

MEETING OF THE PARLIAMENT

Thursday 7 March 2002

Session 1

£5.00

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Scottish Parliament

Thursday 7 March 2002

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

Scotch Whisky Industry

The Deputy Presiding Officer (Mr George Reid): Good morning. The first item of business is a debate on motion S1M-2833, in the name of Annabel Goldie, on the Scotch whisky industry, and two amendments to the motion.

David Mundell (South of Scotland) (Con): On a point of order, Presiding Officer. I understand that Miss Goldie, who is to open the debate, has been slightly delayed on her way to the chamber. She will arrive very shortly.

The Deputy Presiding Officer: In that case, I will speak very slowly. Will those members who wish to speak in the debate please press their request-to-speak buttons now? I call on Annabel Goldie to speak to and move the motion.

09:30

Miss Annabel Goldie (West of Scotland) (Con): I apologise for my precipitate arrival. It is a great pleasure to take part in a debate such as this morning's. I may say that I am a dame who likes a dram and so it is good to start the morning with something as agreeable as a debate on whisky, or uisge beatha.

Whisky is good for the economy, good for tourism, good to consume and good for Scotland. I was intrigued by the historical account contained in the Scotch Whisky Association's "The History of Scotch Whisky". It notes:

"The earliest documented record of distilling in Scotland occurs as long ago as 1494, when an entry in the Exchequer Rolls listed 'Eight bolls of malt to Friar John Cor wherewith to make aqua vitae'".

Presumably, the biblical instruction to

"take a little wine for thy stomach's sake"

had been enthusiastically improved upon by the monks of 15th century Scotland, to mean "Take a little dram to stay alive." Distilling seems to have been almost the exclusive province of that early church presence—happy days indeed. Communion must have been a lively affair.

I will turn to more modern times. The Scotch Whisky Association notes:

"Scotch Whisky, in particular blended whisky, has gone from strength to strength. It has survived USA prohibition, wars and revolutions, economic depressions and recessions".

I seem to remember that it got me through the 1997 general election results. The association goes on to say that whisky maintains

"its position today as the premier international spirit of choice, extending its reach to more than 200 countries throughout the world."

It was heartening that recognition was given to the importance of the whisky industry in the early days of the Parliament, with the production of a joint document by the Scottish Executive and the Scotch Whisky Association, aptly if perhaps optimistically entitled "A Toast to the Future: working together for Scotch whisky". I could not help noticing that it was subscribed by the Minister for Enterprise, Transport and Lifelong Learning, Wendy Alexander, and by the Minister for Environment and Rural Development, Ross Finnie. Ms Alexander's signature makes it look as though she could do with a dram, while Mr Finnie's signature makes it look as though he should perhaps lay off them.

"A Toast to the Future" is a good document. I quote:

"Scotch Whisky is the best selling international spirit in the world, and that doesn't happen by accident".

That is absolutely right. The document continues:

"The Scottish Executive is well aware that the whisky industry does not operate in a vacuum. The decisions made by government can and do impact on the business community."

That, too, is absolutely right.

The document notes that the whisky industry is a major employer,

"providing direct employment to more than 11,000 people"

and

"generating indirect employment for a further 30,000 people."

It goes on:

"The Whisky industry ... Supports 1 in every 54 Scottish jobs ... Accounts for 5% of all manufacturing jobs ... Spends £1 billion a year, buying goods and services from local suppliers".

Mrs Margaret Ewing (Moray) (SNP): I have very much enjoyed Annabel Goldie's light-hearted introduction to the debate. As she knows, I represent a very important constituency in this context.

As she is speaking as a member of the Conservative party, I ask her why the Conservative Government saw fit to increase excise duty on whisky on 10 occasions during its 18 years in power, thereby reducing the wealth of the industry and, indeed, the uptake by the Government?

Miss Goldie: Mrs Ewing will find that, in

comparison with other fiscal regimes, the Conservative Government did no more than continue a practice that was already established. Interestingly, it was a Conservative party in government that, in 1996, took the remarkable step of reducing duty, a step that was greatly welcomed by the whisky industry. Perhaps more important, the Conservative Government made its view on tax strip stamps extremely clear, which was also welcomed by the whisky industry.

The document notes:

"Every year exports account for 90% of Scotch Whisky sales ... and in terms of added value, this makes it Scotland's number one export industry."

As a product and as a contributor to the economy, they do not come much more precious than that.

Are there any bits of grit in this amber nectar? Yes, there are. There is regulation and restricted access to many global markets:

"Of the 200 countries that currently import Scotch, some 130 operate some form of barrier to trade ... there were 25 export markets with excise structures that discriminate specifically against whisky."

Indeed, China has

"a 65% tariff on imports of Scotch whisky."

In Europe—I mention this particularly for Mrs Ewing—duty rates illustrate an institutional prejudice against spirits. That is, of course, not only unwelcome for our industry; it encourages smuggling.

I say to those of us who love the golden tincture: do not be dismayed, because help is at hand. I refer again to "A Toast to the Future". The Executive states:

"The Scottish Executive has pledged to support Scottish manufacturers where EU and UK policies have an effect on the competitiveness of Scottish industry and will take steps to ensure that the regulatory burden is kept to a sensible minimum."

The document further states:

"The Scottish Executive and the Scotch Whisky industry are committed to standing together to fight for more open markets around the world ... The Scottish Executive will continue to support the Scotch Whisky industry's case for genuine tax harmonisation in Europe."

Perhaps most intriguingly of all, the document states:

"The Scottish Executive supports the industry's case for a review of the tax regime in the UK with the aim of achieving a fair outcome for the Scotch Whisky industry."

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

Miss Goldie: Will Dr Ewing forgive me? I have some points that I wish to expand upon.

All those comments in "A Toast to the Future" are immensely reassuring. The minister will, no

doubt, update the chamber and, more important, the industry on those pledges and commitments. They are significant, they are certainly relevant and they are important.

That makes two matters all the more remarkable. First, I pose the question: why has the Executive lodged an amendment to delete my motion, which did nothing more than applaud the document, observe the statements made in it and call on the Executive to demonstrate how it is getting on with the implementation of the commitments and pledges? I must conclude—gloomily—that there is nothing to report.

Secondly, the haste with which the matter of tax strip stamps was removed by the Executive suggests to me that strip stamps are to be the blow that will be delivered by the Chancellor of the Exchequer's fist to this showpiece Scottish industry, over the heads of the impotent and supine Scottish Executive. Tax strip stamps do not work.

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): Am I to take it from Annabel Goldie's comment that she is looking to extend the powers of a devolved Scottish Parliament in that respect?

Miss Goldie: No. The matter is perfectly clear, at least to parties such as mine—it is perhaps remarkable in itself that we seem to have embraced devolution with greater understanding than has the Labour party. We believe that our mission is to work with our colleagues in Westminster, as part of a United Kingdom partnership, and to bring influence to bear whenever we can, based on the knowledge and expertise that we garner in this devolved Parliament. I only wish that the Executive had the courage, and perhaps the intelligence, to do likewise.

Strip stamps pose a huge potential problem. They will increase costs to the whisky industry; they will slow down production; they will create chronic cash-flow problems; and they will reduce competitiveness.

The issue is bigger than whisky, however, and the minister alluded inadvertently to it. The business community is losing confidence in the Scottish Executive. That should perhaps give me comfort, but it does not, because it suggests to me that the stature of the Parliament in the business community is being impugned, and I do not like that one little bit. My question is this: does the Scottish Executive have the muscle to fight for Scottish interests?

The document opens with the statement:

"Scotch Whisky is the best selling international spirit in the world and that doesn't happen by accident".

If the Scottish Executive cannot put its money where its mouth is, there is an accident waiting to happen. The only sad feature is that the casualties will be greater than the Scottish whisky industry.

I will not comment specifically on Mr Ewing's amendment, other than to say that the points raised in it were articulated by Mrs Ewing and I have already responded to them. I am debating not reserved matters, but an entirely devolved issue—this document, produced by the Scottish Executive. My lament is that it remains a document with very little meaningful representation of the life of the industry in Scotland.

I move,

That the Parliament notes the publication of *A Toast to the Future – working together for Scotch Whisky* and the Scottish Executive's pledge to "support Scottish manufacturers where EU and UK policies have an effect on the competitiveness of Scottish Industry" and "take steps to ensure that the regulatory burden is kept to a sensible minimum"; further notes that Her Majesty's Government is considering applying tax stamps throughout the UK, a measure described by the Scotch Whisky Association as being "by far the greatest threat that the industry currently faces", and calls upon the Executive to demonstrate its stated commitment to the industry, to implement its stated pledge and, accordingly, to make representations to Her Majesty's Government against the introduction of tax stamps.

09:40

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): I congratulate Annabel Goldie on her interest in this matter and on some of her opening speech.

I begin by responding to the member's comments. She is curious to know why we do not support the terms of her motion. Yesterday I made some informal inquiries with the aim of establishing whether this is the first occasion on which a member of the Conservative and Unionist Party has lodged a motion that focuses so largely on reserved matters—it appears that it is. Given the SNP's views, Mr Ewing may welcome that, but neither Opposition party will be surprised to learn that we do not.

Mr Duncan Hamilton (Highlands and Islands) (SNP): Is the minister seriously suggesting that he is not in favour of doing his job, which is to make representations to Her Majesty's Government on behalf of this Parliament and people? That is exactly what the motion and the SNP amendment call for. Is the minister against that?

