dumfries and Galloway. That is a situation that is, I am sure, replicated throughout Scotland. On 29 January, Dumfries and Galloway Council unanimously passed a motion to express its grave concern at the effect that West of Scotland Water's constraints were having on the implementation of the council's development plan, and the effect that those constraints were likely to have on the building industry and on employment in the building industry in Dumfries and Galloway.

The way in which West of Scotland Water is interpreting the exercise of its functions is

impeding development and supplanting the planning system. Dumfries and Galloway Council goes through the proper democratic process in determining whether development should or should not take place, but West of Scotland Water has, in effect, a veto. The concern is that the new Scottish Water will not only continue with that practice, but will make it worse because the organisation will not have specific geographical ties.

We have many significant settlements in the south-west, such as Langholm, Castle Douglas and Stranraer. Development in those places is being constrained by West of Scotland Water. West of Scotland Water said that it was carrying out a survey into the state of the local water and sewerage system, but instead of using the survey to support the council's development plan, it is using it to object at every turn to development. My amendment 103 seeks to make Scottish Water work with local authorities, not so that Scottish Water can be told where to invest, but so that it supports local authorities' development plans. That is the proper process.

I have received representations—as have other members from the south-west—from the Federation of Master Builders in Scotland. The Parliament has received a petition, which has been signed by 2,000 people. That petition relates specifically to Dumfries and Galloway, but the issue applies throughout rural Scotland. I hope, given the way in which amendment 103 is worded, that the minister will accept it.

I move amendment 103.

Allan Wilson: I understand the desire behind amendment 103, which is to ensure that those who live in rural and remote areas are not disadvantaged. Indeed, I agreed with an amendment of John Scott's at stage 2 to add the word "remote" to section 46. Section 46 as amended addresses David Mundell's concerns, so I ask members to reject amendment 103. I do not think that section 46 does not cover, for example, economic development.

Executive amendments 28, 30, 29, 31, 32 and 33 have been lodged because of a number of commitments that I made at stage 2. The rationale behind the establishment of Scottish Water can be summed up in one word—efficiency. At stage 2, Des McNulty argued that there ought to be an explicit duty on Scottish Water to act with due regard to economy, efficiency and effectiveness. We agree that a specific duty requiring Scottish Water to endeavour to ensure that it uses the resources that are at its disposal economically, efficiently and effectively is desirable and would be a sensible addition to the bill. Amendment 28 will impose such a duty.

There was concern among the Transport and the Environment Committee's members that the public access duties on Scottish Water were framed solely in terms of areas of natural beauty and the like. We recognise that what matters for a lot of people is that they have reasonable access to land that is held by Scottish Water. Amendment 29 seeks therefore to place a general duty on Scottish Water to

"have regard to the desirability of preserving for the public any freedom of access",

which includes access for recreational purposes.

Amendment 30 addresses another concern that was expressed by the Transport and the Environment Committee at stage 2 about the treatment of sustainable development in the bill. There was concern that as drafted, the bill treated sustainable development as part of environmental protection. Amendment 30 recognises the social and economic dimensions to the principle of sustainable development, and as such meets the concerns that were expressed by the Transport and the Environment Committee. Amendments 31 and 32 are consequential on amendment 30. I commend those amendments to the chamber.

At stage 2 of the bill, Des McNulty and others argued passionately for Scottish Water to be required to include in its annual report descriptions of how it would comply with the duties that are placed on it. They asked for descriptions of customer standards and local consultation codes, and of the duties on using resources economically, efficiently and effectively with a view to sustainable development. Amendment 33 will require Scottish Water to report on those matters in its annual report. Amendment 33 will also require Scottish Water, if it fails to comply with the customer and consultation codes, to set out the reasons for that failure.

The Executive amendments in the group are testament to the hard work of the members of the Transport and the Environment Committee, and of other representations that were made to me. The result is improvement to the bill.

I urge members to support amendments 28 to 33.

The Deputy Presiding Officer: I can give one minute to Alasdair Morgan.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): I support Mr Mundell's amendment 103. The situation of people in my constituency is that West of Scotland Water has, in effect, put a veto on further housing development in nearly every major settlement. In many cases, the veto has come out of the blue.

Small builders who have applied for planning permission on one or two sites that they own have

received planning permission only to find that West of Scotland Water objects at the stage at which the builder seeks permission to connect to the mains. At such a late stage, West of Scotland Water has said that no sewerage capacity is available. Small builders cannot afford the outlay in such instances.

It is ironic that the minister who has responsibility for rural development is, at the same time, supervising the water industry which—in my constituency—is putting a total blight on rural development. We need to address that issue.

The Deputy Presiding Officer: There is no time remaining to allow David Mundell to respond to the debate. I ask him to press or withdraw amendment 103.

David Mundell: The matter is important. I press amendment 103.

The Deputy Presiding Officer: The question is, that amendment 103 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division. It will be a two-minute division—someone might want to tell the members in the coffee lounge.

FOR

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 McGregor, Mr Jamie (Highlands and Islands) (Con)
 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)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)

Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (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, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
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 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Murray, Dr Elaine (Dumfries) (Lab)
 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)
 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)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Harper, Robin (Lothians) (Green)

The Deputy Presiding Officer: Before I give the result of the vote, I remind members to respect the ruling that they should not cross the well of the chamber.

The result of the division is: For 47, Against 64, Abstentions 1.

Amendment 103 disagreed to.

After section 46

Amendments 28, 30 and 29 moved—[Ross Finnie]—and agreed to.

Section 47—Environmental matters

Amendments 31 and 32 moved—[Ross Finnie]—and agreed to.

Section 49—Directions

The Deputy Presiding Officer: Amendment 104 is grouped with amendment 111.

David Mundell: Members will recall the stage 1 debate, but when it comes to the question of determining where the Scottish Executive and other agencies will locate their offices, contrary to all the statements received from the Executive and assurances given by ministers in correspondence that they will locate such offices throughout Scotland, we find that offices are taken away from areas such as Dumfries. I have raised that issue with the minister, as have the constituency MSP Dr Elaine Murray, and Alasdair Morgan.

Amendment 104 seeks to ensure that Scottish Water acts consistently with what is said to be Scottish Executive policy on the distribution of jobs throughout Scotland. The jobs that are provided by West of Scotland Water in Dumfries are significant—they are well-paid jobs in an area that has the lowest earned income in Scotland. The facts that have been presented have not justified the removal of such jobs.

When Dr Murray and I met Professor Alan Alexander, the current chairman of West of Scotland Water, he could not cite a single cost saving that would be achieved by moving jobs from the low-cost area of the south-west of Scotland to the centre of Glasgow. I met subsequently the water commissioner who made it

clear that, of the private water companies that operate in England, the companies that are the most effective and efficient are those that have pursued a policy of diverse location of employment. The companies that centralised their operations are those that are doing least well in serving their customers.

If people are going to argue that jobs should be taken out of rural Scotland, which—as Mr Morgan pointed out in support of amendment 103—is the responsibility of Mr Finnie, they must be able to demonstrate that that will create some benefit to somebody. On Tuesday, at a meeting of the Public Petitions Committee, Paul Hyles of Unison pointed out that West of Scotland Water is prepared to pay a fortune to allow people to travel from Dumfries to Glasgow, but it is not prepared to have people based in the Dumfries office.

I find myself frustrated by the continual ministerial assurances that Executive policy is not about the centralisation of jobs away from rural Scotland—assurances which are not backed up on the ground. As long as Scottish Water remains a public entity it should act in accordance with the Scottish Executive's policy on the distribution of work through Scotland.

I move amendment 104.

Tavish Scott (Shetland) (LD): The tone of what I will say in speaking to amendment 111 will be the same as that which David Mundell used when he moved amendment 103.

As an island—indeed a rural—member, I wish to express concern about the function and location of local offices of the new water organisation. I do so more in the sense of how best to find a mechanism to tackle the obvious consumer and community concerns about proposals that Scottish Water may have to remove local offices. I also want to pick up on the point made by Mr Mundell about the natural tendency of such large, centrally based organisations to centralise their powers.

12:00

Amendment 111 would lay an obligation on Scottish Water to carry out engineering, planning, design and operational work in local offices, unless the organisation can show that moving such work to a central location would save money. Furthermore, Scottish Water would be obliged to make such a case to the water commissioner.

I respect the minister's arguments on amendment 24 and the consultation code. However, as far as centralisation is concerned, I want to push him on how we can best make the same argument, using the routes that are available in the bill. After a spirited group discussion on this point, I came to recognise that amendment 111 gives rise to two specific

concerns. In particular, Keith Raffan pointed out that it would be wrong for the Parliament to seek to micromanage Scottish Water. Indeed, I take that point.

The other significant concern about amendment 111 focuses on the central issue of efficiency. Scottish Water is required to achieve a level of savings across the whole network and any impediment to that requirement might translate into charges for individual consumers. As a result, the central question is how we can best achieve a mechanism that allows local communities to have some input into decisions about offices in their own locality. I have pressed the minister and written to the chairman designate of Scottish Water on those points.

This morning, ministers should provide clear guidance about how the consultation code would work in relation to the closure of a local office. Would that be considered under subsection (1) of the new section proposed by amendment 24? Furthermore, would that provision take into account issues such as office closures and substantial changes in staffing complements, expertise and retained functions? Amendment 111 is a method of achieving the same end as amendment 24, and I invite the minister to consider its merits.

Maureen Macmillan (Highlands and Islands) (Lab): I am sympathetic to amendment 111, as it seeks to protect personnel in rural areas, particularly in Shetland. However, I must reluctantly speak against it, even though I realise that Tavish Scott will once again express his great disappointment with me in the pages of *The Shetland Times*.

If we agreed to amendment 111 it would affect not only local offices, but the whole country, as it could mean a protracted consultation if Scottish Water wished in any way to restructure its operation to become more competitive. If Tavish Scott has read the Transport and the Environment Committee's report on its inquiry into the water industry, he will recall that the committee believed that it was imperative for Scottish Water to restructure as quickly as possible to ensure that it was ready to face competition from private companies. At the same time, it would have to manage human resources sensitively.

I am sure that Tavish Scott believes—as I do—that services are often more economically and effectively delivered at local level. If that is true, Scottish Water should have the nous to act accordingly without having to go through lengthy consultations that might jeopardise its overall efficiency and—as the committee report says—its “competitive position”. That “may have serious consequences” for the authority, its staff and the communities that it serves.

However, I do not want Scottish Water automatically to believe that centralisation is best. I urge the organisation to consider rural offices and the good work that they do.

Donald Gorrie: I support the general thrust of amendments 111 and 104 and hope that we will receive a convincing reply from the ministers that the Parliament and the Executive will take the issue of decentralisation seriously. We have accepted the general idea of having one water board; indeed, there might be good arguments for such an approach. However, any human organisation has a tendency towards centralisation. The offices of large organisations are sited for the convenience of the top brass; the proximity of the golf course patronised by the boss is more important than any organisational efficiencies that might be made. We must combat such a tendency, and ensure that Scottish Water is run sensibly and that it reflects the views of local communities. When the minister responds to amendments 104 and 111, he must explain how those objectives will be achieved.

Robin Harper: I supported Tavish Scott on this issue during the committee's stage 2 considerations and I feel impelled to support him and David Mundell in the chamber. The net result of agreeing to amendments 104 and 111 would be a happier work force locked into local communities and, in the long run, greater efficiency and a better quality of service. I will therefore vote for amendments 104 and 111.

Alasdair Morgan: My support for amendments 104 and 111 is prompted by the continuing run-down of office, engineering and laboratory installation facilities in Dumfries that David Mundell highlighted. However, the same thing is clearly happening elsewhere in the country, and we have no indication that such a tendency will not accelerate. As David said, such jobs are relatively high-paid in Dumfries and Galloway and are therefore of great value to the economy. More important, the local knowledge of the engineers and others who work in those areas is valuable and ensures a quicker and more accurate response for customers. Stories are legion of people who have come in from outside the area to work for West of Scotland Water and have spent the first couple of hours on site working out where the pipes are, because the local knowledge has not been available.

I realise that not every area in the country can have a local office for every public operation. However, as far as Dumfries and Galloway is concerned, we are talking about changing the current situation. We will remove the current structure without giving back any countervailing advantages, unless we include the dubious one of hugely increased water charges. Furthermore, this

is happening against the background of a centralising tendency in, for example, the awarding of contracts. More and more contracts for the water authorities are being awarded centrally by competitive tender, which means that small local contractors are being squeezed out. As a result, we are suffering a double blow: we lose the direct jobs in the local offices and the indirect jobs from the contracts that used to go to small local contractors.

As I said earlier, we have the ludicrous situation of a minister who has at least two hats. He is supposed to be responsible both for co-ordinating and promoting rural development, and for water. However, if the minister cannot even co-ordinate rural development in water, a subject over which he has direct control, what hope do we have that rural development will be co-ordinated in other areas? I said to Alex Fergusson that it might be interesting to ask when the cross-cutting ministerial group on rural development last met. I would be interested to hear the answer to that question, and whether the group has ever discussed the water industry in relation to rural development.

Mr Keith Raffan (Mid Scotland and Fife) (LD): My colleague Tavish Scott referred to concerns about the micromanagement of Scottish Water. Although I certainly do not believe that that should happen, I agree with him and Donald Gorrie that Scottish Water should have a decentralised structure and be accessible to people. That is why I am delighted not just that the organisation's new headquarters will be in Dunfermline, but that no more than 50 to 60 people will work there. The situation is inconsistent at the moment. East of Scotland Water has four local offices; North of Scotland Water has 13; and West of Scotland Water has eight. I am not saying that there should be rationalisation; obviously, the remoter parts of the country, particularly the northern isles, Orkney and Shetland, must be looked after. However, Scottish Water should establish a consistent policy on local offices.

Ross Finnie: We have to resolve two separate issues in order to square this particular circle. My problem with amendments 104 and 111 is that we are in danger of—to use Keith Raffan's phrase—micromanaging Scottish Water. We must strike a balance between ensuring that the organisation has proper commercial freedom and ensuring that the bill provides a structure for the new organisation that addresses the points that David Mundell and Tavish Scott raised concerning the deficiencies of the current structure.

In response to Alasdair Morgan, one of the general duties of Scottish Water is that it must have due regard to the interests of its customers or potential customers. That relates to the points

made by Tavish Scott. Those who are ordinarily resident in rural or remote parts of Scotland will be particularly drawn to the attention of Scottish Water.

It is important to consider the role of the consultation panels and the access that local residents have to those panels. There will be five panels, including, in particular, one for Orkney, Shetland and the Western Isles. Amendment 24, which was agreed to earlier, proposes a consultation code for Scottish Water. That imposes on Scottish Water a duty to consult people on its key activities and core functions. Scottish Water must not only say whether it will save money, but amendment 28, to which we have just agreed, places a duty on it to demonstrate that it is operating "economically, efficiently and effectively." That goes a long way to meeting the concerns raised by members.

The panels that we are putting in place will be able to take up far broader issues. The bill imposes statutory undertakings that are not present in the current legislative arrangements. The consultation code, and the fact that Scottish Water must operate economically, efficiently and effectively, gives the local consultation panels clear statutory grounds. Never mind whether they have a view—they might or might not—they know the tests that Scottish Water must meet and they are able to apply those tests in bringing matters properly to the attention of the commissioner.

The bill also provides that the commissioner must have regard to the panels and Scottish Water must have regard to matters raised by the commissioner. I say to David Mundell and Tavish Scott that there are mechanisms in the bill that meet their understandable concerns, and those of other members, including Alasdair Morgan and Donald Gorrie. There are measures in the bill that would prevent Scottish Water from acting in a way that was detrimental to those in remote and rural communities and to customers as a whole. I therefore invite Parliament to resist the amendments and to consider carefully what is already in the bill. I hope that that will provide a suitable remedy to the real concerns that members have raised.

The Deputy Presiding Officer: I invite David Mundell to sum up and to indicate whether he will press or withdraw his amendment.

David Mundell: I will press the amendment, because I am not reassured by what the minister has said. We have invariably received reassurances on this matter, but what the employees of West of Scotland Water in Dumfries have received is 90-day notices that their jobs are being moved from Dumfries to elsewhere. While I accept that the consumer panels have an important role, they will not be engaged in

determining where services are located. Indeed, the water commissioner himself presents exactly the same argument as the minister, which is that it is not for him to micromanage the industry. Therefore, although he will say that companies in England that spread their work force throughout their locality are the most efficient and effective companies, he does not have the capacity to tell Scottish Water that that is what it should do.

The Scottish Executive has set clear policy guidelines and ministers repeatedly answer questions by saying that it is Scottish Executive policy for jobs to be dispersed throughout Scotland. However, when it comes to the bit, the Executive is not prepared to go the extra step and deliver on that commitment. The minister in particular, with responsibility for rural Scotland, should understand that the Executive is not just an outside intervener in rural areas, but an important economic agent in itself. If he fails to locate agencies such as Scottish Water in rural Scotland he is missing a development opportunity and creating greater difficulties for himself.

12:15

The Deputy Presiding Officer: The question is, that amendment 104 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

For

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 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)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 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, Dr Sylvia (Stirling) (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)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Murray, Dr Elaine (Dumfries) (Lab)
 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)
 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)
 Smith, Mrs Margaret (Edinburgh West) (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)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Gorrie, Donald (Central Scotland) (LD)

The Deputy Presiding Officer: The result of the division is: For 49, Against 64, Abstentions 1.

Amendment 104 disagreed to.

Section 50—Information and reports

Amendment 33 moved—[Ross Finnie]—and agreed to.

After section 55

The Deputy Presiding Officer: Amendment 34, in the name of the Minister for Environment and Rural Development, is grouped with amendments 72, 73, 80 and 82.

Allan Wilson: In the past, the water authorities have from time to time encountered difficulties in requiring the owners of business premises served by the same service pipe as residential customers to install the necessary pipework to enable a meter to be fitted to those premises, while maintaining an unmetered supply for residential customers. A common scenario might be a restaurant situated in a block of flats or tenement building. Amendment 34 addresses that by enabling Scottish Water to require works associated with metering, such as the provision of a new service pipe and alterations to internal pipework, to be undertaken.

Amendments 72, 73, 80 and 82 are consequential on amendment 34. The purpose of amendment 34 is to deal with those loopholes. It will not result in the metering of water used for domestic purposes in the same or adjoining premises. That will continue to be charged for separately. It will make no change to the existing circumstances, which are that domestic customers can request a meter, but that the water authority cannot impose one upon them.

I move amendment 34.

Bruce Crawford: Most of the amendments that we are dealing with today have been discussed before, have been promised by the Executive,

were signalled earlier or are of a technical nature. That is not the case with amendment 34. It is potentially far reaching and controversial. Amendment 34 is closely associated with an amendment introduced by the Executive at stage 2. It is clearly identified in schedule 6 of the bill, as amended at stage 2. When the amendment at stage 2 was moved by Allan Wilson, Fiona McLeod questioned him about whether the power was taken to install meters in domestic or non-domestic premises. He said:

"I asked precisely the same point in relation to this proposition. The problem only arises in a small minority of instances. It is best described as the Chinese restaurant syndrome".—[*Official Report, Transport and the Environment Committee*, 30 January 2002; c 2677.]

Amendment 34, combined with the Executive's stage 2 amendment, provides the minister and Scottish Water with concerning and far-reaching new powers. The effect will be, first, to give the ministers power to amend section 50 of the Water (Scotland) Act 1980, which describes what are to be regarded as domestic and non-domestic premises. Yet close examination of that section shows that Scottish Water is already provided with adequate powers. It states:

"A water authority shall not be bound to supply with water otherwise than by meter—

(a) any premises whereof part is used as a dwelling house and part for any business, trade or manufacturing purpose for which water is required".

Secondly, Scottish Water will be able to install a meter in any premises if it is given the power to do so by Scottish ministers. It will then be able to charge the lucky recipient for the privilege of installation. In short, amendment 34 will give Scottish ministers the power, by subordinate legislation, to allow Scottish Water to install meters in domestic premises and recover the cost from the householders.

Although we intend to vote against amendment 34 whatever happens, we need a cast-iron guarantee from the minister that there will never be a proposal to install meters in domestic premises, even though the Executive is giving itself the power to do that by subordinate legislation.

Allan Wilson: The power to supply water by meter is given in section 50 of the Water (Scotland) Act 1980. Let me make it clear that there is absolutely no intention by the ministers or Scottish Water to force anyone on to a meter for a domestic supply. If it had such an intention—which it does not—Scottish Water could be stopped by ministers from imposing meters through a direction under section 49 of the bill. That clarifies the point. However, I suspect that the nationalists will vote against the amendment anyway, as they never listen to the points that are made.

The Deputy Presiding Officer: The question is, that amendment 34 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 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)
 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, 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)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

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)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Deputy Presiding Officer: The result of the division is: For 80, Against 31, Abstentions 0.

Amendment 34 agreed to.

The Deputy Presiding Officer: Amendment 35 is grouped with amendment 75.

Allan Wilson: The purpose of amendment 35 is to give Scottish Water adequate power to enforce water byelaws. The amendment was prompted by a particular concern about enforcing byelaws on the use of lead solder in plumbing. The bill provides an opportunity to give Scottish Water sufficient powers in that regard.

First, amendment 35 will provide for an

increased maximum penalty for the contravention of the byelaws. That will be an important signal to those who believe that they can flout byelaws, such as those on the use of lead solder, which are designed to protect public health. Secondly, if the byelaws are contravened, amendment 35 will provide for proceedings to be initiated within six months from when Scottish Water or the procurator fiscal became aware of evidence of the offence.

That change is intended to address the current situation in which prosecution is possible only within six months of the offence being committed. When lead solder has been used illegally in new premises, the water authority often does not discover that fact within six months, which means that the offence cannot be referred to the procurator fiscal. Amendment 35 will make an important improvement to the enforcement arrangements. I ask members to agree amendment 35.

Amendment 75 is a minor, tidying-up amendment that replaces references to local authorities in the 1980 act with references to "Scottish Water."

I move amendment 35.

Amendment 35 agreed to.

Schedule 1

WATER INDUSTRY COMMISSIONER AND CUSTOMER PANELS:
 FURTHER PROVISION

The Deputy Presiding Officer: Amendment 92 is grouped with amendments 106, 107, 36, 93, 108 and 95. If amendment 106 is agreed to, amendments 107, 36 and 93 are pre-empted. If amendment 107 is agreed to, amendments 36 and 93 are pre-empted.

Fiona McLeod: I would like Adam Ingram to move amendment 92 for me.

The Deputy Presiding Officer: That is somewhat irregular, but I invite Adam Ingram to do so briefly.

Mr Adam Ingram (South of Scotland) (SNP): In moving amendment 92, we want to enhance the independence of the water industry commissioner, who is charged with promoting customers' interests. We do not want the commissioner to be a creature of ministers who, in the final analysis, are primarily responsible and publicly accountable for Scottish Water, which is the provider of the services. It is clear that Parliament is best placed to represent customers' interests and therefore Parliament should be in control of the appointment process.

On amendment 95 and the appointment of non-executive board members, Parliament should be satisfied that such individuals are appointed on

merit and not because they are members of the Labour party. All amendments in this group improve the bill's system of checks and balances, particularly in relation to democratic scrutiny, and should be supported.

I move amendment 92

Tavish Scott: I speak on amendment 106, principally in relation to proposed new paragraph 5(2), which refers to the nominating bodies for a customer panel. I welcome the minister's earlier remarks about the geographic structure of those panels. However, I look for ministerial guidance on whether two particular groups will be represented on customer panels and on how best to represent them.

The first group is local authorities and my point is related to Dennis Canavan's earlier remarks on another amendment. When I was a councillor in Shetland in the mid-1990s, the Conservatives removed water and waste-water services from local authority control. There was no overriding case for doing so in the geographic circumstances in which I was then involved. Strategic planning, housing and economic development factors solidly come together under the ambit of local government. I believe that strategic guidance, the principle of community planning and community planning initiatives are best brought together under local government. Water and waste-water services are an essential development part of those elements. Therefore, local authorities should be part of the customer panels.

The second group is non-domestic users of water and waste-water services. I am thinking in particular of fish-processing businesses in my constituency and other areas, such as north-east Scotland, which pay huge amounts of money to water companies and need to be represented on the customer panels to drive forward the efficiencies that the bill aims to achieve. Amendment 106 would recognise those two groups.

12:30

John Scott: Amendment 107 seeks to appoint different conveners to each of the five water customer consultation panels. I believe that this is necessary because one man would find it difficult to serve on and convene five committees, as proposed.

Ross Finnie: One person, surely.

John Scott: One person, indeed. I thank the minister for his guidance.

Further, a local convener would better understand local issues and be better able to report on them to the commissioner and, if need be, Scottish ministers. To allow the panels to

function properly, as we all want them to do, we must have a convener for each panel, whether that convener be a man or a woman.

Ross Finnie: Amendment 36 is, I hope, fairly self-explanatory.

Amendments 92, 93 and 95 deal with the appointment of the water industry commissioner, conveners and non-executive directors. We have rehearsed that debate in detail in recent weeks and in the chamber. The SNP has made it clear where it stands on this matter.

I should make clear to the Parliament that each of those three appointments will be conducted under the Nolan principles. Therefore, the procedures that the Parliament agreed will apply to the appointments. I point out that the Scottish Executive will be consulting on improving the way in which persons are appointed under the Nolan procedures. The question of the independence of those appointments should not arise—Mr Ingram's nonsensical comment about political appointments simply does not apply. The three appointments will be made under the Nolan principles and the Parliament should be clear about that when it considers rejecting those appointments.

Tavish Scott and John Scott talked about the membership of the customer panels. We must consider what we are trying to create. We are trying to give the water industry commissioner a status that no one has had in the past. We are trying to create someone who has an overview of customer complaints across Scotland. It is important that that individual is not just made aware of the complaints but is actively involved in dealing with them. In that way, he can draw both bad and—which is important—good practice to the attention of Scottish Water. Because of the status that we wish to afford the commissioner, the bill provides that, through the commissioner's offices, reasonable costs and expenses will be paid to that individual. That elevates dramatically the importance of the commissioner.

Tavish Scott raised two specific points. The directions that we will give on the nature of persons who will be appointed will make two quite clear points. One is that there must be regard to business interests. That is imperative as we cannot have customer panels that take account only of domestic customers. The panels must also take into account the interests of small businesses, which Tavish Scott asked about.

The other element is to ensure that the balance of the membership is such that the concerns of local people can be clearly articulated. Members of local authorities will not be barred from being considered for that purpose. The only point that I will stress is that they would not be on the panel to ensure democratic accountability. The democratic

accountability of Scottish Water is to the Parliament. If it were felt that the local councillor was, in the circumstances, best placed to be on the panel, that would be entirely appropriate.

I urge members to support amendment 36 and to reject the other amendments in the group.

The Deputy Presiding Officer: I require someone to speak to amendment 93. Will Fiona McLeod do it?

Fiona McLeod: I will speak to amendment 93 and to the generalities of all the amendments. I apologise for any confusion earlier, Presiding Officer.

Those amendments are intended to ensure that the appointments of the water industry commissioner, the convener of the water customer consultation panels and members of the board of Scottish Water, which are powerful positions in the Scottish water industry, have parliamentary approval. I thought that every member would want that.

I will talk about the role of the convener of the customer consultation panels—or conveners, if amendments 106 and 107 from the Scott twins are agreed to, of which I would approve. The convener of those panels will be the voice and face of millions of customers. They cannot be a ministerial placeman or placewoman and they cannot be a ministerial mouthpiece. We know from last week's revelations that we still have no independent scrutiny of ministerial appointments. Only parliamentary approval of such pivotal appointments will lift them above political interference.

I ask all members to vote for amendments 92, 93 and 95.

Bristow Muldoon: We should be clear that the amendments that the SNP has lodged are all amendments that the Transport and the Environment Committee has rejected roundly. We should also be clear that the proposals that the SNP puts forward are the same as those that were rejected in the defeat last week of Mr Neil's member's bill, the Public Appointments (Parliamentary Approval) (Scotland) Bill.

It is unfortunate that the SNP is trying to turn the debate on the Water Industry (Scotland) Bill into yet another opportunity to attack and degrade people who stand for public appointments.

Alex Neil (Central Scotland) (SNP) *rose—*

Bristow Muldoon: I have only two minutes; Mr Neil had plenty of time last week. I ask him to sit down.

The position that Fiona McLeod and Adam Ingram have expressed is a disgraceful attack on the integrity of those who stand for public appointments. It is also a disgraceful attack on the

integrity of ministers. Fiona McLeod and Adam Ingram do not want to depoliticise the appointments process; they want to politicise it so that they can attack people who come into public life. Amendments 92, 93 and 95 should therefore be rejected.

Fiona McLeod: Bristow Muldoon's remarks have made it clear that the debate will go on and on. It is about parliamentary approval of pivotal appointments in public life in Scotland. The evidence that we received last week during the debate on the Public Appointments (Parliamentary Approval) (Scotland) Bill was that the Labour and Liberal Democrat Executive has still not worked out a mechanism that will ensure that such pivotal appointments are above political interference. Only parliamentary approval, such as the Liberal Democrats tell us in their manifesto that they want, but which they give up in the Executive, will ensure that the appointments are above the political process.

The Deputy Presiding Officer: The question is, that amendment 92 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Dr Winnie (Highlands and Islands) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)

Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (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)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)

Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Watson, Mike (Glasgow Cathcart) (Lab)

The Deputy Presiding Officer: The result of the division is: For 47, Against 62, Abstentions 1.

Amendment 92 disagreed to.

Amendment 106 not moved.

Amendment 107 moved—[John Scott].

The Deputy Presiding Officer: The question is, that amendment 107 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Mundell, David (South of Scotland) (Con)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)

Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (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)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McLeish, Henry (Central Fife) (Lab)
 McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
 McNeil, Mr Duncan (Greenock and Inverclyde) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Murray, Dr Elaine (Dumfries) (Lab)
 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)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 48, Against 62, Abstentions 0.

Amendment 107 disagreed to.

Amendment 36 moved—[Ross Finnie]—and agreed to.

Amendment 93 moved—[Fiona McLeod].

The Deputy Presiding Officer: The question is, that amendment 93 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (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)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Henry, Hugh (Paisley South) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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, 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)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 45, Against 63, Abstentions 0.

Amendment 93 disagreed to.

Amendment 108 not moved.

The Deputy Presiding Officer: I propose to suspend consideration of amendments at this stage. The remaining three groupings will be debated in the afternoon.

Business Motion

12:44

The Deputy Presiding Officer (Mr Murray Tosh): The next item is business motion S1M-2741, in the name of Patricia Ferguson, which sets out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Wednesday 27 February 2002

2.30 pm

Time for Reflection

followed by Parliamentary Bureau Motions

followed by

Stage 1 Debate on the Scottish Parliamentary Standards Commissioner Bill

followed by

European Committee Debate on its 9th Report 2001: Report on the Governance of the European Union and the Future of Europe: What Role for Scotland?

followed by

Parliamentary Bureau Motions

5.00 pm

Decision Time

followed by

Members' Business – debate on the subject of S1M-2597 Dorothy Grace-Elder: Plight of Chronic Pain Patients

Thursday 28 February 2002

9.30 am

Scottish Conservative and Unionist Party Business

followed by

Business Motion

2.30 pm

Question Time

3.10 pm

First Minister's Question Time

3.30 pm

Stage 1 Debate on the Education (Disability Strategies and Pupils' Records) (Scotland) Bill

followed by

Stage 3 Debate on the Marriage (Scotland) Bill

followed by

Parliamentary Bureau Motions

5.00 pm

Decision Time

followed by

Members' Business – debate on the subject of S1M-2647 Lord James Douglas-Hamilton: Rail Link to Edinburgh Airport

Wednesday 6 March 2002

2.30 pm

Time for Reflection

followed by

Parliamentary Bureau Motions

followed by

Stage 3 Debate on the Sexual Offences (Procedure and Evidence) (Scotland) Bill

followed by

Parliamentary Bureau Motions

5.00 pm

Decision Time

followed by

Members' Business

Thursday 7 March 2002

9.30 am Committee of the Whole Parliament:
Stage 2 Debate on the Fur Farming
(Prohibition) (Scotland) Bill

followed by Stage 3 Debate on the Fur Farming
(Prohibition) (Scotland) Bill

followed by Executive Business

followed by Business Motion

2.30 pm Question Time

3.10 pm First Minister's Question Time

3.30 pm Executive Business

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

and (b) that Stage 1 of the Scottish Qualifications Authority
Bill be completed by 21 March 2002.—[*Patricia Ferguson.*]

Motion agreed to.

12:44

Meeting suspended until 14:30.

14:36

On resuming—

Question Time

SCOTTISH EXECUTIVE

MMR Vaccine

1. Mr Lloyd Quinan (West of Scotland) (SNP): To ask the Scottish Executive what plans it has to review the current measles, mumps and rubella vaccine programme. (S10-4666)

The Minister for Health and Community Care (Malcolm Chisholm): The Executive has no plans to review the current MMR vaccine programme.

Mr Quinan: I draw the minister's attention to the announcement that the Minister of State for Health, Jacqui Smith, made this morning. She has allocated £2.5 million to research into autism. Obviously, that must be welcomed, but I say to the minister that, given the lack of take-up of the MMR vaccine in this country, no number of advertising campaigns will convince parents of the safety of the vaccine. To prevent—

The Deputy Presiding Officer (Mr Murray Tosh): The member is making a speech—he should ask a question.

Mr Quinan: Does the minister agree that, to prevent a measles outbreak, it would be worth while at least to offer a single vaccine to parents who are not convinced of the efficacy of the MMR vaccine?

Malcolm Chisholm: As the First Minister said last week, it is important to keep the temperature down and have a rational debate about the issue. Politicians should not second-guess medical opinion. The medical advice is clear. Two issues relate to single vaccines—the risks between vaccines and more trauma for young children. The key point is that all the evidence shows that, if we were to move to single vaccines, there would be big drop in uptake. That happened in a similar situation in 1980, with the whooping cough triple vaccine, and would mean dangers not just from measles—which have been well publicised—but from mumps and rubella. Single vaccines would result in a reduction in all-round uptake.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): Will the minister take the opportunity to recognise and applaud the efforts of general practitioners, health visitors and practice nurses, who work day in, day out to take forward the MMR immunisation programme and other childhood immunisation programmes and offer parents the best possible information and advice in taking important and sensitive decisions? Will

he do all that is in his power to support them in their efforts, particularly as their jobs can often be made more difficult by misleading and at times ill-informed contributions on the matter?

Malcolm Chisholm: I pay tribute to all the work that Susan Deacon has done on the issue. She is absolutely right about GPs and other front-line health workers. They were given information packs last year, not least as a result of her efforts. We are considering further ways of increasing the flow of information to parents. I agree with Susan Deacon that what GPs say and do is crucial.

Ben Wallace (North-East Scotland) (Con): I remind the chamber that this debate was started not by politicians, but by clinicians. Given the current situation, what advice would the minister give to parents who are refusing MMR? Will he offer them another option until the research that Mr Quinan referred to is delivered?

Malcolm Chisholm: I do not think that my advice is crucial in this area. Obviously, I am making my view clear, but I am listening to medical advice and I am sure that, as most people would agree, parents want to hear medical advice. Notwithstanding Ben Wallace's opening sentence, the reality is that the overwhelming body of medical opinion, not only in this country but in countries throughout the world, is that the MMR vaccine is the best and safest option for young children and for society as a whole.

Audiology Services

2. Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): To ask the Scottish Executive what action is being taken to ensure that individual national health service boards adhere to the good practice guidance issued to them in March 2001 on digital hearing aid fitting and services. (S1O-4708)

The Deputy Minister for Health and Community Care (Mrs Mary Mulligan): The good practice guidance, which the Medical Research Council developed for the Scottish Executive, was issued last March. On 6 February this year, the Royal National Institute for Deaf People released the research findings on the audiology units in NHS Scotland. The information gathered has included an examination of the extent to which the good practice guidance is being applied across the service. The information from the RNID research report, and the Scottish Executive review of audiology services when it reports later in the year, will be examined and analysed to see how well the guidance is being applied and what further work needs to be done.

Mr Rumbles: The minister is obviously aware of the recent research by the RNID. It found that only nine out of 22 audiology departments in Scotland

claim to comply with the Executive's guidance on the technical quality of hearing aids. She says that—

The Deputy Presiding Officer: A question, please.

Mr Rumbles: I am asking a question.

The Deputy Presiding Officer: You are not. You have not yet started to ask a question. You have explained that the minister is aware of a report. Will you ask a question?

Mr Rumbles: Does the minister agree that the standard of service identified by the RNID, with only nine out of 22 audiology departments claiming to comply, is unacceptable to the hard of hearing? Will she give an undertaking that she will take action before too long? It is clear that the current situation is not acceptable.

Mrs Mulligan: As I have said, it is important that we consider the results of the research. The findings are not what we would have hoped for. We are keen to ensure that audiology departments throughout Scotland adhere to the guidance that has been issued.

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): Does the minister agree that, although access to digital hearing aids is important and of great benefit to many deaf and hard of hearing people, improvements within audiology services throughout the NHS is central to improving services to the deaf community? The minister has referred to the on-going review of audiology services. Will she let us know when that review is due to be completed? In the meantime, will she use the expertise that has been established throughout the many organisations that represent deaf and hard of hearing people to improve audiology services now?

Mrs Mulligan: It is important to recognise that this discussion is about more than digital hearing aids. The support that is given by audiology units is very important if people are to make the best use of any aid that is given to them. Therefore, although the review will not report until the autumn, we have asked to be given an initial indication of training needs in audiology departments throughout Scotland, so that the appropriate training can be introduced as soon as possible.

Enterprise (Female Representation)

3. Jackie Baillie (Dumbarton) (Lab): To ask the Scottish Executive what action it is taking to address any under-representation of women in business following the report by the Industrial Society, "Unequal Entrepreneurs: Why Female Enterprise is an Uphill Business". (S1O-4696)

The Minister for Enterprise, Transport and Lifelong Learning (Ms Wendy Alexander): The Scottish Executive is committed to supporting more women into business in Scotland. The Industrial Society report is already informing the development of policy on support for women in business in Scotland.

Jackie Baillie: Does the minister agree with the report's findings that women generally start up business with less access to financial networks, less capital to invest and poorer prospects for business growth? Although there are a number of welcome initiatives, implementation across Scotland is patchy. Will she consider establishing a national centre for women in business to oversee a coherent strategy and to drive forward an effective approach to women's enterprise development in Scotland?

Ms Alexander: I share the member's concern. The Industrial Society's report indicates that about one in four self-employed people is female; the figures for Scotland are no different. Jackie Baillie will be pleased to know that tenders have been invited for a feasibility study on establishing a national centre for women's enterprise in Scotland. She will be aware that we have promised a microcredit scheme of £1 million. We hope that the principal recipients of microcredit will be women. We fully expect that microcredit grants, which will range from £500 to £5,000, will be available in all local economic forum areas within a fortnight.

Scottish Ambulance Service

4. Pauline McNeill (Glasgow Kelvin) (Lab): To ask the Scottish Executive when the Scottish Ambulance Service will complete the introduction of a paramedic technician into every ambulance. (S10-4709)

The Deputy Minister for Health and Community Care (Hugh Henry): The service plans to have a paramedic in every emergency front-line ambulance by the end of 2005.

Pauline McNeill: Does the minister agree that, as paramedics have additional training, investment in the programme, whose aim is to ensure that a paramedic is available for every 999 call, is crucial to our emergency services? Does the minister agree that ambulance technicians, who are at the front line in many emergencies, have a difficult job and that, to meet our targets for a full paramedic service, we must look after those staff, as they are the main source of recruitment for the paramedic service?

Hugh Henry: The Scottish Ambulance Service has received additional money for three years to train 225 technicians to paramedic level. The year-on-year uplifts to its allocations have enabled it to increase the overall complement of emergency

ambulance staff. There are 200 more emergency ambulance staff in the front-line vehicles than there were 10 years ago. We value and appreciate the contribution of the staff. We will do everything possible to raise standards and to protect the staff's best interests.

Stewart Stevenson (Banff and Buchan) (SNP): Does the minister recall that Scotland's two busiest part-time ambulance stations are the ones in Peterhead and Fraserburgh? Is he aware that, at grave risk to the public, staff at those stations work excessive hours to cover a full-time requirement? Does he intend to provide the necessary funding to upgrade the stations to full-time operation in the coming year?

Hugh Henry: I am not familiar with staff hours in the locality that Stewart Stevenson mentioned and members would not expect me to be familiar with them—that issue is the responsibility of local managers. The Ambulance Service is formulating proposals to improve ambulance provision in Scotland. I am sure that, as part of that, it will consider Stewart Stevenson's comments.

Robert Brown (Glasgow) (LD): Does the minister accept that it is crucial that the Ambulance Service works in close collaboration with health boards, particularly given the background of the acute hospitals review and the reduction in the number of hospitals in some areas? Will he undertake to ensure that there is no halt in the funding regime that supports the increase in the number of paramedics and that the welcome funding that he announced will be safeguarded and, if necessary, ring-fenced to ensure that the increase is delivered?