Lewis Macdonald: Mr Hamilton knows the answer to the rhetorical question that he has posed before I give it—we take very seriously our duty to make representations in the appropriate fashion. However, we do not consider it appropriate for Scottish ministers to seek to make

policy on matters that are reserved to Westminster. I am surprised that the Conservatives should suggest that we go down that road.

David McLetchie (Lothians) (Con): Does the minister regret the publication of the document that we are debating? If the Scottish Executive makes commitments about what it will do, is not it fair that we examine those commitments and hold the Executive to account? If the Executive commits itself to making representations on behalf of the industry, should not it tell us what representations it has made?

Lewis Macdonald: Far from regretting the publication of the document, I regard it as taking on board precisely the issues that are our responsibility. If I have the opportunity to explore those issues further, without immediate interruption, I will explain what we have done to fulfil that responsibility.

The responsibility that I have for the alcoholic drinks industry is important to me. It gives me great pleasure to be involved in an industry that has such deep roots in Scottish soil and that is such a significant component of the Scottish and the United Kingdom economies. I intend to use the debate to reaffirm our support for and commitment to our foremost indigenous industry.

Scotch whisky production continues to represent a vital part of Scotland's manufacturing base and its importance to the wider economy cannot be overstated. Not least significant are the annual export figure of more than £2 billion pounds and the provision of employment—directly and indirectly—to one in every 54 people employed in Scotland. As has been mentioned, the location of those jobs makes them particularly vital to the Scottish economy—whether they are in rural locations, where few alternative job opportunities exist, or in areas of the central belt that have other employment problems.

The Scotch whisky industry is also an important customer for Scottish farmers, who produce the vast majority of the cereals used. I know that the links between Scottish farmers and the Scotch whisky industry are of importance to both parties. The close relationship that the industry has with suppliers such as farmers, transport operators and bottle and label producers and their interdependence make it a prime example of an industrial cluster. Therefore, it is precisely the type of modern industry that both the United Kingdom Government and the Scottish Executive seek to foster.

Although Scotch whisky makes a significant contribution to Scottish employment and is fighting hard to innovate and to develop its home and world markets, I am conscious that several issues

of concern remain. Those issues have been raised today, and we have made and will continue to make representations in respect of them. The Executive is well aware that the Scotch whisky industry does not operate in a vacuum and that decisions made by Government can have an impact on the industry.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Will the minister give way?

Miss Goldie: Will the minister give way?

Lewis Macdonald: I will give way in a moment.

Members will be aware that, in November last year, the House of Commons Scottish Affairs Select Committee reported on the drinks industry. We have responded to the aspects of the report that relate to devolved matters, rather than those that relate to reserved matters.

Fergus Ewing: Will the minister give way?

Lewis Macdonald: I will do so in a moment.

The Executive's response to the select committee's report is an example of its engagement in the interests of the industry and in the future of Scotch whisky. Annabel Goldie referred at length to the document that we have produced. "A Toast to the Future: working together for Scotch whisky" was produced not out of the ether, but in collaboration with the Scotch Whisky Association, which represents the industry.

Fergus Ewing: The debate is about the proposal that tax stamps be applied throughout the UK, a measure described by the Scotch Whisky Association as being

"by far the greatest threat that the industry currently faces".

Is the association right?

Lewis Macdonald: Mr Ewing's timing is perfect. I intend to move on to the very subject that he raises.

Clearly, the possible introduction of tax stamps has caused the industry great concern. It is important to place the proposal in context. Spirits fraud costs HM Customs and Excise £450 million in lost duty each year, which is equivalent to 15 per cent of the UK whisky market. Spirits fraud is predominantly inward diversion fraud, by which I mean that goods entering the UK from a European Union tax warehouse do not reach the intended UK tax warehouse but are illegally diverted on to the home market.

Dr Winnie Ewing: Will the minister give way?

Lewis Macdonald: Not at the moment.

Despite HM Customs and Excise's recent successes, particularly in tackling beer and wine smuggling, inward diversion fraud of spirits remains a serious problem. The UK Government

is obliged to consider a wide range of options for tackling the problem; clearly, the introduction of a UK tax stamp is one such option.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): In outlining the background to the open consultation that has been undertaken by Her Majesty's Government, will the minister remind us of the provisions of the Roques report—the independent investigation of the problem of spirits fraud—which recommended the introduction of a stamp tax? That recommendation is the subject of an open-ended consultation by the Treasury.

Lewis Macdonald: I am very aware of the content of the Roques report. The case that it makes for the advantages of a stamp tax is clear. However, such a tax would also have significant disadvantages.

Miss Goldie: The minister will be aware that strip stamps were introduced in the USA, Greece and Ecuador, and have been abolished because they did not work. The minister will also be aware that three European countries intended to introduce strip stamps, but did not proceed with the measure because of doubts about their efficacy. One country in which they still operate is Hungary, where they have not succeeded in eradicating illicit transactions.

Lewis Macdonald: I am aware of some of the international examples that Annabel Goldie cites. It is important to emphasise that the UK Government remains open-minded about the possibility of introducing tax stamps; in other words, as Brian Fitzpatrick pointed out, we are dealing with a consultation process. The UK Government and the Scottish Executive are encouraged that the industry has responded not only by highlighting the problems associated with the tax stamp proposal, but by suggesting other possible methods of dealing with the problem of spirits fraud.

Mrs Margaret Ewing: What has changed between 1997, when the Government pleaded with Norway not to introduce tax stamps because it saw them as ineffective and as raising a barrier to trade, and this year? What major change has led the UK Government to consider the introduction of tax strips?

Lewis Macdonald: We all understand that the introduction of tax stamps is being considered in the context of the removal by the European Union of duty free and other tax barriers, and of losses to HM Customs and Excise through whisky and spirits fraud. The latter problem needs to be tackled. I very much welcome the commitment by the Scotch Whisky Association and the UK Government to find a way of dealing with spirits fraud. I know that HM Customs and Excise will give careful consideration to the detailed

suggestions that the Scotch Whisky Association has made in response to the consultation opportunity.

As members will know, the scheduled closing date for the consultation has passed. However, in the light of the debate today we have had discussions with HM Customs and Excise and will respond following the debate. I have been keen to take interventions as far as I can, because in making our response, it is important that we are aware of the views around the chamber. We will give a response that acknowledges the interests of the Scotch whisky industry and its vital importance to the Scottish economy. We will acknowledge also the importance to the Scotch whisky industry of finding ways to tackle alcohol import fraud.

On that basis, I look forward to hearing the remainder of the debate. When I close, I will do so in a way that is designed to respond to the debate from the Executive's point of view.

I move amendment S1M-2883.2, to leave out from first "notes" to end and insert:

"welcomes the Scottish Executive's recognition of the importance of the Scotch whisky industry to the economy, the contribution that the industry makes to employment across Scotland and the Executive's commitment to work with the industry as set out in *A Toast to the Future – working together for Scotch Whisky*."

09:51

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): We warmly welcome Annabel Goldie's motion on a topic that I believe I can safely say we all enjoy in variable quantities. It is my pleasure to open for the SNP in the debate. My wife will have the last word later in the proceedings—the rules of natural justice apply in this debate.

The debate is not about the worth and inestimable value of whisky to our economy, culture and society—we can all take that as read. The debate is about an absurd proposal that emanates from Westminster, from a gentleman from a firm of accountants, who thinks that a problem can be solved by a solution that many other countries have discarded as ineffective, inefficient and counterproductive. We really should focus on that issue in the debate.

The Deputy Minister for Enterprise, Transport and Lifelong Learning rightly mentioned that tax fraud is a problem. He referred to the particular problem of inward diversion, namely tax fraud in respect of whisky coming from the EU into the UK. Of course, the primary difficulty is that excise duty in the UK is much higher than it is in other EU states. That creates an automatic incentive to fraudsters who wish to avoid paying the higher rates of excise duty in the UK.

The real question is whether the proposal that has been prescribed by the Roques report will work. We have had the benefit of an excellent briefing from the Scotch Whisky Association. Its conclusion is that the proposal will not work for a number of reasons. First, the Scotch Whisky Association says that it is wrong to suggest that strip stamps deter fraud. Hungary has strip stamps and illicit goods still account for an estimated 15 to 20 per cent of the market. Secondly, it is said that strip stamps cannot be forged. History and practice show that Mexico had such problems with forged and stolen strip stamps that it introduced a new type of fiscal mark to be affixed to the main bottle label. Although the new mark was difficult to copy, it has failed to stop the tax evasion problem.

I turn to the impact on the industry. I spoke to the manager of one of the distilleries that produce single malt in my constituency. The manager said that the distillery simply could not afford the cost, which is estimated at around £300,000, of introducing automation to the process of applying strip stamps. I will not reveal which distillery it was, but the manager said candidly that he did not necessarily see that the distillery would be able to survive if it were burdened with that cost. Were the distillery so burdened, it would have to apply the strip by hand, because it could not justify the expenditure of introducing a process of automation.

That is surely absurd. For that reason alone, the proposal must be disregarded. The argument about cash-flow costs is even more serious. The same manager to whom I spoke said that given that the whole point of the strip is to indicate that tax has been paid on a bottle of whisky, the proposal would involve—as the SWA and others have argued—pre-payment of tax by up to two years. The tax constitutes—as the Executive admits in its glossy document—66 per cent of the retail cost of each bottle, which is £5.48 a bottle. To pay that level of tax two years in advance would impose a huge additional burden.