Hugh Henry: As I said, the funding regime is intended to provide additional paramedics. The proposals to consider response services will improve the service that is available to the public. Robert Brown is correct that the Ambulance Service must ensure that it liaises closely with health boards. Those who rely on the provision of services in hospitals often depend on the Ambulance Service to get them there. We will ensure that close liaison will continue and, where necessary, that the liaison will improve.

Schools (Sport)

5. Rhoda Grant (Highlands and Islands) (Lab): To ask the Scottish Executive what recent action it has taken to promote sport in schools. (S10-4695)

The Deputy Minister for Tourism, Culture and Sport (Dr Elaine Murray): We work with education authorities and sportscotland to ensure that children have access to as wide a range of sporting activities as possible. Particular initiatives that sportscotland supports include the school

sport co-ordinator programme, the active primary school programme and the TOP programme.

Rhoda Grant: What action can the minister take to promote sport in small rural primary schools? Because of the small number of teachers in those schools, sport is often overlooked or taught by teachers with no specialist sports knowledge. To encourage talent, it is important that young people are allowed to take part in sports from an early age. At present, that is extremely difficult and it is impossible to give children in rural areas the same opportunities as others.

Dr Murray: The issue is indeed often a problem in rural areas. That is principally the responsibility of the local education authority. Nevertheless, in targeting assistance through, for example, the school sport co-ordinator programme, which disburses money through local authorities, the Executive is making resources available so that councils can promote physical activity in ways that are most suited to local need. The education authorities in rural areas will require rather different programmes from those in urban areas. We are targeting money through local authorities in the hope that they will concentrate on the best way of delivering sports education in schools according to the needs in their localities.

Richard Lochhead (North-East Scotland) (SNP): Given the importance of sport to the health, fitness and self-fulfilment of young people, will the minister tell the Parliament whether the amount of sport in our schools has increased or decreased since the Labour-Liberal coalition was formed?

Dr Murray: I am assured that it has increased. The national guidance in the curriculum for five to 14-year-olds recommends that 15 per cent of time should be spent on expressive arts, which include physical education. The guidance is that at least one hour per week should be spent on expressive arts in schools. Schools provide for sports in different ways. The projects provided by sportscotland and local authorities include various after-school activities, lunch-time activities and activities in which young people volunteer to work with young children. I believe that, through those programmes, the amount of physical education that is available to young people is increasing and that sporting facilities are improving.

Landfill Sites

6. Karen Whitefield (Airdrie and Shotts) (Lab): To ask the Scottish Executive what plans it has to review the licensing and operation of landfill sites. (S1O-4678)

The Minister for Environment and Rural Development (Ross Finnie): New legislation is being prepared to tighten the controls on landfills

and to minimise the impact of landfills on their surroundings. It is intended that operators of all sites will have to submit conditioning plans later this year to the Scottish Environment Protection Agency. Those plans will show how the sites will be improved to meet the new standards.

Karen Whitefield: I welcome the fact that new legislation is forthcoming. Does the minister agree that it is unfair to local communities, such as Greengairs in my constituency, for landfill operators to apply for planning permission for a smaller project than is truly intended, as is often the case, and then to submit a further application, knowing that that will be more likely to succeed because the landfill will by then be operating? Does he agree that we need to modernise our planning process to allow those people who live near the landfill sites a far greater say in the planning decisions?

Ross Finnie: The essential issue is the nature of the activity that is being conducted and that is affecting nearby residents. The important point is that new legislation is being prepared to tighten controls on landfill sites. That, combined with planning legislation, will make the situation much more satisfactory. I agree with Karen Whitefield that the present combination of provisions is not working well.

Dorothy-Grace Elder (Glasgow) (SNP): I have a number of points to make, minister, thank you very much.

The Deputy Presiding Officer: No, no: just one supplementary question, please.

Dorothy-Grace Elder: Okay—but it is one question containing two points. Will the minister—[*Laughter.*] Some of my colleagues have been putting about five points in their questions—the minister is lucky today.

The Deputy Presiding Officer: Just get on with the question.

Dorothy-Grace Elder: Will the minister investigate how SEPA handles cases? There is a definite public perception that SEPA is not taking sufficiently strong action. Will the minister also investigate those areas of Scotland that are most heavily dumped on, particularly the east end of Glasgow?

Ross Finnie: I am bound to say that it is simply not good enough to make a generalisation on SEPA's conduct. If the member has specific allegations about SEPA's conduct, I invite her to write to me about them. The evidence that I have on a number of landfill sites is that SEPA has acted promptly, has drawn up the necessary regulation and has been on top of any situations where regulations have been contravened.

Robin Harper (Lothians) (Green): Will the minister make representations to ensure that a greater proportion of landfill tax will be devoted to supporting recycling?

Ross Finnie: Robin Harper is well aware that the Scottish Executive is concerned principally with ensuring that we have the capacity to reduce dramatically the amount of waste that currently goes to landfill sites. We will use UK Government taxation to improve the situation, both by reducing the amount of waste that goes to landfill and by making increasing use of recycling.

Engineering (Female Participation)

7. Marilyn Livingstone (Kirkcaldy) (Lab): To ask the Scottish Executive what action it is taking to promote female participation in engineering. (S1O-4657)

The Minister for Enterprise, Transport and Lifelong Learning (Ms Wendy Alexander): A variety of initiatives are aimed at attracting women into the traditionally male-dominated engineering and technology sector. I recently launched a women-only engineering course that has been set up at the Institute of Applied Technology, which is shared between Fife College of Further and Higher Education and Glenrothes College. I know that the member is familiar with both those colleges.

Marilyn Livingstone: Does the minister agree that, if we are to be at forefront of innovation in engineering and technology, projects such as the one in my constituency to which she referred need to be rolled out across the country? What steps is the Executive taking to ensure that good practice is rolled out across Scotland?

Ms Alexander: In the interests of time, I will provide the member with just a few examples of that. A couple of buses organised by the women into science and engineering project are touring schools in Scotland to encourage boys and, in particular, girls to consider courses in engineering. This week I had the pleasure of joining Peter Hughes, who runs Scottish Engineering, to hear a completely inspirational address, hosted at Parkhead in Glasgow, that he gave to 7,000 schoolchildren. His aim was to encourage boys and girls in particular into the engineering and science sector. The children who attended the event had the opportunity to participate in a variety of activities relating to science and engineering.

West of Scotland Water (Dumfries and Galloway)

8. David Mundell (South of Scotland) (Con): To ask the Scottish Executive what assessment it has made of the impact of investment decisions by West of Scotland Water authority on development in Dumfries and Galloway. (S1O-4670)

The Minister for Environment and Rural Development (Ross Finnie): On 24 January, the member wrote to me asking the same question; a detailed response to that letter is being prepared. WSW is currently preparing a report on the extent of development constraints in its area. The Scottish Executive is in discussion with local authorities and the housebuilding industry on the same issue. It is essential to balance the need to provide infrastructure for new development against the need to ensure that charge payers' money is not spent on extending capacity when, in practice, that will not be needed.

David Mundell: This is a matter of great concern to everybody in Dumfries and Galloway, including Peter Duncan, who is the Conservative MP for Galloway and Upper Nithsdale and whom I welcome to the gallery. Mr Duncan is a man of the people and is in the public gallery, not the distinguished visitors gallery.

Mr Finnie will be aware that on 21 January Dumfries and Galloway Council unanimously passed a motion in which it expressed its grave concern about the situation and sought a meeting with Scottish ministers.

The Deputy Presiding Officer: The member must ask a question.

David Mundell: Will the minister meet Dumfries and Galloway Council?

Ross Finnie: It is not for me to discuss whether the member of Parliament for Galloway and Upper Nithsdale is a man of the people. However, David Mundell's observation was somewhat myopic. If he had looked very closely, even he would have observed that the entire Scottish Affairs Select Committee of the House of Commons is in the gallery. Had he made that clear, he would have provided a more accurate representation of the situation.

One should not be left with the impression that WSW is skimping in any way on expenditure for development in Dumfries and Galloway. Since 1996, almost £93 million has been spent in the area, which works out at £632 per head. That compares with an average spend per head throughout the whole WSW area of £410. It is simply not true to suggest that there is underspending.

I refer to the specific points that were made. As I have said, the Scottish Executive is examining the matter with builders and local authorities, including Dumfries and Galloway Council. We also acknowledge that WSW is preparing a report on development constraints. It would be proper for that report to come to me so that I can be informed by it before I undertake to meet any individual local authority.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): Is the minister aware that rural schools are being closed in Dumfries and Galloway on the basis of low numbers? Is he aware that, at the same time, young families with children who wish to move into communities there cannot get houses because of the effect of sewerage constraints on building programmes? Does he think that we need more co-ordination on those issues? Will he say when the cross-cutting ministerial group on rural development will next meet and whether it will consider those issues at that meeting?

Ross Finnie: I can confirm in advance of that meeting that we acknowledge that more co-ordination is needed. That is why we are intervening to discuss the matter with local authorities and to conduct discussions between them, house builders and WSW to assess the problem. We are cognisant of the matter. However, I urge Mr Morgan to remember that the priority that the Executive and WSW gave was public health and the raising of the standard of our water and sewerage service—that was the priority ahead of development. We are now reaching a stage where the constraints that Mr Morgan referred to are evident, which is why we are co-ordinating our efforts.

Scottish Borders Council

9. Christine Grahame (South of Scotland) (SNP): To ask the Scottish Executive when it last contacted Scottish Borders Council and what issues were discussed. (S1O-4671)

The Deputy Minister for Finance and Public Services (Peter Peacock): We are in frequent contact with Scottish Borders Council and other local authorities on a range of issues.

Christine Grahame: That was an enlightening answer. Does the minister agree that the £6 million of further cuts that the Liberal-Independent coalition in Scottish Borders Council is imposing are unacceptable, as they will harm the most vulnerable? Will he meet Borderers in Edinburgh on 28 February to discuss special borrowing for the council's administration in the light of the £300 million offered to Glasgow Housing Association at 0 per cent interest and the write-off of £20 million of health trust debts?

Peter Peacock: Christine Grahame is being slightly premature. As I understand it, when question time started, Scottish Borders Council was still discussing its budget and the local democratic process was running its course; we do not yet know its decisions.

I am of course aware of what is happening in the Borders, because Euan Robson and Ian Jenkins in particular have been keeping me closely in

touch. The fact that the Scottish Executive has offered flexibility to Scottish Borders Council on the use of its excellence fund money is due to a significant extent to the council's responsible and constructive engagement on the matter.

The question on special borrowing demonstrates the recklessness and irresponsibility of the SNP on matters of public finance. We have a situation in which the SNP is asking us to give special loans to an organisation that has not asked for them. That organisation already receives the eighth highest grant in Scotland of any local authority—well above the average. It has the lowest mainland council tax in Scotland—15 per cent below the Scottish average. It has in its budget, which it is discussing today, growth items of £14 million as well as cash reserves. It is no wonder that the Scottish people do not trust the SNP when it comes to financial matters.

Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD): The minister will of course acknowledge that there is great anxiety in the Borders. Will he say whether Scottish Borders Council has asked for a loan? Will he confirm that, if the council chose to do so, it could reduce its reserves in order to keep valuable services going without infringing statutory guidance or regulation? I would prefer it to do that.

Peter Peacock: As of the beginning of question time, there had been no requests from Scottish Borders Council for special borrowing consents. I believe that the council thinks that that would be the wrong course of action for a variety of reasons. There is no statutory requirement on councils to carry reserves and there is no guidance from the Accounts Commission on what level of reserves should be carried. It would obviously be prudent for any organisation to seek to have some reserves, but that is a matter for Scottish Borders Council. If it chooses to reduce reserves in the interests of protecting services, it is free to make that choice.

Academic Links

10. Rhona Brankin (Midlothian) (Lab): To ask the Scottish Executive what action it is taking to strengthen Scotland's academic links with the United States of America. (S1O-4702)

The Minister for Enterprise, Transport and Lifelong Learning (Ms Wendy Alexander): I announced earlier this week a £6 million award from Scottish Enterprise to the University of Edinburgh and Stanford University in California. That is the first of what we hope will be a number of transatlantic bridges between top Scottish and US universities. The aim of the Edinburgh-Stanford link is to establish Scotland as a global leader in the commercial development of voice-recognition technology.

Rhona Brankin: Does the minister agree that that link offers important opportunities for collaboration between Scotland and the US in biotechnology and bioscience, particularly for world-leading research institutes such as the Roslin Institute and the Moredun Research Institute, which are in my constituency?

Ms Alexander: The decision of the 1945 Labour Government to fund collaborative research institutes—a couple of which are based in the member's constituency—was fundamental to our excellent research record. The research institutes have developed products such as Dolly and related cloning work, all of which has been important to the development of the biotechnology industry not just in Scotland, but throughout the globe.

Mr John McAllion (Dundee East) (Lab): To help to foster a better understanding of such links, could the Scottish Executive publish an annual list of all Scottish politicians who undertake study or lecture tours in the United States of America? The list should indicate who sponsored or paid for the trips, what broad areas were addressed and what the possible benefits of those trips might be for the Scottish people.

Ms Alexander: Far be it from me to trespass on to the territory of the Parliament. Members of the Executive should be careful not to dictate to the legislature, but I am sure that the parliamentary authorities will want to consider that matter in due course.

Ayr United Football Club

11. Phil Gallie (South of Scotland) (Con): To ask the Scottish Executive whether it will now grant planning consent in line with the decision of South Ayrshire Council on 30 June 1999 for a new stadium for Ayr United Football Club with associated development, following the abandonment of its appeal. (S10-4674)

The Minister for Social Justice (Iain Gray): No. Conceding the appeal does not necessarily mean that planning permission will be granted. The court is returning the matter to the Scottish ministers for a redetermination.

Phil Gallie: I thank the minister for his answer. Does he agree that South Ayrshire Council was right to use local knowledge to determine its decision? Does he agree that the reporters whom the minister appointed concurred with South Ayrshire Council's decision? Does he regret the delays created by the Scottish Executive that have prevented Ayr United from providing a stadium that will meet its requirements and that will take it into the Scottish Premier League?

Iain Gray: I appreciate that Mr Gallie feels that the previous determination by Scottish ministers

was not a good one. I must say—I am being egged on from the side—that I would have to go some to match the recent dubious penalty decision that saw Ayr United progress to the league cup final at the expense of Hibernian.

Phil Gallie: Foul!

Iain Gray: If that is what Mr Gallie was referring to in our latest correspondence, in which he said that Ayr United had amply demonstrated its capacity to join the Premier League, he may not have deployed his best argument.

The matter will now be returned to the Scottish ministers and due process will be followed. That will involve seeking the views of the parties who participated in the public inquiry on those matters on which there was disagreement between the Scottish ministers and the reporters. Those comments will be taken into account before Scottish ministers issue a fresh decision. In other words, the views that were expressed at the time will be returned to and will form part of the new determination that is to be made.

Writs (Electronic Servicing)

12. John Young (West of Scotland) (Con): To ask the Scottish Executive what plans there are to provide for the electronic servicing of writs by claimants, similar to the scheme launched by the Lord Chancellor in December 2001 in England and Wales. (S10-4658)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): As I am sure John Young and the Parliament are aware, the service of writs in England is undertaken by the courts. In Scotland the onus is on the party that makes the claim to arrange service. Therefore, the approach in Scotland is different. This is a matter for the courts to regulate as an aspect of court procedure, and not for the Executive. Accordingly, the Executive has no plans in this respect.

However, I understand that the electronic transmission of some documents to and by the sheriff courts in civil proceedings has been considered recently by the Sheriff Court Rules Council in the context of the summary cause and small claims procedure rules and that proposals have been submitted to the Court of Session.

John Young: I thank the minister for his reply. Is he aware that claimants under the system that is operating south of the border are limited to a maximum of £100,000? If such a system proved to be very successful, would the Scottish Executive be prepared to re-examine its position on the matter?

Mr Wallace: As I think I indicated to John Young, the system of servicing writs in Scotland is fundamentally different from that in England. The

important thing is that people who receive writs get them in a way that guarantees adequate time to respond.

As a general principle, we are always willing to consider how advances in e-technology that have been made elsewhere could be applied usefully to make our systems more efficient. We should not close our minds to adopting good practice from elsewhere.

Teachers (Probation)

13. Irene McGugan (North-East Scotland) (SNP): To ask the Scottish Executive whether the terms of the McCrone settlement, which guaranteed new teachers a probationary year's work in the classroom, will be implemented in full from summer 2002. (S1O-4663)

The Deputy Minister for Education and Young People (Nicol Stephen): From August 2002 all eligible new teachers who leave a Scottish teacher education institution with a teaching qualification will be guaranteed a one-year training contract with a maximum classroom commitment of 70 per cent of the commitment of a fully registered teacher. The remaining time will be available for professional development. That represents full implementation to the agreed time scale.

Irene McGugan: Does the minister accept that local authorities are reporting serious problems in delivering a sufficient number of trainee positions, because of a lack of funding and a lack of vacancies? Will he comment particularly on the position of the 6,000 teachers in Scotland who are on temporary contracts, as in some areas temporary posts are already being vacated to accommodate probationers?

Nicol Stephen: There is no doubt that when we move on to the new scheme, issues will arise in the transition period. We are determined to work with the local authorities and the General Teaching Council for Scotland to ensure that the scheme is delivered on time.

First Minister's Question Time

SCOTTISH EXECUTIVE

Secretary of State for Scotland (Meetings)

1. Mr John Swinney (North Tayside) (SNP): To ask the First Minister what issues he intends to raise at his next meeting with the Secretary of State for Scotland. (S1F-1678)

The First Minister (Mr Jack McConnell): I meet the Secretary of State for Scotland regularly. We always discuss issues of importance to Scotland.

Mr Swinney: I thank the First Minister for his answer. Will the First Minister explain to Parliament why Scottish Executive policy on acute bed numbers in our hospitals has been described as one of "aggressive reduction"?

The First Minister: If our policy has been described in that way, the description is clearly untrue. Anyone with any regard for the health service would have only to take a look around Scotland at the new facilities that are available in so many centres to appreciate not only that beds are available, but that the beds that are available are in high-quality facilities. It is time that, instead of coming to the Parliament week after week to denigrate the staff and the facilities in our health service, Mr Swinney showed a little bit more concern for the patients and a little bit less concern for politics.

Mr Swinney: I never come to the Parliament to denigrate the staff. I come to the Parliament to ensure that the staff can get on with their job of delivering patient care in Scotland.

The First Minister said that my assertion was clearly untrue. The assertion was not mine—it was made by a prominent Scottish academic and is borne out in fact. There were 18,365 acute beds in Scotland's hospitals when the Executive was formed. At present, the figure is 17,750. That represents a cut of 615 acute beds.

Consultants are expressing concern about the amount of bed space that is available to meet the demands that are put on the health service. Is not it time that the First Minister reversed his policy of aggressively cutting acute bed numbers in Scotland?

The First Minister: There is no aggressive cutting of acute bed numbers or of bed numbers overall. Mr Swinney comes to the Parliament week after week and refuses to accept that there are trends in our health care service that improve treatment, improve the use of equipment, improve and localise the service for patients and ensure that people are treated more quickly and more

often than ever before. He refuses to accept that week after week. If Mr Swinney had any background in the health service—if he would visit hospitals and wards and meet the patients and staff—he would see that the facilities and the quality of care are being improved. Much is still to be done, but the situation is an awful lot better than it used to be.

Mr Swinney: I visit plenty of hospitals in Scotland to find out what staff feel about the health service in Scotland. The staff talk about the fact that there are 615 fewer acute beds, while waiting times are getting longer and waiting lists are rising. Is not it time that the First Minister did what the Deputy First Minister suggested earlier and adopted good practices from elsewhere? Perhaps the First Minister might follow the words of Alan Milburn, who said that the NHS needs more, not fewer, beds. Is not it time that the First Minister ended his obsession with private finance and all that goes with it? He should put patients before profits.

The First Minister: Yet again, we are getting to the truth of the matter, which is that Mr Swinney opposes the significant new facilities that are available in the health service in Scotland. At the previous election, I do not remember the nationalist candidate in my constituency wandering around the streets of Wishaw saying, “Don’t build that new hospital.” However, that is what Mr Swinney and his party want to happen and is exactly what would have happened if they had won the election. The same applies in Edinburgh, in East Kilbride and elsewhere.

I presume that, when Mr Swinney visits those hospitals around Scotland, he does not see improvements such as those highlighted in the news this week. For example, the high dependency and the intensive care units are now closer to the wards and the operating theatres. Not only are beds and equipment being improved, but more patients are being treated more quickly and more locally. That saves lives.

It is time that Mr Swinney admitted those facts. He should stop running down our national health service.

Cabinet (Meetings)

2. David McLetchie (Lothians) (Con): To ask the right honourable First Minister what issues will be discussed at the next meeting of the Scottish Executive’s Cabinet. (S1F-1663)

The First Minister (Mr Jack McConnell): My secret society is probably more open than David McLetchie’s.