I find it difficult to fathom why any serious and responsible Government would make such a ridiculous proposal. I am bound to reflect that if the proposal for duty to be pre-paid by two years goes ahead, we will not have a Scotch whisky industry. The industry's role will be not to produce whisky, but to bankroll the Government. The industry will become select bankers for the UK Exchequer—Gordon Brown's bank—but the Exchequer, of course, will pay the bank no interest.

I believe that it is essential, as Annabel Goldie has argued, that the Executive speaks out clearly, does not sit on the fence and makes its representations in public, not in private. Unless it does so, it cannot claim to speak on behalf of the Scotch whisky industry.

I move amendment S1M-2833.1, to insert at end:

"welcomes the raising by the Scottish Conservatives of an issue that is reserved; believes that the taxation imposed on whisky by successive UK governments has disadvantaged Scotch in the home market, where whisky is taxed at higher levels than wine or beer, and has also allowed other countries to seek to justify their own discriminatory tax regimes by reference to those in the UK; further believes that a tax stamp system would constitute a barrier to trade, would be inefficient and ineffective as a means of combating fraud and illicit trade, will cause many practical and technical problems in respect of, for example, labelling and storage and will impose substantial costs on the industry, and calls upon the Scottish Executive to demand that all powers relating to the regulation and taxation of the whisky industry be transferred to the Scottish Parliament."

The Deputy Presiding Officer: I call George Lyon. I am sorry, that was wrong; the Liberals' choice is John Farquhar Munro.

09:56

John Farquhar Munro (Ross, Skye and Inverness West) (LD): I have just changed my identity, Presiding Officer.

We have had an interesting debate so far and I am glad to have the opportunity to become involved. The Scotch whisky industry is an icon in Scotland. It generates worldwide exports worth in excess of £2 billion a year. The industry's importance to Scotland's economy is undisputed; we have heard much about that this morning. The industry, which is one of the main employers in many economically fragile areas, employs 11,200 people directly and supports a further 30,000 jobs with suppliers and support services. In short, Scotch whisky supports one in every 54 jobs in Scotland. Those figures speak for themselves.

With Scotch whisky, Scotland has a rare and competitive advantage. It is accepted that Scotch whisky can be made only in Scotland, so it is truly a unique indigenous industry. As we have heard, however, the industry faces a competitive disadvantage that is enshrined in the UK excise structure.

Alex Johnstone (North-East Scotland) (Con): Will the member express an opinion on whether Scotch whisky can be made from imported barley?

John Farquhar Munro: I am not sure whether the Scotch whisky industry imports barley to make its product, but I am sure that there is sufficient malted barley within Scotland to meet the demand.

Scotch whisky, wine and beer are in direct competition with one another, but the UK Government taxes whisky at a rate that is one and a half times higher than that for wine and beer. That offers a competitive advantage to imported competitors.

The Scottish Liberal Democrats have always called for lower duty on whisky. On 22 November 2000, the party called for the duty on imported wines to be levelled up to create a more level playing field. The current duty leads to Scotch whisky facing trade barriers in 130 of its 200 export markets. That hardly sets a glowing example overseas and it certainly does nothing to help the industry in its home market.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): I am curious about the reference to Liberal Democrat policy. Did I understand the member to say that the Liberals' solution was to increase the duty on wine so that it was as exceptionally high as the duty on whisky? Would that not merely give smugglers an incentive to smuggle wine as well as whisky, rather than instead of whisky?

John Farquhar Munro: Whether increasing the duty on imported wine would encourage more smuggling is a matter for debate, but it would certainly make a level playing field for the Scotch whisky industry, which is competing against the illegal imports.

As I said, the industry faces the potential of more strife in the form of strip stamps. The general view of the Scotch whisky producers is that strip stamps are the greatest threat that the industry faces—dramatic words, but perhaps they are justified.

The Treasury considers that strip stamps will be a solution to the alleged losses in Treasury revenue that arise through large-scale smuggling. I stress the word "alleged" because, as the Scotch Whisky Association stated, the £450 million of excise and VAT that is lost to spirit fraud each year is only an estimate. Bearing that in mind, I must ask whether strip stamps are really the answer, because the evidence appears to suggest that they are not. Countries such as the USA, Greece and Ecuador abolished strip stamps because they were ineffective. Germany, Belgium and Norway considered introducing strip stamps, but opted not to implement that system because the evidence is weighted against their use. Hungary has strip stamps, yet illicit goods still account for an estimated 15 to 20 per cent of the market.

Special machinery is required to apply strip stamps, at a potential cost of £30,000. New machinery and re-engineering costs across the industry would be likely to reach at least £10 million. The cash-flow difficulties that would be presented by strip stamps could prove insurmountable for smaller firms. At the moment, duty is paid only when spirits leave the final distribution warehouse. However, as strip stamps would be affixed at the bottling line, the duty would have to be paid upfront without an assured sale.

The £5.48 a bottle that the duty would cost is a massive sum to those who bottle 200 to 300 bottles a minute. The whisky industry and other distillers will not benefit from the scheme. The UK Government will benefit, therefore the UK Government should pay.

The whisky industry is taxed heavily, but in the case of the Talisker distillery on Skye, in my constituency, there is an additional tax—the distillery must contend with the burden of excessive Skye bridge tolls, which is quite a tax.

No one denies the problem of bootlegged spirits, yet the problem was created largely by the UK Government and its Tory predecessor, which cut the service that is provided by HM Customs and Excise to such an extent that the organisation is no longer able to do its job effectively. Strip stamps treat the symptoms rather than the root cause of the problem. The imposition of stamps may well become a logistical nightmare.

I give members an example. Whisky is taxed at 66 per cent, or two thirds. I ask members to imagine someone walking into Deacon Brodie's Tavern, buying three nips and lining them up on the counter—he drinks one of the nips but the other two go to the Treasury. That is terrible.

The Deputy Presiding Officer: We move to the open part of the debate. Members can expect to have five minutes, plus extra time for interventions.

10:03

Jackie Baillie (Dumbarton) (Lab): Like other speakers, I recognise the importance of the Scotch whisky industry, not only to Scotland but to the UK. Let me be slightly parochial: the industry is also critically important to people in the Dumbarton constituency.

As we have heard, whisky is the second largest export industry in Scotland and the fifth largest in the UK. The industry employs directly more than 11,000 people in Scotland, and a staggering 30,000 people are employed in related sectors. The minister gave the examples of farmers who supply the quality cereals for use in distillation, bottle and label manufacturers, and people who are involved in providing transport services.

A report that was produced by the Fraser of Allander Institute in 1999 for Allied Domecq identified how the Scotch whisky industry compares with other industrial sectors. If I can find my papers, I will share those figures with members. *[Interruption.]* Here they are. The Scotch whisky industry is

"Twice as important as computer-related manufacturing
A third bigger than the oil and gas industries
12% greater than banking, insurance and finance

30% greater than mechanical engineering
A third larger than the chemical industry."

We can be in no doubt about the Scotch whisky industry's importance to the Scottish economy.

Allied Distillers is one of the largest employers in the Dumbarton constituency. It provides economic opportunities for local people in an area that faces significant levels of unemployment and disadvantage, and has a work force of 726 permanent employees in Dumbarton. The company's sales are growing steadily, its export markets are increasing and it is acquiring new brands to sit alongside household names such as Ballantine's, Teacher's and Laphroaig. It is clear to me that Allied Distillers is a cornerstone of the local economy.

I confess that I am slightly curious that the Conservatives, who have representatives in Westminster—albeit a small number, including, I believe, one member who represents a Scottish constituency—are holding a debate on a reserved matter. The subject of strip stamps is but one option on which HM Customs and Excise is consulting. We should not lose sight of the purpose of that exercise, which is to tackle the large-scale spirits fraud that results in an estimated annual revenue loss of about £450 million. The whisky industry is at one with the Westminster Government in pursuing that fraud—the industry's concerns arise from the cost of compliance and the effectiveness of the proposed use of strip stamps.

The use of strip stamps would pose real cash-flow problems. Up to about £5.48 a bottle would have to be paid upfront prior to sale, which amounts to a considerable sum when it is multiplied by the millions of cases that are produced in Scotland each year. I disagree slightly with Fergus Ewing's emphasis, because we have a responsibility to tackle fraud. The more serious issue is not the cost of strip stamps but the fact that they do not work—I refer to Annabel Goldie's comments on the international experience.

I understand and fully support the industry's legitimate concerns. Therefore, I was heartened by Paul Boateng's comments when he said:

"The Government is approaching this issue with an entirely open mind and we are keen to build up as clear a picture as possible, before taking any decisions."

I remind Fergus Ewing that the consultation is on the recommendations of the independent Roques report and not on a Government proposal.

Mrs Margaret Ewing: Does Jackie Baillie agree that the Scotch whisky industry has made innovative proposals on how to tackle the spirits fraud that we are all keen to see the end of? Are those proposals being taken into account? Perhaps the minister could respond to that point

when he replies to the debate.

Jackie Baillie: I find myself in agreement with Mrs Ewing. I welcome the fact that the whisky industry is in direct discussions with HM Customs and Excise on those alternative means of achieving the same aim of reducing fraud. I hope that an acceptable way forward will be found.