The Cabinet will next meet on 27 February. The agenda will include matters that require decisions that week.

David McLetchie: The First Minister has not given as fulsome a response as usual.

What is the Cabinet’s view on yesterday’s proceedings in the Parliament? I know that the Scottish Executive is officially neutral on the Protection of Wild Mammals (Scotland) Bill and that different members of the Executive differ in their views on the bill. Bearing it in mind that the Executive and Government agencies must implement and police the bill—and in light of the proposed legal challenges that were today announced by the Scottish Countryside Alliance—I want to ask whether the Cabinet will reconsider the bill’s implications. Is the First Minister content that the bill as passed yesterday complies with the European convention on human rights and, accordingly, is within the legislative competence of the Parliament?

The First Minister: Yes. There is no reason to question the bill’s legislative competence. The question whether the bill should be referred to other authorities, which is what Mr McLetchie called for earlier today, does not therefore arise.

Clearly, I would not be in the Scottish Labour party if I agreed with the history and traditions of the Scottish Conservative party, but our parties have historically shared a tradition of a duty to the law, which means the carrying out of legal obligations. I hope that Mr McLetchie’s party will not stand in the way of the Parliament’s legal decisions and of the laws that must now be implemented. I hope that, instead of standing with those who threaten to break that law, he will stand with the Parliament and with those who wish the law to be carried out.

David McLetchie: I have never for one moment suggested that the law of this land should be broken. That is unlike many in the Labour party, who have a chequered record in that respect.

In the law of the land, section 33 of the Scotland Act 1998 allows the Lord Advocate, the Attorney General and the Advocate General—who generally has little to do—to refer any measure that is passed by the Parliament for determination to the Judicial Committee of the Privy Council, to which the First Minister has just been appointed. Rather than having a whole series of individual legal challenges, would not it make sense to refer the bill to that body, so that the issue could be determined once and for all, and so that people would know exactly where the bill stands?

The First Minister: No. I do not think that that would be sensible. I hope that Mr McLetchie will be true to his word and will encourage those involved in that minority organisation, the Scottish Countryside Alliance—support for which I notice has decreased rather than increased in the past few months—to stand by the Parliament rather

than with those who advocate defying the law.

That is serious, but it is also a serious matter that the so-called divide between rural and urban Scotland has been portrayed in this Parliament in the way that it has. I heard members of Mr McLetchie's party on radio and television last night describing a Parliament that I could not recognise. I do not believe that the Parliament has let down rural Scotland in the past three years. I believe that it has paid attention both to rural and to urban Scotland. Our duty in the Parliament is to serve both and to bridge the divides, if there are any, between the two. Given the fact that the Conservatives were at 9 per cent in an opinion poll in *The Herald* on Monday, it is probably not surprising that they want to discuss hunting all the time in the Parliament; it is the only thing in Scotland that is less popular than they are.

Criminal Justice (Rape Convictions)

3. Nora Radcliffe (Gordon) (LD): To ask the First Minister what action the Scottish Executive is taking to improve the conviction rate in rape cases. (S1F-1670)

The First Minister (Mr Jack McConnell): I would like to make it clear that I regard rape and other sexual crimes as extremely serious offences that must be dealt with sensitively, competently and firmly. In any individual case, however, whether the accused should be convicted is properly a matter for the jury involved.

Nora Radcliffe: I accept that perhaps "prosecution" might have been a better word to use in my question than "conviction"—we will not get convictions unless we get prosecutions. I acknowledge and welcome the fact that the Executive is progressing a number of good initiatives that will help to build trust in the system, but they will succeed only if the people who deliver them have adequate training to deal sensitively and seriously with that most horrible and traumatising form of assault. Will the First Minister use all the means at his disposal to direct and encourage adequate training for police officers, court officers, medical personnel and others?

The First Minister: Yes, I will. One of the things that the Parliament should be proud of is its record in tackling such issues. I hope that the changes that will be made next month when the Parliament passes the Sexual Offences (Procedure and Evidence) (Scotland) Bill will make a difference to figures that have been a matter of concern for many years.

I reassure the Parliament that we are committed to training in the sensitive, proper and competent handling of reported cases and that taking those cases through to conviction is particularly important. I understand that one of the top

priorities for training in the prosecution service this year will be the training of fiscals and others in the handling of child witnesses and children who have been abused. That training programme is continuing, and I would like it to remain a priority for the Executive and for the other bodies involved.

Mr Gil Paterson (Central Scotland) (SNP): Does the First Minister agree that the Sexual Offences (Procedure and Evidence) (Scotland) Bill is only the start of improving the justice system for sexual assault victims? Will he examine why the police clearance rate for sexual assault has remained constant for the past 10 years, while the number of sexual assault cases proceeding to court has fallen? Does not that suggest that there is a problem with the procedures used in those cases and that changes are needed to tackle crimes where the victim knows the suspect?

The First Minister: As I am sure Mr Paterson is only too well aware, given his interest in the topic, this is a complex area in which there are no simple solutions. I believe that the bill, which will come before Parliament for its final stage next month, is a step in the right direction, but it is only one of a number of steps. Other steps should include improved training, improved guidance and other support for victims, which will be provided by the new victim liaison support offices that are now being established throughout the Procurator Fiscal Service. We will want to consider further changes in future. We should continue to do that and to learn from experience elsewhere, but we should ensure that the changes that we introduce are appropriate to our Scottish legal system and are not simply copied from elsewhere for the sake of it. Such complex issues require detailed and well-considered solutions.

Johann Lamont (Glasgow Pollok) (Lab): As the First Minister has acknowledged, the Sexual Offences (Procedure and Evidence) (Scotland) Bill is important because it will address the experience of women rape victims in the legal system, which currently deters the reporting of the crime, rather than the crime itself. Does the First Minister agree that key elements in addressing the low conviction rate will include listening to organisations that work with women survivors of sexual crime, such as Rape Crisis, and supporting those organisations with the appropriate resources?

The First Minister: Those organisations have an important role to play and in many cases they are involved in the training that has taken place or is about to take place. Some of those organisations survived for a long time on scarce resources and performed a heroic task when the systems were perhaps less sensitive than they are today. We will improve the systems in partnership with those who have made a voluntary effort over

many years and will continue to do so in the future.

Lord James Douglas-Hamilton (Lothians) (Con): Does the First Minister accept that it is essential that procurators fiscal and their offices are properly resourced, particularly in view of the huge volume of cases with which they have to deal? Will he reflect on the fact that that was a matter highlighted in the Chhokar case? Is he aware of the fears that have been expressed in Tayside that procurators fiscal might be lost as the result of a cost-cutting exercise? Will he look into those matters with urgency, as a stronger commitment is required?

The First Minister: Yes. I do not want, on the hoof, to commit my colleagues to spending additional money. That is not something that I will do too often as First Minister. However, we must adequately resource those working in our prosecution and court services. We must work hard on the systems and give them strong leadership and direction to move them into the modern age. That is why one of the first things that I did on becoming First Minister was to appoint a Solicitor General—it was not a party-political appointment—who had worked in the service and who, I believe, can take it forward. I am delighted that that step is already producing some improvements.

Surveillance Operations

4. Scott Barrie (Dunfermline West) (Lab): To ask the First Minister what information is currently available on the level of surveillance operations in Scotland. (S1F-1681)

The First Minister (Mr Jack McConnell): The annual reports of the interception of communications commissioners and of the chief surveillance commissioner contain information on the use of interception of communications and covert surveillance in Scotland. The latest reports were laid before Parliament on 31 October 2001 and 17 January 2002.

Scott Barrie: The First Minister will know that I take a keen interest in civil liberties and I have some concern about recent reports regarding the level of surveillance in Scotland. Does he agree that, as Monday's *Daily Record* editorial commented, surveillance to combat serious organised crime, including drug-related crime, can be justified only as long as it is undertaken legally and properly?

The First Minister: I noticed the publicity on that topic earlier this week. It is difficult for Mr Wallace and me to give details of individual cases or even broad-brush indications of the sorts of cases that we have to authorise. However, I want to reassure Parliament that every authorisation of

an interception is done with great care and after due consideration of all the facts in front of us. Issues of serious crime have been involved in every case that I have had to authorise since I became First Minister. I have no regrets whatever about any of those authorisations.

Those who glibly criticise the process—I notice that earlier this week some members did just that—are simply wrong. If we in Scotland were to be as soft on crime and the tackling of crime using surveillance procedures as Miss Cunningham and others were indicating that we should be, that would be a grave mistake. Surveillance is an important part of our ability to tackle organised, serious crime and I have no hesitation in continuing to support it.

Roseanna Cunningham (Perth) (SNP): Notwithstanding what the First Minister has just said, I am sure that he is aware that warrants are being issued in Scotland at twice the rate that they are issued south of the border. Given that we have a not-very-liberal minister south of the border and a so-called Liberal minister north of the border, how is the different rate explained? Does the First Minister not believe that Scots deserve a better explanation of such disproportionate surveillance in this country than that which he has given, which amounts to a shrug of his shoulders?

The First Minister: Miss Cunningham's constituents will be shocked to hear her views on the matter. The commissioner has said:

"I have been very impressed by the quality and the dedication and the enthusiasm of behalf of the Government. I have been impressed with the care that they take with their warrant work, which is very time consuming, to ensure that warrants are issued only in appropriate cases and in particular ensuring that the conduct authorised is proportionate to what is sought to be achieved by the interception."

Miss Cunningham said in the *Daily Record* on Monday:

"it would seem that the Lib-Lab coalition are much more keen on bugging than the Conservatives ever were."

We might be keener on surveillance than Miss Cunningham, but we are certainly more keen on dealing with drug traffickers, serious criminals, crimes of violence and the other matters that the warrants cover. If Miss Cunningham wants to be soft on crime, I hope that she is alone in that in the Parliament.

Water Industry (Scotland) Bill: Stage 3

Resumed debate.

15:31

The Deputy Presiding Officer (Mr Murray Tosh): The next item of business is continuation of the stage 3 debate on the Water Industry (Scotland) Bill.

Schedule 3

SCOTTISH WATER: STATUS, CONSTITUTION,
PROCEEDINGS ETC

The Deputy Presiding Officer (Mr George Reid): Amendment 94 is grouped with amendments 109, 37, 37A, 38 and 39. If amendment 94 is agreed to, amendment 109 is pre-empted.

I remind members that they only have 19 minutes left for the debate.

Bruce Crawford: The purpose of amendment 94 is twofold. First, it seeks to ensure that circumstances cannot arise where the executive board members will outnumber non-executive board members. Secondly, it seeks to ensure that the democratic legitimacy of local authority councillors is properly recognised in the formation of the board of Scottish Water.

For a long time, the Scottish Executive has been talking about investing local authorities with community planning powers. In effect, that acknowledges the democratic legitimacy of councillors by providing them with the powers of community leadership. It rightly acknowledges that councillors and local authorities have a crucial role in drawing together the various public bodies that serve their communities to deliver a strategic overview of how to secure a better quality of life for their citizens.

If the Executive is serious in its intent to provide councils with community planning powers, it has nothing to fear from amendment 94 and everything to gain. Involving councillors on the board of Scottish Water would be complementary to the community planning powers and show the Executive's commitment to councils.

More than any other public representatives, councillors are in a position to understand the tensions between the need to provide a strategic infrastructure and the capacity of the public purse to deliver that. That is why, through the structure planning process, councillors are required to draw together the needs of housing, economic growth and other important issues. Councillors are uniquely placed to acknowledge that Scottish

Water and the other services that will deliver will be key in deciding whether Scotland's diverse communities will be economically sustainable. Councillors have the background, skills and knowledge to add strength to the board.

As to the red herrings that were raised at stage 2 about how to get councillors on to the board of Scottish Water, if the relationship between the Convention of Scottish Local Authorities and the Executive is not mature enough to deal with that, it is a sad day. We should be taking councillors on board. They are experienced, they know about environmental pressures and, in many cases, they are used to dealing with multimillion-pound public sector organisations.

I move amendment 94.

John Scott: Amendment 109 seeks to do in an uncomplicated way what all parties are now agreed on, namely, to ensure that there will always be a majority of non-executive members on the board of Scottish Water. The Executive's amendment 37, which proposes that there will always be a majority of two non-executive directors, is unnecessary and will lead to a larger board than is necessary. Indeed, perhaps it will lead to the emergence of a representational board when the need is for a knowledgeable, small, fleet-of-foot group of people to take the company forward. Amendment 109 would provide for six rather than five non-executive directors, as I believe that there will always be a need for five executive directors, and therefore one can with confidence suggest a minimum of six non-executive directors to achieve our common goal.

It was with that in mind that I lodged amendment 37A, which seeks to amend the Executive's amendment 37. Amendment 37A aims to reduce from two to one the number by which non-executive directors must exceed executive directors on the board.

Ross Finnie: On the numbers of executive and non-executive members of the board of Scottish Water, I am bound to say that amendment 37 is much clearer than John Scott's amendment 37A. I hope that Parliament will support amendment 37 and reject amendment 37A.

On Bruce Crawford's comments, we have made it clear throughout that the proposed board structure of Scottish Water reflects a more business-like approach. The board's non-executive members should be selected on their ability to lead a large-scale public utility business in the interest of its customers, and not as political representatives. Amendment 94 is therefore unacceptable.

We agreed that there should be an additional member of the board to represent the interests of employees. Amendment 38 provides for ministers

to move to that position. Because we do not wish the actings of the board—should this bill be passed today and given assent—to be invalid as a consequence of the absence of appointment of the individual to represent the interests of employees, amendment 39 establishes that the absence of that appointment, which will be put in process, will not have any impact.

I commend amendments 38 and 39 and reiterate the unacceptability of amendments 94, 109 and 37A.

The Deputy Presiding Officer: The question is, that amendment 94 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 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)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gallie, Phil (South of Scotland) (Con)
 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, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Mundell, David (South of Scotland) (Con)
 Munro, 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Harper, Robin (Lothians) (Green)

The Deputy Presiding Officer: The result of the division is: For 27, Against 81, Abstentions 1.

Amendment 94 disagreed to.

Amendment 109 moved—[John Scott].

The Deputy Presiding Officer: The question is, that amendment 109 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
Davidson, Mr David (North-East Scotland) (Con)
Douglas-Hamilton, Lord James (Lothians) (Con)
Gallie, Phil (South of Scotland) (Con)
Goldie, Miss Annabel (West of Scotland) (Con)
Harding, Mr Keith (Mid Scotland and Fife) (Con)
Johnstone, Alex (North-East Scotland) (Con)
McIntosh, Mrs Lyndsay (Central Scotland) (Con)
McLetchie, David (Lothians) (Con)
Mundell, David (South of Scotland) (Con)
Scanlon, Mary (Highlands and Islands) (Con)
Scott, John (Ayr) (Con)
Tosh, Mr Murray (South of Scotland) (Con)
Wallace, Ben (North-East Scotland) (Con)
Young, John (West of Scotland) (Con)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
Alexander, Ms Wendy (Paisley North) (Lab)
Baillie, Jackie (Dumbarton) (Lab)
Barrie, Scott (Dunfermline West) (Lab)
Boyack, Sarah (Edinburgh Central) (Lab)
Brankin, Rhona (Midlothian) (Lab)
Brown, Robert (Glasgow) (LD)
Butler, Bill (Glasgow Anniesland) (Lab)
Campbell, Colin (West of Scotland) (SNP)
Canavan, Dennis (Falkirk West)
Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
Crawford, Bruce (Mid Scotland and Fife) (SNP)
Cunningham, Roseanna (Perth) (SNP)
Curran, Ms Margaret (Glasgow Baillieston) (Lab)
Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
Elder, Dorothy-Grace (Glasgow) (SNP)
Fabiani, Linda (Central Scotland) (SNP)
Finnie, Ross (West of Scotland) (LD)
Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
Gibson, Mr Kenneth (Glasgow) (SNP)
Godman, Trish (West Renfrewshire) (Lab)
Gorrie, Donald (Central Scotland) (LD)
Grant, Rhoda (Highlands and Islands) (Lab)
Gray, Iain (Edinburgh Pentlands) (Lab)
Hamilton, Mr Duncan (Highlands and Islands) (SNP)
Henry, Hugh (Paisley South) (Lab)
Home Robertson, Mr John (East Lothian) (Lab)
Hughes, Janis (Glasgow Rutherglen) (Lab)
Hyslop, Fiona (Lothians) (SNP)
Ingram, Mr Adam (South of Scotland) (SNP)
Jackson, Dr Sylvia (Stirling) (Lab)
Jackson, Gordon (Glasgow Govan) (Lab)
Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
Kerr, Mr Andy (East Kilbride) (Lab)
Lamont, Johann (Glasgow Pollok) (Lab)
Livingstone, Marilyn (Kirkcaldy) (Lab)
Lochhead, Richard (North-East Scotland) (SNP)
Lyon, George (Argyll and Bute) (LD)
MacAskill, Mr Kenny (Lothians) (SNP)

Macdonald, Lewis (Aberdeen Central) (Lab)
MacDonald, Ms Margo (Lothians) (SNP)
Macintosh, Mr Kenneth (Eastwood) (Lab)
MacKay, Angus (Edinburgh South) (Lab)
Maclean, Kate (Dundee West) (Lab)
Macmillan, Maureen (Highlands and Islands) (Lab)
Martin, Paul (Glasgow Springburn) (Lab)
Marwick, Tricia (Mid Scotland and Fife) (SNP)
Matheson, Michael (Central Scotland) (SNP)
McAllion, Mr John (Dundee East) (Lab)
McAveety, Mr Frank (Glasgow Shettleston) (Lab)
McCabe, Mr Tom (Hamilton South) (Lab)
McLeod, Fiona (West of Scotland) (SNP)
McMahon, Mr Michael (Hamilton North and Bellshill) (Lab)
McNeill, Pauline (Glasgow Kelvin) (Lab)
McNulty, Des (Clydebank and Milngavie) (Lab)
Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
Morrison, Mr Alasdair (Western Isles) (Lab)
Muldoon, Bristow (Livingston) (Lab)
Mulligan, Mrs Mary (Linlithgow) (Lab)
Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
Murray, Dr Elaine (Dumfries) (Lab)
Neil, Alex (Central Scotland) (SNP)
Oldfather, Irene (Cunninghame South) (Lab)
Paterson, Mr Gil (Central Scotland) (SNP)
Peattie, Cathy (Falkirk East) (Lab)
Quinan, Mr Lloyd (West of Scotland) (SNP)
Radcliffe, Nora (Gordon) (LD)
Raffan, Mr Keith (Mid Scotland and Fife) (LD)
Robison, Shona (North-East Scotland) (SNP)
Robson, Euan (Roxburgh and Berwickshire) (LD)
Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
Scott, Tavish (Shetland) (LD)
Sheridan, Tommy (Glasgow) (SSP)
Simpson, Dr Richard (Ochil) (Lab)
Smith, Elaine (Coatbridge and Chryston) (Lab)
Smith, Iain (North-East Fife) (LD)
Smith, Mrs Margaret (Edinburgh West) (LD)
Stephen, Nicol (Aberdeen South) (LD)
Stevenson, Stewart (Banff and Buchan) (SNP)
Sturgeon, Nicola (Glasgow) (SNP)
Thomson, Elaine (Aberdeen North) (Lab)
Ullrich, Kay (West of Scotland) (SNP)
Wallace, Mr Jim (Orkney) (LD)
Watson, Mike (Glasgow Cathcart) (Lab)
Welsh, Mr Andrew (Angus) (SNP)
Whitefield, Karen (Airdrie and Shotts) (Lab)
Wilson, Allan (Cunninghame North) (Lab)
Wilson, Andrew (Central Scotland) (SNP)

The Deputy Presiding Officer: The result of the division is: For 15, Against 91, Abstentions 0.

Amendment 109 disagreed to.

Amendment 37 moved—[Ross Finnie]—and agreed to.

Amendment 37A not moved.

Amendment 38 moved—[Ross Finnie]—and agreed to.

Amendment 95 moved—[Bruce Crawford].

The Deputy Presiding Officer: The question is, that amendment 95 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 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)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McLetchie, David (Lothians) (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)
 Robison, Shona (North-East Scotland) (SNP)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Ben (North-East Scotland) (Con)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (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, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley)

(Lab)

Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (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)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Deputy Presiding Officer: The result of the division is: For 45, Against 62, Abstentions 0.

Amendment 95 disagreed to.

Amendment 39 moved—[Ross Finnie]—and agreed to.

Amendment 111 not moved.

Schedule 5

MODIFICATIONS OF SEWERAGE (SCOTLAND) ACT 1968

Amendments 40 to 48 moved—[Ross Finnie]—and agreed to.

The Deputy Presiding Officer: Amendment 49 is grouped with amendments 50, 53, 57 and 81.

Allan Wilson: Amendments 49, 50 and 53 are consequential amendments that provide for existing legislation to reflect the creation of Scottish Water. Amendments 57 and 81 correct references that were incorrect in the bill as introduced. I commend all the amendments in the group.

I move amendment 49.

Amendment 49 agreed to.

Amendments 50 to 58 moved—[Ross Finnie]—and agreed to.

Schedule 6

MODIFICATIONS OF WATER (SCOTLAND) ACT 1980

Amendment 59 moved—[Ross Finnie]—and agreed to.

The Deputy Presiding Officer: Amendment 60 is in a group of its own.

Robin Harper: I lodged amendment 60 in order to prevent what, in the perception of many, is an infringement of human rights legislation in relation to the provision of a safe and pure public water supply. I thank the transport and environment legislative team clerks for their assistance in drafting the amendment. Amendment 60 would prevent water suppliers from adding anything to the water supply, except in life-threatening circumstances. Indeed, adding anything to the drinking water supply, unless it ensures that the water is safe, should be made illegal.

15:45

My principal concern in this respect is fluoridation. There are very serious question marks over the safety of fluoride. Whatever one thinks of the pros and cons of fluoridation, the point is that adding fluoride to drinking water at source means that individuals have no choice as to whether they consume fluoride. Even a person who could afford to drink bottled water all the time would not be able to avoid fluoridated water as it would be used to manufacture both drinks and food.

In response to people who are concerned about dental decay, I should point out that such decay is caused not by lack of fluoride but by poor nutrition and dental hygiene. More action should be taken to tackle such causes directly. Trials in Glasgow and Dundee, in which children were provided with toothbrushes and toothpaste, produced remarkable results. In two years, there was a 37 per cent reduction in dental decay, which is better than fluoridation would have achieved.

It would be a frightening abuse to allow the monopoly on the water supply to be used to medicate the public. Any such action would certainly be open to challenge in the courts under the European convention on human rights. Amendment 60 provides an opportunity to enshrine in law a pure water supply and the right to it. Furthermore, it includes a provision that is intended to allow ministers to order additions to the water supply in life-threatening circumstances.

I move amendment 60.

Allan Wilson: Amendment 60 would throw grave doubt on Scottish Water's ability to treat water to reduce public exposure to substances that are considered detrimental to health. For example, it could prevent the addition of orthophosphate to drinking water to reduce the uptake of lead from customers' pipes because, although lead poisoning is serious, it cannot be judged as an imminent danger to human health or as life-threatening. For that reason alone, I strongly urge members to reject amendment 60.

Mr Harper has touched on fluoridation and the wider ramifications of amendment 60. The issue is far too serious to legislate on in haste. Health ministers are committed to consulting on children's oral health, which will include the ways in which the benefits of fluoride can be made available, for example, through the fluoridation of public water supplies. Accepting this amendment would cut across that commitment, which is the proper context for a debate on fluoridation. The final stage of the Water Industry (Scotland) Bill is not that context. Again, I urge members to reject amendment 60.

The Deputy Presiding Officer: Mr Harper, I take it that you are pressing amendment 60.

Robin Harper: Yes.

The Deputy Presiding Officer: The question is, that amendment 60 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Adam, Brian (North-East Scotland) (SNP)
Gorrie, Donald (Central Scotland) (LD)
Harper, Robin (Lothians) (Green)
Ingram, Mr Adam (South of Scotland) (SNP)
Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
Paterson, Mr Gil (Central Scotland) (SNP)
Sheridan, Tommy (Glasgow) (SSP)

AGAINST

Aitken, Bill (Glasgow) (Con)
Alexander, Ms Wendy (Paisley North) (Lab)
Baillie, Jackie (Dumbarton) (Lab)
Barrie, Scott (Dunfermline West) (Lab)
Boyack, Sarah (Edinburgh Central) (Lab)
Brankin, Rhona (Midlothian) (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)
Curran, Ms Margaret (Glasgow Baillieston) (Lab)
Davidson, Mr David (North-East Scotland) (Con)
Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
Ferguson, Patricia (Glasgow Maryhill) (Lab)
Fergusson, Alex (South of Scotland) (Con)
Finnie, Ross (West of Scotland) (LD)
Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
Gallie, Phil (South of Scotland) (Con)

Gibson, Mr Kenneth (Glasgow) (SNP)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 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)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Hyslop, Fiona (Lothians) (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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

The Deputy Presiding Officer: The result of the division is: For 7, Against 78, Abstentions 24.

Amendment 60 disagreed to.

Amendments 61 to 80 moved—[Ross Finnie]—and agreed to.

Schedule 7

MODIFICATIONS OF OTHER ENACTMENTS

Amendments 81 to 84 moved—[Ross Finnie]—and agreed to.

Long Title

Amendment 96 moved—[Bruce Crawford].

The Deputy Presiding Officer: The question is, that amendment 96 be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

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)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 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)
 McLeod, Fiona (West of Scotland) (SNP)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)

Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gallie, Phil (South of Scotland) (Con)
 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, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Johnstone, Alex (North-East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 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)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Mundell, David (South of Scotland) (Con)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland) (LD)

Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Harper, Robin (Lothians) (Green)

The Deputy Presiding Officer: The result of the division is: For 30, Against 77, Abstentions 1.

Amendment 96 disagreed to.

The Deputy Presiding Officer: That concludes our consideration of amendments.

Water Industry (Scotland) Bill

The Deputy Presiding Officer (Mr George Reid): The next item of business is the continuation of stage 3 proceedings on the Water Industry (Scotland) Bill. We will now consider motion S1M-2675, in the name of Ross Finnie.

15:52

The Minister for Environment and Rural Development (Ross Finnie): First, let me deal with one formal matter. For the purposes of rule 9.11 of the standing orders, I advise Parliament that Her Majesty has signified her consent to the bill in so far as it affects her interests.

Secondly, I repeat what I said in my opening remarks in the debate on the detail of the bill and express my appreciation for the work of the Transport and the Environment Committee in scrutinising the bill within the time scale that it was given. I do not believe that the committee cut any corners—quite the opposite. One of the most encouraging aspects of proceedings on the bill has been the number of constructive debates, although there have been one or two issues on which there have been differences. The result of all the debates in the committee and of the consideration of the substantive amendments this morning is a bill that will serve the customers of the water industry well in the years ahead. I acknowledge all that has been done to get the bill into its current state.

Three themes run through the bill: responsiveness and accountability to the Parliament, customers and communities; the need to improve standards; and the need to increase efficiency and commercial freedom.

At the heart of responsiveness are the new customer panels and their convener. They will provide a clear and distinct voice for the customer within the regulatory regime and, indeed, more widely, for I have no doubt that, as the panels develop, ministers and Parliament, in holding Scottish Water to account, will want to be informed by the panels.

As a result of our decisions this morning, Scottish Water will have a duty to prepare and abide by a code of practice on consulting local interests. That is a significant improvement to the bill and one for which the committee can justly claim credit. That, taken with the new reporting duties on Scottish Water and—not least—the idea of having an interim report during the year, will mean that we have the means, in the Parliament and in communities across the country, to hold Scottish Water to account in an effective manner.

On improved standards, we are equipping the

new drinking water quality regulator with the powers and the independence to monitor and enforce the drinking water quality regulations. We are doing that not because standards are slipping—quite the contrary; they are improving—but because customers need the reassurance of knowing that, in this crucial area, standards are subject to proper enforcement within a clear statutory framework.

The real test for Scottish Water will be to improve standards for the treatment of drinking water and waste water across the board, while easing pressure on charges. That is where increased efficiency comes in. The whole rationale for creating Scottish Water was the scope for one authority to achieve savings that three authorities on their own simply could not manage.

We have created a single authority not just as a means to greater efficiency; we have taken the opportunity to give Scottish Water a form of corporate governance that is suitable for what will be one of Scotland's largest companies. That includes a measure of commercial freedom, to be exercised within a framework that is set by ministers, and a board with a better mix of executive and non-executive members—but with non-executive members firmly in the majority.

In short, we have reshaped the public sector model so that Scottish Water is equipped to deal with the challenges that it faces while remaining clearly in the public sector and being more accountable to ministers and Parliament than before.

Elaine Smith (Coatbridge and Chryston) (Lab) *rose—*

Ross Finnie: This is an important bill, and the more that we have managed to get right in it, the less we shall hear about it in future. Water and sewerage services are ones that people expect to take for granted. The test is whether the remodelled industry and the revised regulatory structure can deliver an effective, silent service that provides clean drinking water and removes waste water safely, while ensuring that rises in charges are not out of the ordinary. The bill has put in place the right framework for the water industry. It can and will deliver for Scotland.

I commend the bill to Parliament.

I move,

That the Parliament agrees that the Water Industry (Scotland) Bill be passed.

15:56

Bruce Crawford (Mid Scotland and Fife) (SNP): At the outset of the bill's progress, in October last year, we made it abundantly clear that there would be no blank cheques and no carte

blanche from the SNP for any proposals that would begin to open up Scottish Water to the private sector. We have attempted, where possible, to put forward constructive arguments to restrict the capacity of Scottish Water to allow wholesale private entry into its service delivery functions.

Section 25, which deals with the general powers of Scottish Water, alarms us significantly. The general powers provide the potential for wholesale, back-door privatisation of the industry. Within only a few years, Scottish Water could be an almost wholly enabling authority, contracting out large elements of its functions to the private sector and using special purpose vehicles to deliver services. Unison put that argument most succinctly in its briefing of October 2001, when it said:

"The powers of Scottish Water as set out in s25 are very widely drawn ... The whole structure of the industry in Scotland could be changed with no democratic approval ... For example, Scottish Water could turn itself into an enabling authority with all services to the public privatised using the powers in s25."

The bill contains many elements of good policy, which we support, but it is clear that the Executive has embarked on a journey that we cannot undertake with it. It is blindingly obvious that the coalition parties are not prepared to learn the lesson of the rail industry or, increasingly, the gas industry—that when private profit is involved in vital public interests, health and safety can be put at risk. There is no more important industry for public health than the water industry.

The passing of the bill will pave the way for a competition bill. The great sadness is that there is no need to follow the route to competition. The coalition parties will continue to plead that European Union directives are pushing them in that direction, but that is simply not true. There is no thrust from the EU to follow that route. Only two weeks ago, I spoke to EU staff. We have had directives on the post offices and the electricity industry, but there are no specific directives on the water industry that require competition. No: today the Executive will volunteer—with no coercion—to begin the process of privatising Scotland's water. Its approach is wrong and, ultimately, it will pay the price at the hands of the Scottish people.

15:59

John Scott (Ayr) (Con): I welcome the completion of the bill's progress and thank the clerks—Callum Thomson, Tracey Hawe and Alastair Macfie—for their hard work and for helping me. I also thank those who gave the evidence to the Transport and the Environment Committee on which the bill is based and I thank the civil servants for their forbearance.

The Water Industry (Scotland) Bill will create for Scotland a single water company that I hope the Parliament will be proud to have established. It will unify the three existing water companies and will deliver benefits for the Scottish people. Scottish Water should be able to raise water quality standards and deliver more efficiently high-quality water and sewerage services to a greater number of domestic and business customers. Scottish Water's creation will deliver the necessary infrastructure and investment to bring our water and sewerage services up to UK and European standards. Obviously, one must welcome that.

The creation of Scottish Water will produce a merger dividend of at least £100 million and the new company's size will result in synergies and economies of scale that are essential for survival in the competitive environment that Scottish Water is about to enter.

I have served on the Transport and the Environment Committee since last summer and have been involved in taking only part of the evidence and in stages 1 and 2 of the bill. Nonetheless, I have taken great pleasure in that work.

I believed that all members of the committee had taken ownership of Scottish Water, although I have now learned differently from the SNP—at any rate, I thought that Fiona McLeod had. Everyone in their own way has had an input to what they believe will be in the best interests of the new Scottish Water and we all wish it success. However, as we launch the company, we must not get too starry-eyed about its prospects. We must remember that its creation is a huge development, which uses taxpayers' money, and that its success is not guaranteed. The company's biggest obstacles will be Government interference and Scottish ministers' temptation to meddle and interfere excessively. That must not be allowed. Indeed, Parliament will have a duty to ensure that that does not happen. The new company must be given freedom to breathe, develop, grow and enter into a competitive market with other UK water companies.

We in Scotland want Scottish Water to rank with the best UK privatised companies, yet fulfil its obligations to its staff, the environment and the people of urban and rural Scotland. To that end, the commissioner and the consultation panels will have an important role to play in keeping Scottish Water up to the mark in respect of charging and customer care. I am certain that that is achievable.

Charities and churches will benefit in some measure after the minister's concession yesterday, although there is still unfinished business with respect to implementing the proposals of the McFadden report.

The Conservative party wishes Scottish Water well. We will watch its progress carefully and criticise it constructively if and when we see fit, with a view to delivering the best services at the lowest cost for Scottish consumers.

16:02

Bristow Muldoon (Livingston) (Lab): I welcome the Water Industry (Scotland) Bill and recommend that the Parliament passes it today.

Before I go into the meat of the bill, I say that the bill is significant. A considerable amount of parliamentary time has been spent on it. There was a pre-legislative report as well as consideration at stages 1, 2 and 3. Unfortunately, the bill does not seem to have the same prominence as the Protection of Wild Mammals (Scotland) Bill, which we passed yesterday, which says more about the media in this country than about the priorities of the Parliament. The media should have given the bill far more priority.

Like others, I recognise the contributions that have been made by many external organisations and individuals, including the water authorities, the Scottish Trades Union Congress, the Convention of Scottish Local Authorities, the Scottish Environment Protection Agency and various environmental groups. We should also recognise the contributions of the many members who have participated in the past two years or so.

The bill has three main policy objectives: to establish Scottish Water as a single, all-Scotland public water authority that is accountable to Scottish ministers and the Parliament; to establish water customer consultation panels; and to create the post of a drinking water quality regulator. One of the sadnesses of today's debate and previous debates was Bruce Crawford's contribution. He delivered a speech in which he does not really believe. He believes that Scottish Water is a public body. His speech was mere posturing. I recommend that he read thoroughly the recommendations in the Transport and the Environment Committee's stage 1 report, to which his colleagues signed up. The report welcomed proposals to establish Scottish Water as a public body.

Scottish Water will help to address several challenges: the continuing investment that is required to address long-term underinvestment and to meet the higher environmental and water quality standards that we all want; the harmonisation of charges throughout Scotland; and the need to achieve maximum efficiency in the Scottish water industry.

I will refer briefly to charities, which I had hoped to mention earlier. I strongly welcome the proposals that Allan Wilson made in the letter to

the Transport and the Environment Committee yesterday. The proposals respond directly to the committee's recommendation for a more narrowly focused package of charitable relief than that which existed before. The people who reject that do not go along with the recommendations of the committee.

The bill establishes Scottish Water as a public corporation, which will be best placed to face the challenges of the forthcoming years. It is absolutely a public sector model, despite the posturing of Bruce Crawford and his colleagues.

I recommend to Parliament that, later today, we pass the Water Industry (Scotland) Bill and establish Scottish Water as a public body that is fully accountable to the Parliament and to ministers.

The Deputy Presiding Officer: We have to be done by 16:21, so members should make bullet-point speeches of two minutes, please.

16:05

Fiona McLeod (West of Scotland) (SNP): Bullet point one is that the SNP cannot vote for the bill, as the Executive has left too much to chance.

On privatisation, the Executive cannot put in the wee word "public" to ensure that this remains a public water authority.

On charities, I begin by saying again that we welcome the sixth, seventh or eighth concession—I do not know how many the minister has made during the SNP campaign—to have charities recognised. We welcome such concessions, but special pleading is not the answer, even when it is the SNP's special pleading that wins them.

I have a question for the minister on hospices. This morning, he talked about the ring-fenced money to pay their water charges. Will that ring-fenced money increase when, by 2003, meters are put in and their bills rise dramatically? Perhaps the minister could address that point in his closing remarks. I could give examples from every constituency, but the minister knows what charities need, as the Scottish Council for Voluntary Organisations has told him. It stated:

"SCVO remains committed to the principle that all Scottish charities should receive relief by virtue of their public benefit purpose"

and goes on to state:

"Fundamental concerns remain on the terms of the exemption scheme and the transitional fund".

The minister will not rule out privatisation, has given himself powers to install domestic meters and will not write charities' rights into the bill. Does he wonder why the SNP is not supporting the bill?

16:07

Des McNulty (Clydebank and Milngavie) (Lab): The battle against privatisation of water was won in 1994 in a major referendum, which the SNP opted out of and did not participate in. That was reinforced by the election outcomes in 1997 and 1999 and now it is put in stone by the Water Industry (Scotland) Bill and the commitment to ensure that only this Parliament can decide on the future of Scottish Water. That is a prize that was worth fighting for; it is a real victory.

It is also worth pointing out that the passage of the bill reflects positively on the Parliament. If the way in which the Protection of Wild Mammals (Scotland) Bill, which we passed yesterday, made its passage through Parliament was not a good reflection on the committee process, the passage of this bill and the process that led up to it is. The Transport and the Environment Committee led the way. It changed ministers' minds and introduced new dimensions to the argument in a positive way. The scheme that the minister has introduced, which addresses the charity sector's legitimate concerns, is a positive victory for the Transport and the Environment Committee, which highlighted the issue and wanted to see it taken forward. The fact that we now have an employee representative on the board of Scottish Water is a positive step and represents a breakthrough in the running of public bodies.

The fact that when consultation is carried out the company will have to follow a code, which requires the company to deal directly with communities rather than just make business decisions, is again a positive step that was required by the committee.

Some very good things have been done in the bill. We now have a good foundation for the future of Scottish Water and I commend the bill to members.

16:09

Tavish Scott (Shetland) (LD): What we have heard from the SNP today is opposition for opposition's sake instead of a realistic approach to an important issue that faces consumers and constituents the length and breadth of the country. In the context of competition legislation, we heard nothing of an alternative from the SNP.

A single water authority will invest—and needs to do so—£2 billion in the future of water services throughout Scotland. The measures that the bill has introduced, including the ones that have been put in place during stages 2 and 3, give reassurance in a number of key areas relating to the functions and responsibilities of the new water authority. Chief among those was amendment 24, which concerned the consultation code and

customer panels. I hope that it will make a difference by reflecting the concerns of business and domestic customers, local authorities and employees.

There is a huge need for capital spending in Scotland. It is important that Scottish Water reflects the needs of urban and rural Scotland. Through the efficiency savings that a single authority can achieve, it will be able to invest in the communities that members serve.

The cost to domestic and non-domestic consumers is important. The fact that water-only bills in the north of Scotland will fall by 9.2 per cent in the following financial year and that combined water and waste bills will be frozen, is a sign of the bill's approach. I have no hesitation in commending the bill to members.

The Deputy Presiding Officer: I call Tommy Sheridan, to be followed by John McAllion.

16:10

Tommy Sheridan (Glasgow) (SSP): Thank you, Presiding Officer. When you indicated the time scale for speakers, I thought that you were being rude, but I realise now what you meant.

I opposed the bill in the stage 1 debate and I will oppose it in this debate. The Scottish Executive has missed an opportunity. It had an opportunity to change the charging system that it inherited, which was inherently unfair and which penalised the poor, the pensioners and the low-paid. The Executive had the opportunity to introduce a fair, transparent and progressive charging system that would protect the poor and the pensioners instead of punishing them.

The Executive has missed an opportunity; I hope that it will live to realise that in the 2003 elections, when this issue and others will be raised time and again. If the Executive does not choose this moment to change the unfair charging systems, when will it change them and redistribute incomes in Scotland? Income is unfairly skewed towards the wealthy and well-paid and away from the poor and the pensioners.

I oppose the bill.

16:12

Mr John McAllion (Dundee East) (Lab): I support the establishment of a single, publicly owned Scottish water authority. I have long nursed a serious grievance about the fact that water-charge payers in the North of Scotland Water Authority area are asked to bear alone the cost burden of providing water and sewerage services in a vast area and for a scattered population. I support the bill because it will do something to put

that right and to share the burden of meeting those costs.

However, I have serious reservations, the most serious of which concerns the perceived real purpose behind the bill. I believe that the purpose of the bill is not only to create a single Scottish water authority, but to pave the way for the introduction of private competition into the water and sewerage industry. That will be achieved by a second bill, which will be introduced in the spring. Scottish Water is not being established for its own sake, but as part of a framework that will allow private competition and will open the door to global energy companies. Those companies will be able to break into what they perceive as a new market and steal customers and revenue from the public sector. Members must understand that that is what the Water Industry (Scotland) Bill is about.