It is worth reflecting on the commitment to the whisky industry that has been shown by the Labour Government at Westminster and the Labour-led Scottish Executive. At the UK level, and due to the sound economic stewardship of Gordon Brown, there has been no increase in duty on spirits in the past four budgets, and the industry has welcomed that real-terms cut of 6.2 per cent. Duty rates are 35 per cent lower in real terms than they were 21 years ago. At the European level, the UK Government is arguing that the minimum rate for spirits is too high in comparison with the minimum rate for other drinks. We want a narrowing of the duty discrimination in the EU minimum rate structure.

Dr Winnie Ewing: Will the member give way on that point?

Jackie Baillie: I will continue with my speech, as I am conscious of the time.

Douglas Alexander recently made the welcome announcement that, as a result of detailed negotiations, the Indian Government will cut its import tariff by almost 300 per cent. That announcement may not have been of immediate significance to many members, but the whisky industry regards India as the market that has the greatest potential in the world.

As we have heard, the Executive, in collaboration with the Scotch Whisky Association, has published a framework document, "A Toast to the Future: working together for Scotch whisky". That represents clear recognition of the importance of the whisky industry to our economy and of the contribution that the industry makes to employment and to our local communities. I welcome the minister's commitment to pass on the terms of the debate to HM Customs and Excise. I urge the Scottish Executive to reject the strip stamps proposal.

I pay tribute to the workers in the industry, who are sometimes forgotten. I have met many of them at the Allied Distillers plant in Dumbarton and am constantly impressed by their commitment, enthusiasm and motivation. They are at the core of the success that is the Scotch whisky industry. I am conscious of the Executive's policy on alcohol. Nonetheless, I urge members who perhaps enjoy a drop of the amber nectar to keep enjoying it.

10:11

Mr Duncan Hamilton (Highlands and Islands)

(SNP): Although I am usually keen to accept the truthfulness of Jackie Baillie's comments, she must excuse me on this occasion, for two reasons. First, to quote Douglas Alexander as any kind of independent source always causes a frisson of excitement among the Scottish National Party. Secondly, to suggest that Fergus Ewing is not against fraud—given his attitude to crime and punishment—is altogether new.

Annabel Goldie was perhaps slightly modest about her contribution to the debate. She is to be congratulated on rallying to the nationalist banner in raising the issue as a reserved matter and demanding that the Scottish Executive take a lot more seriously its responsibility for arguing Scotland's case in Westminster. The Conservative party, the SNP—as ever—and the Scotch Whisky Association all make that case. The fact that it takes an alliance of the Scotch Whisky Association and the Conservative and Unionist Party to remind the Executive that it should be fighting Scotland's corner in Westminster illustrates how far the Executive has to go.

I will concentrate on two areas. First, I will deal with why there is a need for more equal tax treatment. Secondly, I will discuss the attitude that we must take towards strip stamps. It is important that we understand the nature of the market, which has not been mentioned in the debate so far, and the ready substitution that occurs among the products of wine, beer and Scotch. Any economic analysis of the sector shows that it is very easy to move from one product to another. That is why the disproportionate tax on whisky is all the more troublesome.

It is worth remembering the importance of the export market, which is worth £2 billion every year to the Scottish economy. That represents 12 per cent of the export total. If other countries such as Japan, South Africa and Canada are using the UK tax regime as an excuse for their tax policies, things have come to a pretty pass. We are not just not standing up for the Scottish industries. We are in a worse situation—our policy is being used as a justification for the implementation of other discriminatory policies. We must combat that at an early stage.

Annabel Goldie's rebuttal of Margaret Ewing's intervention on the Tories' tax position on the matter was less than convincing. The statistic that was put to Miss Goldie was that, on 10 occasions in 18 years in government, the Conservatives took the opportunity to raise the burden on the whisky industry. To suggest that that was okay because in 1996 there was a bit of a flutter and a change of heart does not cut it. A political party that introduced tax rises on 10 out of 18 occasions

cannot present itself as the champion of the whisky industry. Perhaps Miss Goldie would like to have another go at doing that.

Miss Goldie: I would be immensely interested to learn just what reduction in taxation the Scottish National Party would propose.

Mr Hamilton: I am very happy to look at the historical analysis. In the period during which Annabel Goldie's party was failing to deliver on those tax cuts, the SNP—in the 1992 and 1997 general elections and the 1999 Scottish Parliament elections—proposed measures to improve efficiency and productivity and to reduce the tax burden on the Scotch whisky industry. The SNP has nothing to apologise for. We have been championing the industry. Indeed, Winnie Ewing has been championing the industry in Europe for a lot longer than most members have been in politics. She is about to tell us why.

Dr Winnie Ewing: At last a member, albeit of my own party, has given way to me. In Europe, I acted for the Scottish whisky industry—practically by myself—for 24 years. The two main parties did not support what we need, which is a European Union alcohol regime that is based on alcohol content, regardless of the member state or the type of alcohol concerned.

Mr Hamilton: I have a use in the Parliament—to give way to Winnie Ewing.

We must remember that the increase in the tax rate has not increased revenues. During the period in which taxes have been increased, the revenue that comes into the chancellor's pocket has plummeted. That suggests that the policy not only has a punitive effect on the industry, but does not even work for the Government as a method of increasing spending in other areas. As a policy, increasing the tax does not stack up.

Fergus Ewing correctly identified that other countries have rejected strip stamps and that strip stamps do not deter fraud. He used the examples of Hungary and Poland. Again, we have a policy that has been proven not to work. Other countries have abandoned strip stamps because they are entirely ineffective.

Jackie Baillie told us that she was against strip stamps, but she did not mention the fact that, when her colleagues at Westminster were given the opportunity to sign Annabelle Ewing's early-day motion that said precisely that, not a single Labour member of Parliament took that opportunity. Although the Liberal Democrats put themselves forward as the champions of rural areas, not a single Liberal Democrat MP signed that early-day motion. The Labour party and the Liberal Democrats have a long way to go in terms of standing up for Scotland.

We are told that the UK Government has an open mind on the subject, as if that is a "Shock! Horror! Hold the front page!" scenario. I welcome the fact that the UK Government, for once, has an open mind, but it should be up to the Scottish Parliament to tell the UK Government to close its mind on strip stamps. The UK Government should do that by stating that it is fundamentally against strip stamps.

I received an e-mail from a distillery on Islay, which summed up the issue quite well. The manager of that distillery said that governing a country is not rocket science, but just common sense. The measures that are putting our whisky industry at a disadvantage are indicative of anything but common sense. If we support Fergus Ewing's amendment, we will have the opportunity to do something about that.

10:17

Mr Jamie McGrigor (Highlands and Islands (Con): I am delighted to be able to declare an interest in the Scotch whisky industry. The industry is incredibly important to the Highlands and Islands, where most of the distilleries are.

The whisky industry has been under threat from many sources of late. We last debated the issue on 2 May, when the threat came from the EU water framework directive. That threat has not entirely gone away, but the industry is working closely with the Scottish Environment Protection Agency to prove that the manufacture of Scotch whisky is not polluted. That should not be difficult. Many distilleries in the Highlands and Islands discharge into the River Spey, which is world famous for its salmon. Many Aberdeen Angus cattle, which produce the best beef in the world, are fed on draff, which is a distillery by-product. Like Scotch beef, Scotch whisky is an outstanding indigenous product that we in Scotland should be very grateful for.

Industries come and go, but Scotch whisky still flourishes and provides the Treasury with one of its most valuable sources of revenue. The Scottish Parliament would do well to reflect its pride in our national spirit. Whisky is uisge beatha—the water of life. It should be produced at every Scottish Parliament reception, but I regret to say that it is not. It should be an alternative to Chilean or French wine, but we are not even offered it.

If the Scottish Executive is serious about its document, "A Toast to the Future", in which it pledges to support the industry, let us have some evidence of that support and let us have it now. The Labour Government's proposal to implement strip stamps would have precisely the opposite effect. To accommodate the stamps, the UK spirits industry would have to increase its working capital

by £250 million. The interest on that figure would be a minimum of £15 million per annum. The cost of adapting machinery is estimated at another £15 million. That is before we consider the cost of the strip stamps themselves and the cost of the extra security that would be needed to protect such tiny pieces of paper. Each stamp would be worth £5.48 and a bagful of them would be worth £1 million. If the strips were stolen, they could easily be used to stamp fake Scotch whisky or contraband spirits.

The minister mentioned that the Treasury estimates that £450 million of revenue is lost each year through inward diversion fraud. Inward diversion means imported drinks but, as we do not import Scotch whisky, inward diversion must refer mostly to fake Scotch whisky or other imported spirits. The Scotch whisky industry would be unfairly penalised by the proposed measure.

Mind you, Presiding Officer, Scotch whisky has been unfairly penalised ever since 1909, when a teetotal Liberal Prime Minister, by the name of David Lloyd George, tried to stop people drinking at all. He increased the tax by 35 per cent, so that he could fulfil his personal crusade. In a glass of wine at a bar, the proportion of tax is 19.3 per cent; in half a pint of beer, the proportion of tax is 16.6 per cent; but in a poor wee dram, the tax is a massive 27.4 per cent, which is a huge burden for something so tiny.

Only the Conservative party has at least recognised the unfairness by reducing the duty on Scotch whisky twice in recent times. The Government's economic advisers concede that spirits are highly price sensitive. As spirits are already taxed one and a half times more heavily than other drinks, applying strip stamps only to spirits would compound the competitive disadvantage that is already faced by the industry.