I do not doubt for a minute that the heavily regulated and costly part of the business—the pipelines and treatment plants—will stay in the public sector; not much money can be made out of that part of the business. The part of the business out of which money can be made—marketing and delivery to customers—will be privatised. Scottish Water will dwarf the three water quangos that it will replace, but in its turn, Scottish Water will be absolutely dwarfed by the global energy companies with which it will have to compete. Anyone who knows anything about the market and competition must know that the ruthless logic of capitalism is that the big guy either knocks out or takes over the little guy. That is what will happen in the water and sewerage industry.

I will vote for the Water Industry (Scotland) Bill, but I will not vote for the next bill, which will open up the industry to competition.

16:14

Nora Radcliffe (Gordon) (LD): I do not want to take up a great deal of time, but I would like to take a moment to thank those who worked on the bill, particularly the committee clerks, who did a sterling job.

I believe that the considerable time, thought and expertise that many people have contributed to the discussion and debate on the issues that underpin the different aspects of the bill have produced a workmanlike end-product.

The creation of the new organisation, Scottish Water, along with the checks and balances that are contained in the bill, will allow for safe, effective and efficient water services to be delivered in a sustainable way, at a reasonable price and by a public water authority.

We have kept faith with the people of Strathclyde Region—as it was then—who

reflected the wishes of the people of Scotland to retain water services in the public sector. We have created a model that will be watched with interest elsewhere and which, I believe, can and will become an example of good practice.

I commend the bill.

16:15

Robin Harper (Lothians) (Green): As one of the members of the Transport and the Environment Committee who has lasted from the very beginning of work on the bill until today, I am happy to say that I believe the bill to be fit for purpose. Notwithstanding John McAllion's reservations, I see that purpose as being to create what I believe will be Scotland's biggest public company, which will be privatisation-proof. If there is any hint of privatisation, I will certainly be joining John McAllion in fighting to ensure that that cannot happen.

I add my thanks to everybody—advisers, witnesses and my colleagues—for their work on the bill. We should have a sense of history on this occasion. I hope that the bill will be agreed to; we will have registered one of the Scottish Parliament's big achievements in the first three years of our existence.

16:16

Elaine Smith (Coatbridge and Chryston) (Lab): I want to make a brief point that I would have made had the Minister for Environment and Rural Development felt inclined to accept my intervention during his speech.

The bill's policy memorandum, under the heading "Equal opportunities", states:

"The provisions in this Bill have no implications for equal opportunities. They do not inherently provide for discriminatory effects on the basis of gender, race, disability, marital status, religion or sexual orientation."

That may be true for the bill, but I want to make a point about the process. Having been through local government reorganisation, as a member of staff and as a union representative, I think that it is important to recognise that, during any transfer of staff, the principles of equal opportunities are vital and have to be adhered to. I ask the minister to comment on whether an equal opportunities policy will be in place prior to any transfer, because that was a problem at the time of local government reorganisation.

16:17

The Deputy Minister for Environment and Rural Development (Allan Wilson): As we conclude our deliberations on the Water Industry (Scotland) Bill, I seek to maximise the political

consensus that surrounds it—a cause that is presumably already lost in the case of the Scottish National Party and Tommy Sheridan.

The bill is now far better by virtue of the efforts of Bristow Muldoon, Des McNulty, Nora Radcliffe, other coalition colleagues on the Transport and the Environment Committee and non-committee members including Jackie Baillie and Tavish Scott. Those efforts were not assisted by the posturing of the SNP.

I listened to other, external interests, including churches, youth organisations and the Scottish Council for Voluntary Organisations, when we were reviewing our charitable relief scheme. I would commend to the nationalists in our midst the art of listening. They cannot hear that when we say public, we mean public. Nothing in the bill signifies a departure from our long-standing commitment to a publicly owned, publicly controlled water industry. The challenge now is for Scottish Water to vindicate the modern public sector model that we are, I hope, about to endorse.

We send Scottish Water out into an extremely competitive arena, because of the potential opening-up of the public water infrastructure to private competition. I say to John McAllion that that private competition already exists throughout Scotland in the delivery of core supply and treatment services. Scottish Water will be assisted in handling competition by the enhanced provisions that we have agreed on consultation, accountability and transparency and by a regulatory system that is robust in its defence of customer interests and high-quality standards. We must resist the temptation of micromanagement, but it is for us to hold the industry and its regulators to account.

It is my happy task to repeat my appreciation for the hard work and constructive approach of the Transport and the Environment Committee. I repeat also my personal appreciation for the long hours that Mike Neilson and his team of officials put in and for the effort that they made in helping us to pilot the bill through Parliament.

I commend the Water Industry (Scotland) Bill to the Parliament and recommend that we pass it today.

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

The Deputy Presiding Officer (Mr George Reid): The next item of business is stage 3 proceedings on the Budget (Scotland) (No 3) Bill. As there are no amendments to be considered, we move straight to the debate on motion S1M-2674, in the name of Andy Kerr. If Mr Kerr and other speakers could trim their remarks by about a minute, that would be helpful.

16:20

The Minister for Finance and Public Services (Mr Andy Kerr): I know that this is the most eagerly awaited stage 3 debate of the past couple of days. I am grateful for the opportunity to open the debate.

The Opposition has indicated that it does not wish to oppose the passage of the bill, so I propose to say only a few words about it before developing some of the issues that have been raised by members during our previous debates on the financial decision-making process.

This budget will deliver improvement in the daily lives of Scotland's people. It will provide for repairs to our children's schools, better roads and better facilities in hospitals. It will deliver five major new trunk road schemes, 11,000 jobs safeguarded or created every year and a full range of health care for the nation. More important, it will enable us to make a start on preventive health measures. Fresh fruit for infants will be delivered by health boards throughout Scotland to local playgroups and other day care centres. Free toothpaste and toothbrushes will be provided for Scotland's children—tackling an issue that was raised in the debate on the Water Industry (Scotland) Bill. The budget for helping people to quit smoking will be doubled, and there will be universal provision of early education to all three-year-olds and four-year-olds.

That is what the budget means. The measures that I have outlined will have a real impact. We are talking not about numbers in a dusty old document that is tucked away somewhere, but about real services delivered to real Scots.

Tommy Sheridan (Glasgow) (SSP): Can the minister provide us with figures for the underspend in the previous two budgets? Is there an estimate for what the underspend will be in this budget? Can the minister confirm that those underspends are allocated to other budgets in the course of the financial year and not lost to the Parliament?

Mr Kerr: The figures for this year are not currently available, but they will be submitted to the Parliament. Many of the items that are affected

by end-year flexibility are planned underspends that result from our working in concert with partners that deliver projects for us or from large capital projects. Such underspends are not the result of mismanagement of resources.

As I have said previously, when I worked in local government I found it depressing that no EYF or underspends were allowed. As a result, people would buy products and services at the end of the financial year simply to get rid of the cash. The Executive is seeking to fine-tune the system—my colleague Peter Peacock deals with this matter with particular aptitude—so that we can reduce EYF as much as possible. However, we must ensure that our money is well spent on the services on which Scottish people expect us to spend it.

We will report to the Parliament on this matter later. EYF remains a constant concern for us, but it allows us flexibility in our budget and enables us to deal with capital slippage and similar matters.

Tommy Sheridan: What are the figures?

Mr Kerr: Last year the underspend was £718.3 million.

The budget process is not so much about EYF or underspend as about schools, resources, nursery places, nurses and doctors. Those are the really important matters that affect the lives of Scottish people.

As I have made clear in previous debates, the Scottish people are interested in two things. First, they want to ensure that their money is being spent on improvements that will change their daily lives. Secondly, they want to know that the Government is looking after their money and to be able to see how well the money is being spent.

Spending the public's money is governed by a number of key principles. We must have clarity before we take any decisions on what resources will buy and when those resources will come to us. We must examine how those resources will deliver the required outputs and outcomes and the arrangements that we need to have with our third-party colleagues, who help us to deliver services. We must specify clearly what benefits the improved services will bring and we must measure and assess those benefits. We must also establish key milestones so that we can monitor delivery and ensure that it is achieved.

Andrew Wilson (Central Scotland) (SNP): In the interests of the debate that will take place over the next 35 minutes, can the minister tell us why it is sensible—given that devolution was meant to allow Scotland to set its own priorities for public services—for us to have to wait for allocations to be made in London before we can consider increasing our funding in any area?

Mr Kerr: We benefit from the Scottish block, which the chancellor Gordon Brown has managed to increase in every year in which he has been chancellor. Those resources have increased dramatically since this Parliament was established, as well as in the period before that. I am quite happy to receive the Scottish block. The important point is that we in Scotland should decide how we spend our money. The Scottish block grant comes from the devolved settlement, which I support but Mr Wilson clearly does not.

I turn to the priorities and how we see the resources of Scotland being used. The First Minister has set clear objectives on health, education, jobs, crime and transport, which we clearly want to meet. As well as pursuing those priorities, we will focus on closing the opportunity gap, providing equality in life's chances and ensuring that what we do is financially and environmentally sustainable.

Long-term financial planning is the key and continuing sound financial decision making is the future. Therefore, with regard to the demands that are made throughout Scotland for increased public services, there will never be enough money to do everything that we want to do and that our communities want us to do. We have to make tough decisions about allocations of resources and prioritise those resources to meet Scottish needs.

I am conscious of the time that is available to me. What I want to say in closing this part of the debate is that the Finance Committee and I are agreed about the process. We have been involved in discussions on that, which can be repetitive on occasion, and I want to work to improve the process. However, the process reflects the advice that we received from the financial issues advisory group. I believe that we have met many of the aims that FIAG set out for us. However, improvement is always a possibility for us and we must ensure that we make time in the future to benefit from the good suggestions that we received from the committee and others about how we deal with the budget bill process.

This is a good bill, which delivers for Scotland and delivers for the people of Scotland.

I move,

That the Parliament agrees that the Budget (Scotland) (No.3) Bill be passed.

The Deputy Presiding Officer: I thank Mr Kerr for his end-speech flexibility and hope that Mr Morgan can be similarly economical.

16:26

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): I will certainly try to be economical.

We have heard what would purport to be a good-news story. I compliment the minister on at least not reeling off huge figures, which he often does. Figures mean nothing to the public at large—they are interested in services, not in figures.

Mr Kerr: Does Mr Morgan welcome the nearly 3,000 pre-school education places in the constituency that he represents; the £500,000 that was allocated to Crichton campus; the money that was given to Dumfries and Galloway Tourist Board; and the Scottish Enterprise money that was put into the area as a result of foot-and-mouth? All that money came out of the Scottish budget and is meeting Scottish needs.

Alasdair Morgan: I am certainly glad that some money from the Scottish budget goes into Dumfries and Galloway; that is welcome. The minister makes the point for me that simply reeling off a ream of statistics is not what the public are interested in, because, quite frankly, they have heard it all before from politicians. I suspect that most people have a great deal of difficulty in connecting what ministers say, and what the documents accompanying the bill say, with the reality that they see on the street.

The minister and the Executive either believe or hope that the population have both collective amnesia and collective blindness. They hope that the population have collective amnesia to forget that, since 1997—not 1999—spending levels have been less than they were under the Tories. That collective amnesia would mean forgetting that a lot of the current extra spending is to undo the damage that was done in earlier years. They hope that the public have collective blindness; they are meant to ignore the reality of what is happening to public services.

The minister trumpeted only recently the increased allocations to local authorities. The population sees the reality of above-inflation council tax increases and decreases in services.

We have more passengers in the rail system, but those passengers are suffering more delays and cancellations. Our trunk road network is grinding to a halt and that is a block on the country's economic development. Many local roads seem to be a series of potholes connected by small pieces of tarmac, rather than being roads.

We are told that there is record spending on health, but there are closed waiting lists, long waiting lists and increasingly dissatisfied customers.

Many small rural communities—certainly in Dumfries and Galloway, which the minister mentioned—are deeply distressed by the threat to close local schools. Young children face five to 11 years of intolerably long journeys to school,

particularly on winter evenings.

The reality with water is that there have been increases in charges of up to three-figure percentages.

Many offenders are not prosecuted in the justice system, not because of a policy decision, but because the Procurator Fiscal Service does not have the resources to prosecute and the courts do not have the capability to process.

It is pretty obvious how the public would measure performance, but let us look at how the Executive measures performance in the budget documents.

The Executive set out, quite rightly, to measure performance through outcomes—we agree with the minister on that point. However, it is not the minister's figures that are important at the end of the day, but what they achieve. The Executive has chosen to measure outcomes through performance targets, which are given for every department as a way of measuring success. Normally, a benchmark would be set, against which those performance targets would be measured. However, of the 268 performance targets that I have identified, only 35, or 13 per cent, have benchmarks that allow performance to be measured. The lack of benchmarks means that we are unable to use past performance as an indicator of success or failure. There is no point in saying that 75 per cent achieved something, if the benchmark for success should be 95 per cent.

More worrying is the fact that, in 71 targets, no figure for the next financial year has been set. Not only can we not measure past success, but we will not be able to compare what was promised with what is delivered next year. There is further cause for concern about where those 71 non-targets are concentrated. Of the 19 health performance targets, 11 have no set measurable targets for the next financial year; of 23 education performance targets, 20 have no set measurable targets; and of 30 enterprise and lifelong learning targets, 21 have no set measurable targets. There is no consistency across departments. The health department, which has a budget of £6 billion, has 19 extremely vague targets, yet the environment and rural affairs department, which has a budget that is about one sixth of the size of the health budget, has 47 detailed targets.

In the light of the debate that took place earlier today, I would have liked to concentrate briefly on cross-cutting issues, particularly in rural development. Suffice to say that I can see few targets that relate specifically to rural areas, with the welcome exception of rural transport. We must develop further the cross-cutting approach, so that targets are set for cross-cutting issues, particularly in rural development but in other areas, too.

I conclude by quoting the minister—I am sure that he will be delighted to hear his own words again. During the stage 1 debate, he said:

“Increases in the amount of resources that are made available ... are always welcome, but it is what we do with those resources—what we deliver—that really matters.”—*[Official Report, 23 January 2002; c 5608.]*

How true. That is how the minister will be judged in a year from May and I suspect that he and the Executive will be found wanting.

The Deputy Presiding Officer: I ask David Davidson to try to keep his speech to four minutes.

16:32

Mr David Davidson (North-East Scotland) (Con): The purpose of a budget is not just to publicise what is spent, but to focus on priorities and on what is delivered for the money. There is agreement among the Opposition parties that we are not getting that focus at present. The people of Scotland want to see delivery. As Alasdair Morgan said, they are interested not in large numbers or in what we spend, but in the bang for the buck, if I may use that colloquial term.

The minister talked about so-called successes, but the truth is that our public services are in some difficulty. Why, when the minister claims to be throwing money into health, do we continue to see NHS trust deficits, postcode prescribing, blocked beds, a breakdown in relations with care homes, waiting list and waiting time increases, and plunging morale in the service? Those issues do not seem to match the minister's rhetoric.

The minister claims that we are spending more money on education, yet there are deficit problems for universities and a fairly big crisis in further education. In relation to schools, the McCrone settlement does not help some of the rural councils in the way in which I believe the minister and his colleagues intended. In other words, this debate is not about the money but about what is done with that money and how it is focused.

As members have said before, local government is under great pressure to increase council tax. My own council, Aberdeenshire, today announced an increase in council tax of just over 6 per cent, which is more than the rate of inflation. However, the minister argues that Aberdeenshire Council gets enough money. Is it simply that the Lib-Dems who run the council cannot cope?

The Deputy Minister for Finance and Public Services (Peter Peacock): No—the council is expanding its services.

Mr Davidson: Fine—thank you.

Let us examine the evidence of what has happened in taxation since the Executive came to power. There has been a rise in council tax that is

equivalent to more than 2p in the pound on standard rate income tax. On the graduate tax—

Mr Kerr rose—

Mr Davidson: Let me finish my point.

Business rates have been increased, which is a direct hit on our economy.

Mr Kerr: Mr Davidson paints a fairly false picture of public services that lack resources and then he talks about the tax-raising agenda. What will his party do on public services and taxation?

Mr Davidson: The issue is not just about assets; it is about managing the assets. It is not just about raising taxation; it is about what one does with the money and how one creates an economy within which we can prosper. In simple terms, there is no specific discussion in the budget of the infrastructure that we require for the future economy of Scotland. Apart from the sticking plaster for foot-and-mouth disease, the budget contains nothing about rebuilding the rural economy, with all its problems. Only a lump sum of money is specified—there is no detail.

When will we get a budget that is focused on Scotland's ability to create wealth? That is what provides sustainable jobs, decent public services and confidence for the future. We have an impending recession, which has already hit traditional industries in parts of Scotland. At this time, more focus in the budget—on infrastructure, education and training—is vital. We must reduce the burdens on business to encourage investment.

A budget should demonstrate strategic thinking—

Andrew Wilson: Will the member take an intervention?

The Deputy Presiding Officer: No, the member is in his last minute.

Mr Davidson: The budget should be an inspiration for the people to have confidence in their leadership. This budget fails totally to address Scotland's major concerns. It does not recognise the demands on health and education and the problems of rural Scotland. It does nothing to sustain a successful economy. Tourism is supposed to be our largest industry. Although the budget offered an opportunity to sort out the structures and the support that the tourism industry needs, on that subject too it provides nothing.

One day the Executive will learn that government is not just about spending; it is about management of the assets—what we have in Scotland that we can work with. Government is not about central control, but about giving people the freedom to develop within the public services and the culture that we have. The present budget has

no focus or drive. It will not inspire; it is a mere continuation of Labour's tax-and-spend mentality—as opposed to the spend-and-pray mentality of the separatists.

16:37

Donald Gorrie (Central Scotland) (LD): With great regret, I am giving up being the Liberal Democrats' finance spokesman. I will pass on the job to Jamie Stone, which will improve the sartorial appearance of the Finance Committee. There was a year when the meetings of the Procedures Committee and the Finance Committee were on different days, but for the past few weeks, and until next June, both committees will often meet on the same day at roughly the same time. To remain on both committees would not be fair to either. One committee will get the full and undivided attention of Jamie Stone; the other will get mine.

I welcome the budget. We are starting to address some of the issues and are making modest improvements. Part of Alasdair Morgan's speech was quite fair—a whole lot of things are wrong with almost all our public services. That is because the Westminster system, under whatever Government, failed Scotland for many years. It will take a while to put that right.

We are starting to put that right. For example, although, like other members, I have often complained about the underfunding in local government, a little bit more funding is beginning to appear. Even Aberdeenshire Council, which has been one of the worst-affected councils, has begun to be able to make modest improvements in various services. We are moving forward, but there is a long way to go.

Brian Adam (North-East Scotland) (SNP): Today, Aberdeenshire Council implemented a further £6.8 million of cuts. The very modest improvements in one or two services represented barely a quarter of that. I would not regard that as great progress. Would Mr Gorrie?

Donald Gorrie: The improvements are real. The cuts are cuts that do not affect front-line services. That is how I understand things. I am not saying that everything is marvellous, but I think that we are beginning to turn the corner and go in the right direction.

We should pay more attention to the cross-cutting areas—for example, to treating the alcohol problem as seriously as the drugs problem. The additional money for dealing with drugs—particularly on the treatment side, rather than the punishment side—has been very welcome. The alcohol problem needs the same sort of treatment. That would affect a range of budgets.

The lack of funding for preventive medicine

affects education, sport, health and other portfolios. Things such as the provision of alternatives to custody to keep young people out of jail impact on many different departments. We have not yet got our act together on proper co-operation between departments.

The Finance Committee made a recommendation—which was also, I believe, in the Liberal Democrat manifesto—that the Parliament and the Executive should report back to the people. One might call it a citizens contract, which would be a comprehensible leaflet that set out where the public's money goes. That would help a lot. It is understandable that people are confused and ignorant about the budget process because, although this purple document—the Budget (Scotland) (No 3) Bill—may be legally correct, it does not tell one anything about anything. Some sort of reporting back, as is done by many councils, would be a step forward and might improve the public's perception of the Parliament. We could certainly do with that.

The Deputy Presiding Officer: Speeches should be of four minutes. I call Brian Adam.

Brian Adam: I will be winding up.

The Deputy Presiding Officer: Sorry. I call Andrew Wilson.

16:41

Andrew Wilson (Central Scotland) (SNP): In anyone's choice of speakers, I am always delighted to play second fiddle to Brian Adam.

It is always a pleasure to take part in a budget debate, but it is unique to this Parliament that the budget takes place more with a whimper than with a bang. It must be unique to Scotland that the budget debate is of no consequence to the media and to the wider general public. The reasons for that are clear. Budgets in this Parliament tend to be merely managerial and administrative efforts. In budget debates, we deal with none of the serious, big questions that should be faced by politicians who represent the general public. We cannot debate the role of the state, the size of the state, how we are taxed, how we distribute wealth or, indeed, how we create wealth. Nothing in the budget debates in this Parliament has an impact on those matters.