Let us consider the facts: strip stamps have been proven not to work—as Jackie Baillie rightly said—and they are easy to forge. The USA and Greece have abolished them because they do not work. Strip stamps are tremendously expensive to apply. Most important of all, the strip stamps would be a massive burden on our Scotch whisky industry.

I urge the Executive to put pressure on its UK counterpart to abandon the Treasury's dangerous proposal. The Executive must show its loyalty to the Scotch whisky industry, which flies Scotland's flag all over the world.

I end on a note of caution for the minister, which came from a little story that I found in William Ferguson's book "Scotland: 1689 - Present". In 1725, Shawfield House in Glasgow was severely damaged by a mob. The house was looted and razed, and blood was shed, because Daniel Campbell of Shawfield, who was the MP for the

Glasgow burghs, had supported the malt tax on whisky. Perhaps the minister should support the industry now.

Tackle the fraud by all means, but do it by lowering the duty on Scotch whisky, so that the fraud is less attractive. HM Customs and Excise and the spirits industry should work more closely together to target and expose the criminals who perpetrate excise fraud. Strip stamps are not the answer. I hope that the Scottish Executive will support a great Scottish industry in its time of need.

10:23

Rhona Brankin (Midlothian) (Lab): Like Jackie Baillie, I was somewhat surprised by the topic that the Conservatives chose for today's debate. Over the past two and a half years, we have become used to the SNP debating reserved matters in the chamber. The SNP is constantly picking away at the corners of the Scotland Act 1998 and has debated reserved issues as an excuse to argue for the transfer of more powers to Scotland.

Given the fact that the Conservatives did not support even devolution—let alone independence—the fact that they chose to debate a matter that is reserved to Westminster was a bit of a mystery to me. Last night, as I was pondering—

Miss Goldie rose—

Rhona Brankin: Let me finish what I was saying because I want to make a point about what Annabel Goldie said.

Last night, as I was pondering why the Conservatives had chosen this topic for debate, it occurred to me that the Scottish Conservatives have only one member at the Westminster Parliament. That poor chap is obviously far too busy to raise the issue in Westminster. I must confess that I was surprised by Annabel Goldie's speech. When will she apply to the SNP for a membership card? I would be interested to hear an answer from her.

Miss Goldie: This may seem depressingly basic and worryingly tedious, but my motion for debate is on a document that was produced by the Scottish Executive. If the document is not competent to the devolved Parliament, what is the Executive doing wasting resources and public money by producing the damn thing?

Rhona Brankin: That is very disingenuous, even by Annabel Goldie's standards. If she cared to read her motion, she would see that the debate is on a lot more than the document.

Having said that, I think all members present are happy to discuss the Scotch whisky industry.

There is no problem with that; we have done so on many occasions. As we all know, Scotch whisky is a world leader. It is the best-selling international spirit in the world and is a leading global brand. Scotch whisky is Scotland's No 1 export and accounts for 20 per cent of the UK's food and drink exports.

The industry provides 11,000 jobs directly and a further 30,000 jobs indirectly. As we have heard, that includes farmers, hauliers and employees of bottling plants and of labelling companies. Many colleagues have mentioned the jobs in their constituencies in different parts of Scotland. In my constituency, the Simpson Label Company Ltd in Dalkeith is the biggest labelling manufacturer in the UK. It makes 4 million whisky labels every year and provides jobs that are important for the local economy in Midlothian.

Precisely because the Government recognises the huge importance of the whisky industry to Scotland, it has developed a partnership with the industry to build on the shared agenda. The industry does not operate alone, as Government decisions have an impact on the industry. The industry itself has responsibilities, because its actions have an impact on people's lives, on the Scottish economy and on the Scottish environment.

We have heard about the industry's concerns over the possibility that producers will be required to put tax stamps across the tops of bottles. However, it is important to remember that the suggestion came not from Her Majesty's Government but from an independent review of excise duties. Duty fraud costs the Government £450 million. The purpose of the suggestion is to reduce the legitimate whisky trade's competitive disadvantage, which the whisky industry is also committed to reducing. I would be interested to hear whether the Conservatives would turn a blind eye to tax evasion and alcohol smuggling, which have so many implications for Scotland's health and finances.

I am delighted to hear the minister's commitment to consult the industry on the issue. I know that the industry has been working closely in consultation with the Government on the possible implications of the proposal. The industry has also worked closely with the Executive on the water framework directive, for which a joint working group has been set up with the Scottish Environment Protection Agency. I welcome the Executive's assurance that there will be no blanket application of abstraction controls on the whisky industry.

The whisky industry is vital to Scotland and I welcome the way in which it has behaved. Only by working in partnership with the Government can we ensure a prosperous future for the industry. The industry is far too important to be used to

score petty party-political points. Frankly, that is all that the Tory motion seeks to do. Of course, the SNP is delighted to help the Tories to do that.

The vast majority of Scots understand that devolution gives Scotland the best of both worlds: the strength of the Scottish Executive to develop the Scottish economy and the strength of the UK to negotiate for Scottish interests in the wider world, as it has done recently in India on behalf of the Scotch whisky industry.

I ask members to support the Executive amendment.

10:29

Maureen Macmillan (Highlands and Islands (Lab): The fact that I stand to speak against the Conservative motion in no way implies any lack of support for the whisky industry, which is of supreme importance to the Highlands and Islands. The industry provides much-valued jobs in remote rural areas. The closure of a small distillery in the Highlands is the equivalent of the closure of a Motorola plant in the central belt. The jobs are extremely important, so I would argue strongly against any proposed legislation or regulation that would put the jobs in jeopardy.

The small, single-malt distilleries in the Highlands and Islands play an important part in community life. For example, the small Clynelish distillery at Brora produces an excellent malt, which I hope all members will sample and support. Recently, the distillery sponsored the Burns supper in Brora, which raised funds for the local scouts and guides. That is typical of what those small distilleries do. They play an important part in the tourism industry. Small distilleries are tourist honeypots, bringing visitors to small communities and so contributing to the viability of other local businesses. Distilleries also provide a market for the barley that is grown in parts of Scotland, including the Black Isle, thus providing support for Highland farmers.

The area of the Black Isle where I live is called Ferintosh. Members who know their Burns will recognise that as the name of a famous whisky. Forbes of Culloden was excused the payment of duty by the Hanoverian Government because of his support against the Jacobites. At one time, there were 40 illegal distilleries on the Black Isle and about 50 lawyers in Dingwall to defend the distillers as they were caught. Unfortunately, at the moment there is no distillery on the Black Isle, but I live in hope that the Ferintosh distillery might be revived.

When the whisky industry recently issued a press release voicing its concerns over proposals to introduce strip stamps to prevent duty fraud, my reaction was to write to the Treasury to find out

what was happening. I am surprised that Opposition members did not do the same. Jackie Baillie quoted from the letter that I received from Paul Boateng. It will do no harm to quote again from the letter. It said:

"Although Customs and Excise have already undertaken some feasibility research I have now asked them to undertake a more wide-ranging and formal consultation on the costs, benefits and practicalities of introducing such a system.

I should like to make clear that the Government is approaching the issue with an entirely open mind and that we are keen to build up as clear a picture as possible"—

Mr McGrigor: Will the member take an intervention?

Maureen Macmillan: Perhaps the member will wait until I have finished reading from the letter. It continues:

"through the consultation before taking any decisions ... I know too that the industry shares the Government's commitment to tackling alcohol fraud and that they have already put proposals to Customs on how they can help."

Mr McGrigor: What is the point of the Government approaching the subject with an open mind when all the evidence shows that strip stamps do not work? Why does the Government have to reinvent the wheel time and again?

Maureen Macmillan: I am sure that Mr McGrigor would not want the Government to approach the subject with a closed mind.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): We had 18 years of that and it did not work.

Maureen Macmillan: Yes.

The letter makes it clear that what we are debating is nothing more than a proposal and that other options are on the table. It is natural for the Treasury to examine ways of preventing the leakage of £450 million in unpaid duty. In spite of all the jokes about having to pay tax on whisky, we need that money for health, education and transport services. The people who complain that not enough money is being spent on education, jobs or health are those who do not want to pay tax.

As a back bencher, I have lobbied consistently in support of the whisky industry. When Sylvia Jackson and I were members of the European Committee and the European Commission was proposing sanctions on water abstraction, we lobbied hard at the European level on behalf of the industry. The industry's position is to support environmental initiatives. Part of the mystique of whisky is built on the purity of the environment—people have only to look at advertisements for Glenmorangie whisky to realise how important the environment is to the industry. The whisky industry is committed to sensible environmental legislation.

The Executive is pledged to a scheme that is proportionate to the degree of environmental risk and that takes users' needs into account. Too much scaremongering is going on.

As has been pointed out, the Labour Government at UK level has always supported the industry. Only last week, Douglas Alexander negotiated a huge import duty reduction in India. *[Interruption.]* SNP members may groan, but they should welcome that step, as India has the potential to become the biggest market in the world for whisky.

In the past four budgets, duty rates on whisky have been frozen. If we ask what the Tory record is, the answer is that it is not very good. The UK Government has argued consistently in Europe for the tax rates for wine and whisky to be equalised.

The Tory motion is built on sand. The Tories have built their case on possibilities rather than probabilities. They have ignored the excellent work that has been done by the Executive and the Labour Government to promote and protect the whisky industry. I am confident that the right balance will be found to protect the industry and to close the door on duty dodgers. I urge members to reject the Tory motion.

10:34

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): I am pleased to refer to my entry in the register of interests. I am a member of Amicus. Given the subject of the debate and the fact that, in a previous life I have been a solicitor and an advocate, I declare an interest in the disproportionate support that both legs of the Scottish legal profession have given to the Scotch whisky industry over the years. Long may that continue.

The debate has been spirited—I hope that it has been fuelled only by a passionate interest. I will not support Annabel Goldie's motion. I say that with some regret, as I share many of the concerns that she outlined, but I agree with Rhona Brankin that the motion is couched in disingenuous terms and I am unsure about the motive that lies behind it. It may be simple mischief making, as that opportunity is always open to opportunist Oppositions. It may be scaremongering or a feeble attempt on the part of the Conservative party to rebuild its links with the Scotch whisky industry—or indeed, with industry in general.

It is simply not the case that Her Majesty's Government is considering the application of tax stamps. That has been made clear by my friend Jackie Baillie and by the relevant Treasury minister, Paul Boateng, on a number of occasions.

Alasdair Morgan: If the Government is not

considering the application of tax stamps, what is the consultation about?

Brian Fitzpatrick: It is an open-ended consultation on moves that were recommended by an independent investigation. The consultation will consider industry submissions—that is why the Scotch Whisky Association has produced its submission. The association wants to be part of the consultation and to assist the Treasury in examining other measures to combat spirit fraud.

I welcome the open consultation. I am sure that the Scotch Whisky Association needs no help from the Conservative party, the nationalists or me to advocate alternatives to tax stamps.

Miss Goldie: I am grateful to Mr Fitzpatrick for allowing me to make a point of information. A letter that I received from the Scotch Whisky Association said:

"The Treasury announced in November that it is considering applying strip stamps to spirits".

That seems to be more than a woolly, ephemeral, putative proposal. There seems to be real apprehension in the mind of the Scotch Whisky Association. Does the association not know what it is talking about?

Brian Fitzpatrick: I am always slightly worried when people narrate what others have said.

The point remains that the minister concerned has made clear the Treasury's position on the open consultation, which is progressing. I accept what he has said. The consultation is open and is being conducted with, among others, the spirits industry. The consultation will explore the costs, benefits and practicalities of a tax stamp system or any alternative regime.

However, I share the concerns that Jackie Baillie raised about the implications of a tax stamp scheme for the industry and its workers. I do not believe that the scheme is an effective solution to spirit fraud.

I am sure that the Deputy Minister for Enterprise, Transport and Lifelong Learning will have close consultation with the Treasury on the matter. I am also sure that the Treasury will enlist the support of the Secretary of State for Scotland. We know that the nationalists always want to turn such important relationships into a spat rather than a solution. On this occasion, it is unfortunate that the nationalists are joined by the Conservatives—although, from the small number of members on the Conservative benches, it seems that most of them are too embarrassed to take part in the debate.

Part of the reason why the Conservatives are not happy to be here is that there is no record of Conservative support for the Scotch whisky

industry. It is Labour members who support the industry. The past four budgets have frozen—and therefore, in real terms, cut—duty on spirits. Whereas it was the Conservatives who put their foot on the fuel duty escalator and who created a spirit duty escalator, the Labour Government took its foot off the spirit duty escalator. I urge members to support the Executive amendment.

The amendment in the name of Mr Ewing does not deserve the support of the chamber, as he did not manage to speak to it in his speech. We got some kind of hint from Mr Hamilton as to what the nationalists mean by a spirit duty, although he did not say whether the duty is to go up or down—that is, and will remain, a secret. As ever, the nationalists have nothing to say about regulation. What do the nationalists intend to do about regulation? Does the amendment indicate, as we heard from one of their apologists recently, a desire to remove health and safety provisions?

The Executive, working in partnership with the Labour Government, will reflect the interests and aspirations of the Scotch whisky industry. It is nothing new that the Tories hardly mentioned the workers in the industry. Members should ask themselves seriously whether David Davidson, Andrew Wilson or Gordon Brown is the best person to take care of the Scotch whisky industry. I have a pretty firm view on that.

The Deputy Presiding Officer (Mr Murray Tosh): The closing speeches will be of four minutes.

10:40

George Lyon (Argyll and Bute) (LD): It is clear from the passionate speeches that Scotch whisky is dear to the heart of many members. We heard that Jamie McGrigor wants free whisky at every Scottish Parliament reception. I am not sure that that is a good idea; it might undermine the quality of Jamie's speeches.

On a more serious note, the whisky industry is important to the economic well-being of many small and fragile communities, a classic example of which is Islay. That island has eight distilleries, which support 50 to 60 jobs directly and many more indirectly. Last year, the Bruichladdich distillery opened after being mothballed many years before. The whisky industry has expanded on Islay. The future of that fragile island community is linked inextricably to the fortunes of the whisky trade, which is why I am concerned about the UK Government's proposal to introduce tax stamps. As Brian Fitzpatrick said, the proposal is the subject of consultation, which is why we are having the debate. I hope that the minister will feed into the UK discussion the thoughts that have been expressed today.

The Scotch Whisky Association suggests that the introduction of tax stamps will make the industry less competitive in the marketplace against foreign competitors. If that is correct, the introduction of such a measure could have serious and damaging consequences for the economies of small and fragile communities such as Islay.

No one denies that the problem of bootlegging must be tackled. That is the fundamental point in the discussion. However, are tax stamps the answer to the problem? Jackie Baillie said that she does not believe so. The UK Government seems to have done a U-turn on the subject. In March 1997, the UK Government wrote to the Norwegian Government stating that tax stamps were likely to be inefficient and ineffective as a means of combating fraud and illicit trade.

What has changed since 1997, when the Government did not believe that tax stamps would solve the problem of bootlegging? Why is the UK Government considering a measure to tackle bootlegging that in 1997 it believed to be unworkable? What did the independent inquiry find suddenly to substantiate the idea that the proposal is sensible and might deal with the problem of bootlegging? As we have heard, other countries, such as the USA, Greece and Ecuador abolished tax stamps because they were ineffective. Other countries considered the introduction of tax stamps but rejected the proposal as unworkable and incapable of solving the problem of bootlegging.

Rhona Brankin: Will the member give way?

The Deputy Presiding Officer: No, the member is in the last minute of his speech.

George Lyon: Am I?

The Deputy Presiding Officer: Yes. I gave you four minutes.

George Lyon: The whisky industry is willing to work with the Government to tackle bootlegging, but the industry does not believe that tax stamps are the right way to achieve that goal. One reason why bootlegging is such a problem is the cuts in the service provided by HM Customs and Excise. The UK seems unable to deal effectively with challenges such as bootleg whisky and unsafe meat products. One answer that must be considered is the strengthening of Customs and Excise. During the past 12 months, illegal meat imports have caused irreparable damage to the rural economy by introducing foot-and-mouth disease. Last week, there was a worry that that disease had reappeared.

It is important that the matter is taken up in the right place, which is Westminster. My colleagues in Westminster are arguing the case. Alan Reid is in the forefront of the campaign to ensure that the

tax stamp system is not introduced. The Scottish Executive must make known, in the strongest possible terms, the genuine concerns that have been expressed today. I am reassured that the minister takes seriously the whisky industry's concerns and, most important, the impact that the measure would have on small and fragile rural communities such as Islay. I look forward to the minister reporting back the results of his discussion with UK ministers.

The Deputy Presiding Officer: I call Margaret Ewing. She has four minutes.

10:45

Mrs Margaret Ewing (Moray) (SNP): I do not want to challenge you, Presiding Officer, but I find it strange that I have only four minutes when Labour back benchers had seven and a half minutes in the earlier part of the debate.

The Deputy Presiding Officer: It is not appropriate to dispute the time that is allocated for a speech. A period was allocated for the open debate and I called all the members who requested to speak. It is for the parties to decide how many people to put forward in that time. Members are notified in advance of the times for closing speeches; they should know what time is available.

Mrs Ewing: I was not challenging you but merely making a comment.

Given the time of day, the debate has been interesting. I hope that Annabel Goldie's late arrival was not a result of supporting the industry too much yesterday evening.

I should declare an interest in the Scotch whisky industry: since 1987, it has been my pleasure, first as MP and now as MSP for Moray, to represent more than 50 per cent of the malt whisky distilleries in Scotland. Even in my constituency, I cannot mention my favourite malt for fear of offending the other distilleries.

As members have said, the whisky industry is an important aspect of the fabric of the community. For example, it provides employment in farming and transport. Transport is a vexed subject because it raises the issues of fuel costs, which are extremely high, and the need for improvement to the A95, which is the main whisky route. The industry also provides employment through tourism; the whisky trail brings a lot of money into bed and breakfasts and hotels.

The whisky industry is not solely a Highland issue. My colleague Alasdair Morgan is interested in Bladnoch, which is our most southerly distillery, but which despite developments is still mothballed. In the central belt, the industry provides many jobs in Shieldhall, the Vale of Leven and Kilmarnock.

I will deal with some of the comments that members have made about the SNP amendment. Apart from the opening line and the final paragraph, everything in our amendment reflects the views of the Scotch Whisky Association. In insulting the SNP, Brian Fitzpatrick insulted that association. He should sort out his neurosis.