That is not the fault of the minister. It is quite right that we debate the priorities of the day. Most parties are agreed on where 95 to 98 per cent of the budget should go, so the disagreements tend to be at the margin. However, when public policy is debated in normal countries, the bigger questions are at the heart of the budget debate. Until we become a normal country, the Parliament will not be able to provide the necessary political

and civic leadership to get this nation out of mediocrity and to promote respect for public service so that, instead of regarding tax as good money that is poured after bad, it can be regarded as money well spent. That is critical to the success of the Parliament.

Politicians of other parties and much of the wider public do not realise that the Parliament has fewer financial powers than any other Parliament on earth. Such a realisation should help the Labour Government, because it means that the failure of outcomes that is experienced in all public services is not the fault of individual ministers. Scottish ministers do not have the powers at their disposal to deliver a real change in practice.

Mr Davidson: Will the member give way?

Andrew Wilson: I am delighted to give way.

Mr Davidson: Does Mr Wilson agree that, within their portfolios, the Minister for Finance and Public Services and his colleagues have great powers as to what they spend their money on, and that they are failing to deliver within those powers?

Andrew Wilson: Frankly, no. Most budgets are simply the outcome of the previous year's spending, with some marginal changes on the fringes. Until we politicians admit that to each other and to the general public, we will not deliver change. The emperor has no clothes. This year's budget is always the same as the previous year's budget, with marginal changes that depend on the outcome of decisions that are taken in London.

To be frank, the budget that Andy Kerr has delivered would be no different if David Davidson were finance minister, as there would be no difference in priorities. The core questions that politicians should face concern how tax is to be raised, how wealth should be distributed and how the economy can be got moving. The Parliament can do none of the above. We have no powers that had not previously been given to the Secretary of State for Scotland. That is ironic. Our only power is the ability to legislate; we are not able to take the bigger decisions. That is a core structural weakness in the devolution settlement, which must be changed.

After three years, the one bright spark on the horizon is that all politicians have accepted the existence of the Barnett squeeze. Even Helen Liddell—when she was taking time out from visiting the hairdresser's and from her French lessons—has admitted that the Barnett squeeze is having an impact. I seriously object to the fact that the budget for this democratically elected Parliament is determined by the Secretary of State for Scotland, whose role has had its time and is both out of date and out of place in the 21st century.

My concluding plea is that we must recognise that budget debates will change nothing and that people will look with disdain on this Parliament for the next four years unless we accept that we must equip ourselves with proper powers, so that serious decisions can be taken and so that such debates are better attended, more interesting and of greater relevance to the wider public.

16:45

Des McNulty (Clydebank and Milngavie)

(Lab): I had to pinch myself during David Davidson's speech, but not just to keep myself awake. I was thinking of the Conservative years and of the priority that his party did not put on investment in our infrastructure—in water, in rail, in education and in a whole series of areas. I was thinking of all the things that were not done and all the areas in which money was not spent.

Since we introduced the first Scottish budget, spending on health and community care is up by 20 per cent, spending on education is up by 20 per cent, spending on transport is up by a third, spending on justice is up by 17 per cent and spending on enterprise and lifelong learning has increased by 12 per cent. Those are the facts. There is a lot of good news. Many very positive things are happening and more resources are being made available for public services.

What do we get from the Opposition parties? We get two responses. On the one hand, Alasdair Morgan's politics are the politics of denial. He says, "It's not happening. Where is it, this invisible money?" However, it is real money and it is really going into services.

On the other hand, we heard from Andrew Wilson a speech that was basically—

Alasdair Morgan: Will Mr McNulty take an intervention?

Des McNulty: I would like to finish my point about Andrew Wilson. Andrew made the same speech that he always makes. He says, "I wouldn't start from here." The Scottish people want us to start from here. They want to know how we will improve public services with the money that we have, but the SNP does not have a single idea.

Alasdair Morgan: Will Mr McNulty tell me how many letters he gets, or how many people queue up at his surgery, to tell him how wonderful things are? My experience is totally to the contrary.

Des McNulty: People identify areas in which there are problems and we try to improve those areas. I am also conscious that other things, such as classroom assistants in schools, the achievements of the McCrone settlement and the new investments in hospitals and health facilities, are having a very positive effect on people in

Scotland. To listen to Alasdair Morgan, one would think that those things were not happening, but they are.

There is a real issue to do with priorities. Mike Rumbles asked a whole series of questions today about how many paperclips the Scottish Executive has used. Is that where we should be concentrating our attention? We must focus on how to get the best value for the money that we spend. We should be doing that, and the Finance Committee will be doing that.

There are things that we need to improve, to do with knowing how money is spent and ensuring that we get valid outcomes and better outputs for the money. That is a collective job for the Parliament and the Executive, and we are positively engaged in that work. Saying that there are no more resources or that improvements are not being made is simply to misrepresent to Scotland the valid work of the Parliament. SNP members should wake up and smell the coffee, because people want us to do a job. If SNP members are not prepared to do it, that is their lookout, but in 2003 people will re-elect us to continue the job that we have started.

The Deputy Presiding Officer: Because there is no amendment and because, this being a stage 3 debate, there is no wind-up speech, I am happy to call Brian Adam.

16:49

Brian Adam (North-East Scotland) (SNP): I have certainly enjoyed the debate rather more than I enjoyed previous debates, because it has been shorter. I do not think that we recognise the budget document as a proper budget. All that it is is a series of statements about what the Executive intends to do.

Tomorrow's papers will be full of budgets, but not this one. They will be full of what is happening at local level, as all the councils have set their council tax, and people will know how much more they will have to pay and which services are to be cut or even—if only occasionally—improved. If the budget that we are debating were a real budget, over which we had real influence in a range of areas, we would have a great deal of interest in the public galleries, in the press gallery and perhaps even on the benches of all parties in the chamber, but we do not have that level of interest.

That is a reflection of the weakness of the financial powers of the Parliament. I was interested in the response in the name of the minister to a letter from the Finance Committee; we considered that response at our last meeting. As he engages with his brief, perhaps the minister will influence the civil service responses a little more than he did on that occasion. In spite of his

warm words about engaging with the committee to improve the process, his response to the most recent letter from the Finance Committee did not give me much hope of improvement. I am sure that the minister will read carefully the *Official Report* of that meeting and the further response from the committee.

The SNP will not oppose the Budget (Scotland) (No 3) Bill, because it would be wholly inappropriate to provide no money for services. However, it does not say much for our Parliament that we cannot influence the big decisions that affect our lives because they are taken elsewhere.

The Deputy Presiding Officer: Brian Adam took me by surprise by finishing so quickly, so I will allow Sylvia Jackson two minutes to speak.

16:51

Dr Sylvia Jackson (Stirling) (Lab): I do not need two minutes. I want to raise the matter of the funding for the Loch Lomond and the Trossachs national park. The funding is far below what was anticipated, based on Scottish Natural Heritage's funding. I know that the Finance Committee raised the matter with the minister and I have raised it with other ministers. I seek an assurance that the funding will be investigated. Given that such a lot of work has been put into the national park, it would be a shame if it were not adequately funded.

The Deputy Presiding Officer: I call Peter Peacock to wind up the debate.

16:51

The Deputy Minister for Finance and Public Services (Peter Peacock): That invitation has come as a great shock to me because I thought that I would have only two minutes. However, I shall keep talking as long as you wish.

As members have indicated, we have had a series of discussions on the process of the budget. It is a three-phase process, which started way back in March 2001 and has involved public consultation, close scrutiny by the Finance Committee and, finally, consideration of the bill. Some people, including Andy Kerr, find it a slightly repetitive process. However, perhaps that is just Andrew Wilson's speeches—we get the same speech every year. We are more than happy to discuss with the Finance Committee ways in which we can amend the process in the interests of Parliament without reducing the level of scrutiny.

It is regrettable that Alasdair Morgan reverted to SNP type in his speech. He began with a large whine about the ills of the world and went on to say that people do not understand statistics and that ministers should not use them to get their

points across. However, Alasdair Morgan then spent four minutes reading statistics.

Alasdair Morgan *indicated disagreement.*

Peter Peacock: If the member wishes to make an intervention, I would be happy to give way.

Alasdair Morgan also expressed the view that the reality on the street was different from the words that ministers use. However, the reality for the people whom I represent and whom I hear about across Scotland is—as Des McNulty said—the experience of a new range of services across Scotland. For example, the parents of all three and four-year-olds are now able to get their children into nursery or pre-school provision. In rural Scotland in particular, that is a huge transformation from the situation three or four years ago when that was simply not possible. The reality for rural parents is going to primary school with their kids in the morning, finding that a classroom assistant is helping the teacher and discovering that, as a consequence, their child can read better sooner, count better sooner—it is a pity the SNP cannot do that—and is making real progress.

Alasdair Morgan: The reality for many parents in Dumfries and Galloway at the beginning of the winter term this year will be going to a totally different school, much further away from where they live, because the council has been forced to shut schools.

Peter Peacock: Such local matters are examples of councils quite properly making provision for the long term in recognition of the fact that school pupil numbers are declining dramatically. The real situation that parents in Dumfries and Galloway experience every day involves classroom assistants, their child doing better in school and provision for their pre-school child that was not in place before. The reality in Dumfries and Galloway, as in the Highlands, Argyll and Bute and other rural parts of Scotland, is that, because of the public transport fund and the rural transport fund, people can access public transport in a way that they were unable to before.

That has made a huge difference to people who were previously excluded from society. People throughout Scotland—in the Highlands, the Borders or Glasgow—can go to new schools that have been built with support from public funds. Those schools simply did not exist before.

Brian Adam: I will give the minister another example. People in rural Aberdeenshire are concerned that their children, like children in Dumfries and Galloway, will be forced to travel much further to school. That is because the capital programme has been driven by the private finance initiative or public-private partnerships. People are concerned about the competitive nature of getting

access to those funds. That is the reality of service delivery. It is not about services being delivered locally; it is about finances being tailored to satisfy a political doctrine.

Peter Peacock: Over the past century, the pattern of school provision has changed to meet modern circumstances and the needs of the population. The truth is that, as Donald Gorrie said, people in Aberdeenshire are experiencing growth in public services and real change of the sort that I have been describing—access to new hospitals, new day care facilities, and better respite care facilities.

The budget that we are debating provides finance for free personal care. That is a real service for real people that will change their lives and make their lives better.

Attainment levels at secondary schools are moving ahead significantly. Scotland's performance relative to that of others is improving all the time. People with better qualifications are able to get jobs and to have the security of a job in the future and the dignity and prosperity that those jobs bring.

Tommy Sheridan: The minister will be aware of the concern across Scotland about the method of funding new buildings and the inefficiency that is inherent in the private finance initiative. Many citizens want us to use public money. The minister has confirmed that one penny added to the income tax rate would raise £230 million in Scotland. Will the minister elaborate on how long it would take for that one penny on the income tax rate to be committed under the budgetary process, and how much it would cost to collect?

Peter Peacock: The private finance initiative is bringing huge benefits to the schools and health sectors in Scotland. The funding that comes from the public purse allows that investment to take place.

School building work is taking place that is worth £500 million. Bids are coming in from local authorities for several hundreds of millions of pounds more than that to make progress and to deliver the services that people want. That is the reality for Scotland. Day by day, people are experiencing improvements in their services and their lives.

Tommy Sheridan: I asked a question.

Peter Peacock: I am being told by the Presiding Officer that I cannot give way.

I am sorry that Donald Gorrie has indicated that he is stepping down from his role as the Liberal Democrat finance spokesperson. As everybody in the Parliament knows—perhaps people in the coalition know more than most—Donald Gorrie is always very challenging. He thinks very carefully

about the issues and I thank him for the contribution that he has made.

Donald Gorrie said that the budget process is more open than it was in the past. It allows people to participate in new ways. As he also said, there is a genuine improvement in services.

The budget delivers spending decisions that will contribute significantly to the achievement of our developing priorities in Scotland. Those priorities revolve around health, jobs, education, transport and reducing crime. That is the stuff of sound and sensible government, not the hot air of Opposition politics.

The budget delivers a record £19.5 billion to meet the needs of Scots in the ways that I have described in my closing remarks. The budget is delivered by the highly respected and sound Barnett formula, which serves Scotland and the rest of the UK so well. It is a stable way of financing our nation's public services.

The budget also delivers the resources for free personal care, which will ensure that all our people are treated with dignity. It continues to deliver resources for teachers, creating the conditions in our classrooms to establish a world-class education system. It delivers the universal provision of early education for all three and four-year-olds. It authorises expenditure of more than £6 billion on the health service—nearly £0.5 billion more than last year. That money provides a full range of health care services as well as measures to improve health, such as giving fresh fruit to infants, providing free toothpaste and toothbrushes for children and doubling the budget to help people quit smoking.

The budget is a record budget for Scotland. It focuses on Scotland's priorities and will make a real difference to the lives of people all over Scotland. I commend it to the Parliament.

Parliamentary Bureau Motions

17:00

The Deputy Presiding Officer (Mr Murray Tosh): The next item of business is consideration of Parliamentary Bureau motions. I ask Euan Robson to move motions S1M-2743 and S1M-2747, on membership of committees, and motion S1M-2748, on rule 2.3.1.

Motions moved,

That the Parliament agrees the following change to Committee membership—

Adam Ingram to replace Kenny MacAskill on the Enterprise and Lifelong Learning Committee.

That the Parliament agrees the following change to committee membership—

Jamie Stone to replace Donald Gorrie on the Finance Committee.

That the Parliament agrees that the dates 7-18 October 2002 as agreed by the Parliament under Rule 2.3.1 on 6 September 2001 be replaced with 14-25 October 2002.—
[Euan Robson.]

Decision Time

17:00

The Deputy Presiding Officer (Mr Murray Tosh): There are five questions to be put as a result of today's business. The first question is, that motion S1M-2675, in the name of Ross Finnie, which seeks agreement that the Water Industry (Scotland) Bill be passed, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 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)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 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)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 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)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, 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)
 Scanlon, Mary (Highlands and Islands) (Con)
 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)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Ben (North-East Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Young, John (West of Scotland) (Con)

AGAINST

Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Ullrich, Kay (West of Scotland) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Deputy Presiding Officer: The result of the division is: For 82, Against 31, Abstentions 0.

Motion agreed to.

That the Parliament agrees that the Water Industry (Scotland) Bill be passed.

The Deputy Presiding Officer: The second question is, that motion S1M-2674, in the name of Andy Kerr, which seeks agreement that the Budget (Scotland) (No 3) Bill be passed, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Adam, Brian (North-East Scotland) (SNP)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Baillie, Jackie (Dumbarton) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Campbell, Colin (West of Scotland) (SNP)
 Canavan, Dennis (Falkirk West)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 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)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North-East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Ms Margo (Lothians) (SNP)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 MacKay, Angus (Edinburgh South) (Lab)
 Maclean, Kate (Dundee West) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Matheson, Michael (Central Scotland) (SNP)
 McAllion, Mr John (Dundee East) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McGugan, Irene (North-East Scotland) (SNP)
 McLeish, Henry (Central Fife) (Lab)

McLeod, Fiona (West of Scotland) (SNP)
 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)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Radcliffe, Nora (Gordon) (LD)
 Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Russell, Michael (South of Scotland) (SNP)
 Scott, Tavish (Shetland) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Elaine (Coatbridge and Chryston) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Thomson, Elaine (Aberdeen North) (Lab)
 Ullrich, Kay (West of Scotland) (SNP)
 Wallace, Mr Jim (Orkney) (LD)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Welsh, Mr Andrew (Angus) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Wilson, Andrew (Central Scotland) (SNP)

ABSTENTIONS

Aitken, Bill (Glasgow) (Con)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

The Deputy Presiding Officer: The result of the division is: For 99, Against 0, Abstentions 14.

Motion agreed to.

That the Parliament agrees that the Budget (Scotland) (No 3) Bill be passed.

The Deputy Presiding Officer: The third question is, that motion S1M-2743, in the name of Patricia Ferguson, on membership of committees, be agreed to.

Motion agreed to.

That the Parliament agrees the following change to Committee membership—

Adam Ingram to replace Kenny MacAskill on the Enterprise and Lifelong Learning Committee.

The Deputy Presiding Officer: The fourth question is, that motion S1M-2747, in the name of Patricia Ferguson, on membership of committees, be agreed to.

Motion agreed to.

That the Parliament agrees the following change to committee membership—

Jamie Stone to replace Donald Gorrie on the Finance Committee.

The Deputy Presiding Officer: The fifth question is, that motion S1M-2748, in the name of Patricia Ferguson, on rule 2.3.1, be agreed to.

Motion agreed to.

That the Parliament agrees that the dates 7-18 October 2002 as agreed by the Parliament under Rule 2.3.1 on 6 September 2001 be replaced with 14-25 October 2002.

Cairngorms (World Heritage Site Status)

The Deputy Presiding Officer (Mr George Reid): The final item of business is a members' business debate on motion S1M-2669, in the name of Elaine Thomson, on world heritage site status for the Cairngorms. The debate will be concluded without any question being put.

Motion debated,

That the Parliament congratulates the United Nations on its co-ordination of the International Year of Mountains; believes that an appropriate way to celebrate the year would be to ensure that the Cairngorm Mountain Range, the largest continuous area of high ground above 1,000 metres in Britain, is designated a World Heritage Site, and therefore considers that the Scottish Executive should speedily propose discussions with Her Majesty's Government to achieve the ultimate international acclaim of World Heritage Status for this beautiful and environmentally unique part of our heritage.

17:04

Elaine Thomson (Aberdeen North) (Lab): I am delighted to have secured the debate today. This year is the international year of mountains and there is no better time to achieve world heritage status for the Cairngorms. I thank Kevin Hutchens, convener of the United Nations Association committee for Scotland, for encouraging me to lodge the motion.

Everyone has their own special mountains. Without doubt, mine are the Cairngorms. The views up Deeside looking across to Lochnagar or walking up past the Linn of Dee into the beginning of the Lairig Ghru, where one catches glimpses of red squirrels in the native Caledonian pine forest, are for me Scotland in its essence.

One of my favourite views, which, amazingly, can be seen from just outside Aberdeen, is the view across to Lochnagar in winter, with its sheer rock faces etched in snow. I have made it to the top of Lochnagar only once, when the weather—in true Scottish fashion—ensured that we could see only 20ft in any direction. On that day I was part of a multinational group of Scots and Malaysians who had never walked so far or so high in their lives, but who knew nevertheless that it was a special place and a special experience.

Scotland has many mountains to celebrate in the year of mountains. I argue that none are more spectacular than the Cairngorms. Aberdonians have a special affinity with the Cairngorms—perhaps it is the granite connection—and Aberdeen is the gateway to them. Many a family has climbed Bennachie or Clachnaben, the easternmost outcrops of the Cairngorms, on a sunny Sunday afternoon. We must not forget all the serious climbers, such as those in the

Cairngorm Club, Scotland's oldest climbing club. The club is based in Aberdeen and counts among its members several members of my family, both past and present.

The Cairngorms are a unique and special part of Scotland's natural and cultural heritage. The international year of mountains is the right time to achieve world heritage status for the Cairngorms. Someone not so familiar with the area asked me what made the Cairngorms any different from the Cuillins, the Mamores or parts of the Alps. The answer has three key aspects.

First, the natural heritage is truly spectacular. The combination of geological, geomorphological and ecological features is unique. In the Cairngorms, Scotland has a little outpost of the Arctic, where flora and fauna from the Arctic north mixes with those of the formerly glaciated alpine south. That happens nowhere else. Even the Cairngorms' wet and windy climate is a unique feature. The Cairngorms also include large tracts of remnant Caledonian forest—the woodlands that gave the name to that kind of forest. Granny pines can be found in Glen Derry that are estimated to be up to 900 years old.

Secondly, the cultural history of the Cairngorms and the variety of land uses have had such an impact that the area has produced some truly unique landscapes. I speak in particular of the eastern Cairngorms and the extensive rolling grouse moors, which are a feature that is unique to that part of Scotland—the habitat and flora and fauna that they support are not replicated elsewhere.

There is also the historic and cultural interest in the Highland sporting estate. Although such estates are perhaps nearing the end of their more traditional days, they are nevertheless of importance in European historical terms, if only because they created such a significant cultural landscape. Deeside has been the preferred holiday location of the royal family for a long time. There is also the earlier history. This is not well known, but land improvements in the Cairngorms in the 17th century were some of the earliest clearances in Scotland. A remarkable archaeological record is emerging that shows the existence of sizeable villages many miles into some of the Cairngorm glens.

Thirdly, there is the sheer scale and remoteness of the mountains, where one can walk for several days at a time and escape from the trappings of the modern day. From the summit of Ben Macdui, it is more than 30 miles due south to the first public road.