Brian Fitzpatrick: Will the member give way?

Mrs Ewing: No. I have been given only four minutes for my speech.

From what Rhona Brankin said, it seems that devolution is only a commitment to consultation—that is ludicrous. If we were talking independence instead of discussing devolution, the Parliament would be able to legislate on the matter. Why must we go, tartan cap in hand, to Westminster to ask it to do something?

I do not want to rehearse the various statistics that members have mentioned. Many of our small distilleries face difficulties with their profit margins. I spoke to several distilleries yesterday, one of which told me that it must absorb a 7 per cent rise in costs this year. It regards the extra cost from the introduction of strip stamps as disastrous.

Will the minister tell me what information he has about the brands and businesses that are involved in fraud? A recent action by the Scotch Whisky Association against a French company uncovered 2 million bottles of fake whisky. What information is available? To defeat fraud, we must know which brands and businesses are involved.

Everyone is against fraud. Apparently, the Government is approaching the issue with an open mind, which, it seems, is to be filled with endless consultation documents in the hope that proposals will emerge—that is if the documents are not shredded.

Rhona Brankin: Will the member give way?

Mrs Ewing: No. I am in my last minute.

Over all the years that Winnie Ewing and I have been involved in fighting battles with various Governments and the EU, the whisky industry has been most co-operative in trying to define policies and in enforcement. The industry is constantly in touch with Customs and Excise.

The industry has made it totally clear that it is opposed to strip stamps. I think that it would be wrong if we did not take on board the fact that the industry is united against that measure, which is being consulted on against all the evidence from elsewhere in the world.

In conclusion, and in the spirit of friendship that whisky always evokes, I invite everyone to come to the spirit of Speyside whisky festival on the weekend of 3 to 6 May, when they are assured of a warm Moray and Banffshire welcome. In relation

to our amendment, I close by saying:

“Whisky and freedom gang thegither.”

10:51

Lewis Macdonald: Part of Annabel Goldie's motion did, indeed, refer to a devolved matter. It also referred to the framework document, “A Toast to the Future: working together for Scotch whisky”, which would allow the Scotch whisky industry and the Scottish Executive to map shared goals and a common direction for the whisky industry in Scotland.

The launch of “A Toast to the Future: working together for Scotch whisky” represents acknowledgement by the Scottish Executive and the Scotch whisky industry that we need to work together to build on the success of such a unique product and to enhance opportunities for its expansion and progress for the benefit of the industry, the jobs it supports and the wider economy of Scotland. The document was sent to all MSPs, MPs and MEPs to make clear the Executive's commitment to, and support for, that generic and important Scottish manufacturing industry.

The document deals not only with issues such as duty on spirits, but with issues for which Scottish ministers have direct responsibility, such as tourism, the environment, technical innovation and problems with alcohol use and community co-operation.

We pledged to support Scottish manufacturers when EU and UK policies impacted on competitiveness and we have done that. We pledged to keep regulatory burdens to a sensible minimum and we have done that. We pledged to work with the UK Government on tax and international trade issues, where it has primary responsibility. It has been noted today that Gordon Brown has achieved real-terms reductions in duty on whisky and that Labour ministers at the Department of Trade and Industry have achieved improvement in relation to duty in countries such as India. On all those matters, there is still progress to be made; however, we work with our UK colleagues and support their efforts in making further improvements in those areas.

Fergus Ewing: Will the minister give way?

Lewis Macdonald: In a moment.

The co-operation between Governments is continuous and wide-ranging. There is a formal tripartite agreement between the DTI, the Department for Environment, Food and Rural Affairs and the Scottish Executive that deals with the subject of co-operation in support of the Scotch whisky industry. We will continue to do all that is in our power to ensure that the industry

receives support.

Fergus Ewing: I am grateful to the minister and I could not disagree with much that he has said. However, the debate is about duty stamps. Will the minister state whether he agrees that, as a measure to combat fraud, duty stamps will not work? Will the Executive oppose duty stamps?

Lewis Macdonald: What I did not hear in Fergus Ewing's speech—or indeed in any speech from the Opposition—was an alternative proposal. This is an area on which we need to focus: it is clear that if a case is to be made that duty stamps or tax stamps are not the way to go, fraud must be addressed and dealt with in other ways.

Before I move on to deal with some of the specifics of that issue, I shall mention in passing that we in Scotland also have a growing white spirits industry. In a debate on whisky, it is important to acknowledge that vodka and gin production is also increasing and that Scotland is now responsible for 70 per cent of UK production of those spirits. However, it is clear that Scotch whisky has a special place.

The part of Annabel Goldie's motion that refers to a reserved matter deals with the issue that Fergus Ewing has again asked about. I think it was Margaret Ewing who asked earlier whether we had considered the Scotch Whisky Association's proposals—she mentioned that such proposals existed. We have considered those proposals and acknowledge them as a significant contribution to the debate.

"Tax stamping of spirits"—HM Customs and Excise's consultation document—includes proposals for new ways in which to trace the origin of diverted stock and for investigating tracking technologies for the same purpose. The industry has also made it clear that it acknowledges that the warehouse sector in the UK and elsewhere has a role to play in identifying and dealing with fraud. We welcome that and the responses of the Scotch Whisky Association.

Mr Hamilton: Will the minister give way?

Lewis Macdonald: I will take a brief intervention from Mr Hamilton.

Mr Hamilton: In the last few seconds of the minister's speech, will he answer Fergus Ewing's question differently? If he is telling us that there is no alternative at this point, will he commit to working with the Scotch Whisky Association to find one? Can he say, at least in principle, what Jackie Baillie was able to say, which was that the Executive is not in favour of strip stamps?

Lewis Macdonald: If Mr Hamilton had listened, he would have realised that we have not only been working with the Scotch Whisky Association, but we have taken their proposals into account.

As I said, I did not hear alternative proposals from Opposition speakers, although I listened closely to the speeches that were made by members from throughout the chamber. I noted the views of many speakers, including Labour and Liberal Democrat members, about the way in which the issue should be developed. It is clear to me that UK ministers are prepared to respond if alternative solutions are proposed—I share their view. It is for MPs from Scottish constituencies to express their views to the Scotland Office. For our part, we will express our view following the debate and I am grateful to members for their contributions to that process.

10:56

Mr David Davidson (North-East Scotland) (Con): Like the other members who have spoken, I must declare an interest in the subject—in single malts in particular.

During the debate I began to wonder whether the party in power understood why we proposed it. The Executive has ducked and dived all over the place. During Lewis Macdonald's first speech—however many minutes long it was—I found it difficult to write anything that was relevant to the debate. That said, the subject of the debate was very clear, but I do not believe that Mr Ewing was too clear in confirming to himself what the debate was about, other than to see it as another opportunity to battle to bring regulation from London to Scotland.

The document "A Toast to the Future: working together for Scotch whisky" is the basis of the debate. Annabel Goldie made it clear that that is what the debate was about and she tested what the Executive meant by the words in that document.

The basis of today's debate is the proposal on—or consultation on, as it has now become—the imposition of strip stamps on the industry. I must ask why an industry is being penalised and forced to pay for enforcement on smuggling and fraud, which is the role of Government. Lewis Macdonald wants to know what we can do as an alternative. If the Government is going to lose £460 million in duty, why does not it invest in support of HM Customs and Excise? George Lyon would like to include food in that.

Rhona Brankin: Will the member take an intervention?

Mr Davidson: I hope that Rhona Brankin's intervention is better than her last one.

Rhona Brankin: What does Mr Davidson say to the fact that the Labour UK Government has invested heavily in appointing additional Customs and Excise officers in Scotland whereas the

Conservative Government presided over a reduction in the number of officers? Did the Conservatives increase the number of Customs and Excise officers in Scotland during their time in government?

Mr Davidson: Excuse me: the Labour party has been in power for five years. If Brian Fitzpatrick had done his sums properly, he would have realised that we reduced taxation. We did not just freeze it.

I come back to today's serious issue. Strip stamps will crucify the whisky industry—there are no ifs or buts about that. Jobs will be put at risk and the rural economy, which is under threat at the moment, will be at risk. The supply chain for grain is at risk.

One of my colleagues gave me a piece of advice to give to Mr Macdonald with regard to the EC water framework directive. Article 11.3(e) gives the Scottish Executive power to exempt distilleries from the framework agreement. Perhaps the minister would like to do his homework on that.

I turn to Fergus Ewing's speech. I agree that paying duty upfront is highly damaging, but the issue is not just the cost of the machinery and sticking on the stamps, but the payment of duty upfront. It is a stealth tax on the industry and it is not good. It is a hidden cost to an industry that has fairly high costs anyway. Such a cost is not helpful, although the Government claims that it is supportive of enterprise, job creation and sustainability.

The Scotch whisky industry is a flagship industry for Scotland and Scotch whisky is a world-renowned product. The industry cannot be moved to the southern counties just because it might be cheaper to produce whisky down there; whisky is a uniquely Scottish product. We should be doing our best to ensure that the Executive tells us what it is saying to the UK Government about issues that matter in Scotland. It is all very well for Lewis Macdonald in his two speeches to say how wonderfully the Government down south is dealing with the issue, but what we want to hear is the Executive's message in the consultations with the UK Government, not that it will work with the industry. The industry wants to know what the Executive is prepared to stand up and argue for. If the Executive is not prepared to argue the case, but is prepared simply to go with the flow, why does not it have the decency to tell us so?