I am aware that this is not the first time that the Cairngorms have been proposed for world heritage status. I know that they are on the United

Kingdom's tentative list. Many of the inadequacies that resulted in the failure of the previous bid, which was made 10 years ago, are now being resolved. A national park is being created. Land reform legislation will protect and extend public access as well as help to bring land into public ownership.

I was delighted when the Mar Lodge estate was taken over by the National Trust for Scotland. That put an end to the wanton environmental vandalism by some of the estate's previous owners, including the felling of some of the remaining fragments of the ancient Caledonian forest.

Further legislation to protect Scottish natural heritage, which will comply with the European Union birds and habitats directive, is being considered. The opportunity to achieve the accolade of world heritage status has never been better.

The minister might be aware of concerns that the proposed Cairngorms national park should have adequate planning powers to meet the criteria sought by the United Nations Educational, Scientific and Cultural Organisation for world heritage site status. I ask the minister to ensure that that point is considered as development of the national park moves into its final consultative stage. I am also interested to find out whether the Scottish Executive is having discussions with the relevant United Nations committee—the International Union for the Conservation of Nature—which advises on the suitability of world heritage status nominees.

This undeveloped, extensive area of wild land will have increasing value to 21st century society as a repose, a retreat and a place to think big thoughts. It is a place that is not only worthy of designation as a world heritage site, but worth protecting.

17:11

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I am happy to speak on St Valentine's day with my wife beside me—[MEMBERS: "Aw."] Yes, and I remembered the flowers. As I was saying, I am happy to talk today about my love affair with the Scottish Cairngorms. They are truly magnificent and I congratulate Elaine Thomson on suggesting this interesting idea for a debate. As a former mountain rescue team member and hillwalker, I have visited many of the tops of the Cairngorms and indeed participated in the Cairngorm hill race in 1995, in which I had the distinction of coming last. Just before the race, Gordon Lennox, who was a local photographer with the *Strathspey & Badenoch Herald*, said to me, "Fergus, you're going to come last. Is that a good omen for a potential politician?"

I said, "As a former minister, you know that it says in the Bible that he who is last shall be first." And so it came to pass.

I am pleased to participate in the debate and I will make a few brief comments. First, although I welcome any new idea, the local community must be fully engaged. The feeling in Badenoch and Strathspey that ideas are imposed from above should be taken into account.

Secondly, Elaine Thomson's idea might well be an excellent means of promoting the number of tourist visitors to the area. However, the local chamber of commerce and community councils—certainly those in my constituency, which includes most of the Cairngorms—should be consulted.

Thirdly, there is concern that giving the national park structure its own planning system will add an extra layer of bureaucracy. There is no desire for such a system. Although I know that a number of interest groups believe that that view is wrong, I feel that, instead of having a two-tier planning structure, local planners simply need more resources to deal with the work that they already have. The introduction of such a structure would set a bad precedent. Other members will have strong views on the issue, but I believe that it would be a shame to spend resources on introducing such a system when so much needs to be done to improve the environment.

Elaine Thomson's suggestion would best be pursued through consultation with the local communities. Indeed, it should be pursued after the national park board has been set up and people are comfortable with the way in which it operates. Although the board does not have full support, it is generally seen in Badenoch and Strathspey more as an opportunity than as a threat. I welcome this debate and hope that it plays a part in the appreciation of the Cairngorms as a mountain range of worldwide significance.

17:14

Mary Scanlon (Highlands and Islands) (Con):

For obvious reasons—my voice—I will be very brief. Although I am pleased to support Elaine Thomson's motion, I must disagree with her suggestion that Aberdeen is the gateway to the Cairngorms—I think that many people in Strathspey and Badenoch would not agree with her either.

The Cairngorms are one of several mountain ranges in Scotland that fit the criteria for world heritage status. Others that come to mind are the Cuillins, the Torridon range and the Nevis range. Such a site must be an example of a state of evolution on earth; be representative of biological evolution; contain natural habitats of endangered animals; be a scene of exceptional beauty; or

have a spectacular view of large concentrations of animals. Indeed, Loch Ness also fits those criteria.

Since the world heritage convention was signed in 1972, hundreds of sites, including some of the most famous places on earth, have been accorded world heritage status. Those sites are of such universal value that protecting them should be the concern of every man and woman. It is beyond doubt that the Cairngorms mountain range is one such place. Like others, I regularly walk in the Cairngorms, although, as more of a flat walker than a mountain walker I do not achieve the heights of my colleague Murray Tosh.

It has been said that attaining world heritage status means that an area is fully protected and cannot be knocked down, dug up or painted over. Although I support the granting of world heritage status, I do so on the basis that the areas that are covered should be recognised rather than on the basis that there is any threat of their being knocked down, dug up or painted over. Managing a world heritage property is an ever-changing task that calls not only for special knowledge of the site but awareness of what is going on around it and in society at large. If world heritage status means that future planning would be more realistic than was the case for the funicular railway, which had the longest-running planning application in Scottish legal history, it would be worth while and I would fully support it.

17:16

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): I fully support Elaine Thomson's motion, the first part of which states:

"That the Parliament congratulates the United Nations on its co-ordination of the International Year of Mountains".

I was happy to sign the motion to show my support, but I am a little perplexed about why Elaine Thomson has not so far supported the motion on that very subject—the international year of mountains—that I lodged a few weeks ago, which now has the support of 18 MSPs from across the range of parties in the Parliament.

It is very important to gather as much support as possible, to encourage Scottish Executive ministers to take action to celebrate the international year of mountains. I encourage Elaine Thomson to support my motion. I have the great privilege to represent many people who live and work in Deeside and Donside—identified so eloquently by Elaine Thomson a few moments ago—in the Cairngorm mountain range.

While I support Elaine Thomson's suggestion that the Cairngorms be declared a world heritage site, she may be a little premature. Due to the UNESCO regulations, the UK can submit only one site for world heritage status each year. The

submission—from the tentative list drawn up in 1999—was due on 1 February. The Cairngorms are on the tentative list but the Royal Botanic Gardens at Kew has received this year's nomination.

A Cairngorms management committee and the Scottish Executive have to prove to the Department for Culture, Media and Sport that the Cairngorms are ready for nomination. To satisfy UNESCO regulations, a fairly strict management regime has to be in place—which suggests that the national park will have to be up and running before the Cairngorms will be considered for nomination.

The first piece of legislation that I helped deal with as a member of the Rural Affairs Committee was the National Parks (Scotland) Act 2000, which is the enabling legislation for the national parks. We are well on course for setting up a national park in the Cairngorms, but as has been pointed out by the Cairngorms Campaign and others, if the Cairngorms are to have any possibility of achieving world heritage designation, the Cairngorms national park authority needs to have far stronger powers than are presently envisaged. I am talking about planning powers. What is currently proposed is an arrangement of shared responsibilities between the various councils. There would be input from the park authority, but there is the possibility of confusion.

Will the minister consider changing the Executive's stance—although, as it is really Scottish Natural Heritage's recommendation, it is SNH's stance—on giving full planning powers to the proposed Cairngorms national park, on the same lines as those proposed for the Loch Lomond and the Trossachs national park, so that we can achieve world heritage status for the Cairngorms?

17:20

Rhoda Grant (Highlands and Islands) (Lab): I welcome the opportunity to debate this issue and congratulate Elaine Thomson on securing the debate. It is fitting that the debate should take place during the international year of mountains. It is also fitting that the third European Mountain Convention is being held in Inverness later this year. It is a European association that promotes co-operation between mountain regions.

The Cairngorms are a place of outstanding natural beauty and have attracted visitors from all over the world for many years—people who are interested in mountaineering, wildlife and nature conservation. The question is, what would world heritage status add to the Cairngorms and what benefits would it bring? The most obvious benefit would be recognition. The list of sites with world

heritage status is impressive and includes the great wall of China, the cathedral of Notre Dame, the giant's causeway in Northern Ireland and, more recently, New Lanark. Those sites are all well known and stand out as visitor attractions.

There are four world heritage sites in Scotland: the Neolithic monuments of Orkney, Edinburgh's old and new towns, St Kilda and New Lanark. They are regarded as the gold standard of Scotland's heritage and are recognised throughout the world because of the historic value they add to it. It cannot be doubted that tourism would be boosted through the granting of such status to the Cairngorms. I am sure that some tourists who come to Scotland would be swayed to visit the Cairngorms if the area attracted world heritage status. That would be a welcome boost to the communities in the Cairngorms.

Tourism would not be the only industry that would be helped; there would be a knock-on effect on local industries and the local economy. The part of the Cairngorms that lies in my constituency is dominated by the ski resort of Aviemore. With the award of world heritage status, the attraction of the area would be further enhanced. The opening of the funicular railway has also provided an incentive for tourists to come to the Cairngorms.

The creation of the national park will affect the area, too. With that development, there is potential to promote the area. Furthermore, the national park development and world heritage status will not confine economic activity and development. Throughout the passage of the National Parks (Scotland) Act 2000, serious issues were raised about the balance between economic and environmental concerns. I believe that those issues have been resolved. If granted, world heritage status would recognise the natural beauty of the Cairngorms and would have the potential to bring economic benefit not only to the tourism industry, but to the wider local economy.

I hope that the Scottish Executive will back the proposal and that the minister will seek to persuade Westminster colleagues that it is worth supporting.

17:22

Robin Harper (Lothians) (Green): I have many happy memories of the Cairngorms. When I was 16 and attending Elgin Academy, I visited Loch Morlich and climbed Braeriach. In my 20s, I took school groups to the Cairngorms. We stayed at the Lagganlia centre for outdoor education and went skiing. In my 40s and my Munro-bagging days, I went up all three major ridges and climbed all the Munros in the area. It is a stupendously beautiful area of Scotland of which I am very fond and I was glad when it was made a national park.

Nonetheless, I have two reservations.

First, the present set-up, in which the separate local authorities bargain with each other, will not be workable. Something much stronger is needed, such as an overall planning authority. Secondly, I have concerns about the National Parks (Scotland) Act 2000. I appeared at the Rural Affairs Committee on several occasions to ensure that the Sandford principle was enshrined in the bill. I was reassured by Sarah Boyack, on the day when the bill was passed, that it was. I asked her to give me a copper-bottomed assurance that the Sandford principle was incorporated in the bill and she said that it was. However, I still hae ma doots. World heritage status for the Cairngorms would make absolutely certain that the Sandford principle was protected in the Cairngorms.

I have two questions for the minister. First, does he intend to take steps to meet the world heritage committee's requirement that appropriate management arrangements be put in place—in effect, an integration of planning controls and a proper parks authority? Secondly, how large would the Cairngorm world heritage site be? Would it extend to the boundary of the forthcoming national park or would it be just a small part of that? The latter option would not be acceptable.

17:25

Mr David Davidson (North-East Scotland) (Con): I congratulate Elaine Thomson on securing the debate. An opportunity exists for Scotland, but with every opportunity there are threats. The Parliament must work hard to guard against the threats.

As I come from the north-east, the Cairngorm mountain range is naturally one of my favourite areas. I have been in many of the world's famous ranges but still look at the Cairngorms with a different eye. They are comforting whereas some ranges can be quite awesome, although it is obvious that someone in the Cairngorms in the wrong weather can be in real trouble.

Balances must be considered. Conservation and protection must be borne in mind while we look at the potential for tourism. There must be discussion of the management of people and infrastructure support to ensure that people can obtain access in a way that does not damage the fragile ecology.

Controls have been mentioned. As always, I am concerned about who manages controls. I agree with Fergus Ewing that we must get the national park authority in and up and then look outwards from there. I have lived in the new national park in Loch Lomond and worked there as a community councillor and as a councillor. I saw all the tensions not just with funding, but with getting local control and input, proper consultation and

management and recognition that people live in the area. Not everyone is a tourist. Normal life must be encouraged wherever possible, but the economy must be developed. There must be a single planning authority for that area, otherwise there will be mixed messages. Members saw what went on at the beginning of the national park exercise at Loch Lomond—it was a disaster, a shambles.

There are other issues. Access to the mountains has been mentioned. Access has never really been a problem, but it is important that if there is to be further development—I always worry when nature is developed—proper measures are in place. The land managers—organisations or trusts, for example—should not be burdened with costs with which they cannot cope.

We must ensure that in any application for the status of world heritage site, all such matters are considered. I am glad that Elaine Thomson has brought the matter to our attention and I look forward to what the minister has to say.

17:27

Mr Keith Raffan (Mid Scotland and Fife) (LD): In 1894, that great Scot, John Muir—founder of the conservation movement and the Yosemite national park—wrote in his book "The Mountains of California":

"Thousands of tired, nerve-shaken, over-civilized people are beginning to find out that going to the mountains is going home. That wilderness is a necessity."

During my childhood in the 1950s, I had the privilege to be brought up partly in upper Deeside on the edge of the Cairngorm massif—that great wilderness of startling beauty.

I have no doubt that the Cairngorm mountains meet the criteria to be a world heritage site. The area has outstanding and universal value. As colleagues have said, the Cairngorms have been on the tentative list since 1999, with the flow country and the Forth bridge, but it would be premature to nominate them as a world heritage site before the Cairngorms national park is established in February 2004. A rushed or premature nomination could be counterproductive.

Colleagues have also said that for a nomination to be successful, a rigorous management plan involving strong planning powers will have to be in place to meet UNESCO regulations and to satisfy the IUCN. UNESCO and the IUCN advise the world heritage committee on the suitability of a candidate site. I understand that that is also SNH's position.

There is also the sensitive issue of the boundaries of the Cairngorms national park, which have yet to be finalised. If the boundary is drawn

tight along the lines of SNH's proposed minimum boundary, only half of the park would be a world heritage site. I do not want a premature nomination to complicate or affect the boundary issue. That is a particular concern to those of us who wish the park to be drawn closer to its maximum boundaries to include not just the heads, but the whole of the Angus glens.

Like others, I want to celebrate the Cairngorms in the international year of mountains. I am a passionate supporter of the Cairngorms national park and I want the Cairngorms to be a world heritage site. Again in the words of John Muir, I want us

"to do something for wildness and make the mountains glad"—

but let us do it in a considered way and in a logical order.

17:30

Mr Murray Tosh (South of Scotland) (Con): I am a signatory to both of the motions that have been mentioned. I confess a partiality for the mountains of western Scotland, for Lochaber and Wester Ross and the Skye Cuillin. The hills of eastern Scotland are generally rounder, offer much less rugged walking and are often a beast to get to. However, among the hills of eastern Scotland the Cairngorms are surely the jewel in the crown. There is no scenery more spectacular than that to be had when, for example, standing on Sgor Gaoith looking over Loch Einich, or standing out on the northernmost top of Beinn a'Bhuird—I will not try to pronounce the name of the top—or walking round the spectacular corrie walk from Braeriach to Carn Toul.

The height and remoteness of the Cairngorms is unparalleled in this country. Hillwalkers and climbers have delighted for generations in scrambling on the remote and spectacular tors and mountains, such as Bynack More, Beinn Mheadhoin or Ben Avon. Standing on those tors in a howling gale, or retreating from them under the threat of an impending storm, brings home to us how insignificant man—or indeed woman in these politically correct times—is in the midst of such grand and impressive scenery.

Elaine Thomson referred to the important work that is being done now that Mar Lodge is in the ownership of the National Trust for Scotland, such as the removal of the obtrusive vehicular tracks and the restoration of forests. That is all valuable work. All of us in our political life, and the excellent people who are involved in the work on the ground in these areas, have a responsibility to do all that we can to recognise and celebrate those wild and wonderful places. Everyone should know and visit them. A day in the Cairngorms is a marvellous

experience. One can spend it with thousands of people, yet the area is so vast that one hardly comes across anybody. I can think of no better antidote to a strenuous week in the Scottish Parliament spent jousting with members over the length of their questions or the relevance of their speeches than to escape to the wilderness that is the Cairngorms. Long may they survive to provide the relief that is necessary for us stressed city dwellers.

The Deputy Presiding Officer: Off you go then, Mr Tosh.

17:32

The Deputy Minister for Environment and Rural Development (Allan Wilson): I am sure that we would all like to express our gratitude to Elaine Thomson for giving us the opportunity to debate one of Scotland's most attractive areas.

As we have heard from Elaine Thomson, Fergus Ewing and others, the Cairngorms area is quite remarkable. It is the UK's most important area for nature conservation and has some of Scotland's finest wild landscapes. It is the largest block of wild high land in the country and the best area for sub-Arctic terrain and wildlife in the European Union outside Sweden and Finland. The old woods of pine and birch on the Spey and Dee date back thousands of years. Throughout the area, the landforms, lochs, rivers, moors and marshes are all of outstanding beauty. It is of little surprise that, as members have mentioned, every year thousands of visitors from home and abroad come to walk, climb, ski, fish or simply enjoy the many attractions of the Cairngorms that have been outlined by Murray Tosh and others.

Over the years, a great deal has been done to protect the natural heritage of the Cairngorms. Much of the area is already designated as a site of special scientific interest, a special protection area, a special area of conservation, a national nature reserve or a national scenic area. Those designations all apply in the Cairngorms. We are also committed, as all members who have spoken have mentioned, to the establishment of a Cairngorms national park. We must ensure the sustainable development of that important area. The establishment of the national park is the optimum means of achieving that.

I recognise the arguments for seeking world heritage status for the Cairngorms. As the motion states, it would be fitting to take that idea forward this year, which is the international year of mountains. We support fully the aims of that UN initiative. We are aware of the importance of our mountain areas and we welcome the programme of events that is being organised throughout Scotland to mark the international year of mountains.

Mr Rumbles: Will the minister mention the planning issue and say why the two national park plans are different?

Robin Harper: Does the minister agree—

The Deputy Presiding Officer: One at a time, please. Your chance will come, Mr Harper.

Allan Wilson: In my concluding remarks, I will come to the issue of planning and to other issues connected to the national park.

Robin Harper: Does the minister agree that the issue has been around for some time? In 1990, Lord James Douglas-Hamilton agreed to the proposal to include the Cairngorms on the tentative list for designation as a world heritage site. He stated:

“the case for conservation of not just the Northern Corries but the Cairngorms as a whole outweighed the case for further development”.

Allan Wilson: Rhoda Grant made that point fairly effectively.

My colleague Mike Watson launched the international year of mountains in Scotland. He was impressed by the enthusiasm of the wide range of organisations that promote Scotland's mountains. Those organisations will be engaged in that process during the coming months. I am sure that they will pursue many of the recreational interests that Robin Harper mentioned.

Unfortunately, as Keith Raffan, Mike Rumbles and others said, there is no prospect of progressing the nomination of the Cairngorms as a world heritage site this year. The Cairngorms was one of 25 sites on the UK tentative list, which is the list of sites that the UK is considering for nomination to UNESCO for world heritage status by 2010. In the present climate, the UK does not expect to nominate more than one site from the tentative list each year. As was mentioned, the site for this year has been identified as Kew gardens.

The case for the Cairngorms will require careful preparation. In recent years, UNESCO has adopted an increasingly critical approach to the consideration of nominations. Although members recognise the worth of the Cairngorms, we must demonstrate that they meet the detailed criteria that are laid down by UNESCO for world heritage status. That process cannot be rushed through in a couple of months.

We are aware from informal discussions with UNESCO and its advisers that the Cairngorms cannot be considered for world heritage status until we put in place an effective system of management to protect the proposed site. The changes that we have proposed to the way in which we protect and manage our most special natural places will go a long way towards

establishing such a system. As “The Nature of Scotland: A Policy Statement” explains, our aim is to work more effectively with land managers and communities to protect and manage those areas.

The integrated management that UNESCO looks for, which was mentioned by Robin Harper and others, will follow from the establishment of the Cairngorms national park. When the park is in place and the policy and measures to manage the area through the first park plan have been set out, we will be in a stronger position to promote the Cairngorms as a world heritage site.

Mr Raffan: I strongly agree with what the minister has said. Will he tell members when he expects the boundaries of the proposed Cairngorms national park to be finalised?

Allan Wilson: I will come to that point.

The Cairngorms national park will ensure the sustainable development of the area in a way that is in keeping with the aims of the international year of mountains.

I will address some of the questions that were posed. The next step in the creation of the national park is for Scottish ministers to publish a draft designation order on which there will be further consultation. We expect to do that shortly. Following that, the responses will be considered and, if necessary, the draft order will be revised. The draft order will be laid before the Scottish Parliament for approval. The size of the park will be determined by the draft designation order. The world heritage site must be determined by the UNESCO criteria, which will be relevant to the draft order. I look forward to joining everyone again here in the chamber when the draft designation order is published, as it will be in the foreseeable future. Then we will be able to have a debate about the size of the national park and about the planning authority, which will be retained.

Meeting closed at 17:40.

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