Jackie Baillie made an excellent speech. I do not always agree with her, but she made a realistic and measured contribution to the debate, unlike some of her colleagues. I accept Maureen Macmillan's point about tourism and the fact that everybody refers to the places where whisky is produced in their areas. The point is that whisky is

a national product; it is not made only in one distillery. There are some distilleries in my area. I am sure that the Ewings have sampled the products of most of the distilleries in their locality. I have certainly had a go at that, even though I have not visited all the distilleries.

Today, we have brought to the attention of the Parliament a problem that affects a Scottish industry, but there are ways to solve it. A clear message is coming from the chamber and the industry that strip stamps will not work and there is evidence from abroad that they do not work. They do not stop the problems of fraud and smuggling. It is the responsibility of the Government to deal with those problems. Setting up a new unit and investing in it to get back some of the lost millions of tax pounds would be a good use of taxpayers' money, from which we would see a return. That return would be the continuation and strengthening of an industry that we know and love. If there is going to be a big market in India—as everyone says there will—we must develop the product and be able to produce it. We must take every step that we can to ensure that we have an unfettered industry that can get on with what it does best.

The Deputy Presiding Officer: I thank Mr Davidson for saving some time.

Community Care

The Deputy Presiding Officer (Mr Murray Tosh): The next item of business is a debate on motion S1M-2839, in the name of Mary Scanlon, on community care, and one amendment to that motion. I invite members who wish to speak in the debate to press their request-to-speak buttons now. So that everybody is quite clear about speaking times, 10 minutes will be provided for the opening speech.

11:03

Mary Scanlon (Highlands and Islands) (Con): I am pleased to debate the motion today, given the historic and unanimous decision of the Parliament to implement free personal care for the elderly. We need now to show that same unity of spirit and commitment in order to ensure that all those who are eligible for free personal care are given an assessment of needs and eligibility; that all elderly people are treated equally, which the Regulation of Care (Scotland) Act 2001 will help to achieve; that care provision is funded equally and that the funds that are allocated for the care of the elderly are used for that purpose. I hope that the debate will help to address those issues.

We are all familiar with the figures for bedblocking, or delayed discharge. The latest figure is that there are 3,138 delayed discharges. Since the start of the Parliament, the figure has almost doubled. More than 3,000 people are receiving inappropriate care in a hospital setting when they have been assessed as needing care in the community. Of course, some of the figures relate to the elderly, but bedblocking also applies to people who have mental illnesses and to the disabled. The average cost of a care home place is about £300 per week and that of an acute hospital bed is about £1,000 a week. Therefore, if only 1,400 patients were given the care packages that they need, that would free up beds to allow more people to have operations and treatments, reduce waiting lists and free up £1 million to be spent more appropriately on national health service care.

We cannot even blame the Scottish Executive for not addressing the problem of bedblocking and councils' inability to fund care in the community. Since the start of the Parliament, £54 million has been allocated to that purpose. According to the Minister for Health and Community Care's press release this week,

"Previous initiatives to tackle delayed discharge have simply not delivered".

According to the care development group, grant-aided expenditure for the home-based elderly and services for the elderly in care homes was £603

million, but budgeted expenditure throughout local authorities equalled £540 million. In other words, £63 million that was allocated for the elderly was diverted to other council budgets.

We have often been told—including by Sir Stewart Sutherland at the Health and Community Care Committee—that money is diverted to children's services. Given the imminent implementation of free personal care for the elderly and the undoubted unmet need and eligibility for care, surely it is time to examine whether children's services are adequately funded. The Convention of Scottish Local Authorities stated recently that 50 per cent more is spent on children's services than is earmarked for them. I am not making any judgments—I do not know enough about those services. However, if free personal care is to work, we must examine children's services and other social work services to determine whether they are adequately funded, so that the budget for care of the elderly is not raided year on year to supplement other services that receive inadequate funding.

This week, another £20 million was—despite the failures of the past—given to local authorities to alleviate bedblocking. However, this time, the £20 million comes with the threat of the hit squad. I now realise why there are two Deputy Ministers for Health and Community Care—Mrs Nice Guy Mary and Big Shug from Paisley. They are heading up the bover boys hit squad. I say to Hugh Henry that if the hit squad works, I will support him.

Let us examine the current state of services and their ability to deliver free personal care. For example, 100 residential care homes closed last year. According to the Executive's community care statistics, the number of residents in residential homes has fallen by more than 1,000 since 1998; the number of beds in residential homes has fallen by 946 since 1997; the number of people receiving home care fell by more than 11,000 between 1998 and 2000; the number of people seen by health visitors has fallen by 49,800 since 1997; the number of clients seen by district nurses has fallen by 13,300 since 1999; and more than 2,500 fewer elderly people attended day centres between 1997 and 1998. I ask the ministers how we can promise to deliver free personal care at home when the service has been slashed in recent years.

We then come to funding. Any mention of the independent sector is often dismissed as putting profits before care. Today, I will concentrate on the examples of the Salvation Army and the Church of Scotland.

The Salvation Army was running eventide homes long before much of the provision that we have today existed. On Monday evening, I visited the excellent facility at Davidson House in Edinburgh and was given the following figures,

which relate to the situation even after the new settlement from 1 April. The cost to the Salvation Army of providing care is £334 per week per person and payment to it as a result of the settlement will be £304. The Salvation Army will therefore subsidise by £30 a week each person who depends on council contributions for care. The Salvation Army's subsidy comes from door-to-door collections, moneys that are raised by its bands and other fundraising activities. That money could be used to help missing persons and homeless people or to develop other services. If the not-for-profit sector cannot manage to finance care, how can we expect other voluntary and private sector organisations to do so?

The Deputy Minister for Health and Community Care (Hugh Henry): Mary Scanlon has described a long-standing problem that the Scottish Executive is addressing. Will she take a minute or two to describe what the previous Conservative Government did to support the sector to which she refers?

Mary Scanlon: The Conservatives put the whole sector in place and listened to it. The Labour party was originally against that. The Parliament is unanimous in wanting free personal care. I initiated the debate not to score political points but because I feel strongly that if we address the issues, free personal care will be the success that people expect it to be on 1 July. If we do not address them, we will all have failed.

As we prepare to implement free personal care, can we justify funding a place in a local authority home by £83 a week more than we fund a place with the Salvation Army or the Church of Scotland? Using the budget for care in the community, we could place far more people in the independent sector—council places cost £83 a week more per person.

In a similar vein, I spoke this morning with a Church of Scotland representative, who confirmed that the church has losses of £3.4 million a year or, more accurately, that the church provides £3.4 million in subsidy to run its 34 residential homes. The representative said that even after the new settlement in the next financial year, the church's losses are likely only to be cut from £3.4 million to £2 million. That subsidy is and has been taken from the church's reserves, but they will eventually run out. I ask the minister whether we should ask why—in a modern, caring Scotland—we expect organisations such as the Church of Scotland and the Salvation Army to subsidise from their funds long-term care for the elderly, when council homes have no such worries.

Self-funding clients or patients often pay more for the same care. Is that justified when the regulations and the quality standards are the same? Is it equitable for patients to receive the

same services in relation to accommodation, food, laundry and so on and yet pay different amounts? That needs urgently to be addressed. Is it fair, just or acceptable that a different pricing structure from that for council patients applies to self-funding patients?

I will end with a quotation:

"I support the greater diversity of provision and more freedoms for local services to improve care for patients and seek a new common purpose shared across health sectors with a relentless focus on better health outcomes and less inequality".

I am sure that ministers and Labour members fully agree with that statement, because it is from a speech by Tony Blair.

I move,

That the Parliament notes the unequal funding support between local authority and independently run care homes; regrets the exceptionally high levels of delayed discharge within Scotland's hospitals; believes that the action plan to tackle delayed discharge will not solve the problem until health and social work budgets are unified, and urges the Scottish Executive to implement the recommendation of the Royal Commission chaired by Sir Stewart Sutherland to unify these budgets within a single organisation and put in place systems to ensure that funds allocated for community care are actually spent on such services.

11:15

The Minister for Health and Community Care (Malcolm Chisholm): The main thrust of the Conservatives' motion, which Mary Scanlon chose wisely to ignore, is that delayed discharge problems cannot be solved without full implementation of a supposed organisational recommendation of the Sutherland report. I remind members what Sir Stewart Sutherland said on pages 84 to 86 of his report:

"The Government's proposals ... are attractive in that they seek to work with the grain of current organisational structures, and do not threaten the upheaval and disruption of a wholesale reorganisation."

That is precisely the approach that we are adopting. Sir Stewart also said:

"We welcome the proposed legislation which would enable budget pooling to take place in a way that is not currently possible."

That is precisely what we did in the recent Community Care and Health (Scotland) Bill. The new power to delegate functions and pool budgets will create, in effect, a single budget in a single host organisation.

Shona Robison (North-East Scotland) (SNP): Will the minister give way?

Malcolm Chisholm: In a moment. I have much to get through.

We do not support—neither did the Health and Community Care Committee—enforced delegation

of functions from local authorities to the national health service. That support is the Conservatives' position, as described at the Health and Community Care Committee a few weeks ago, although Mary Scanlon wisely chose not to mention that today. That position is a curious interpretation of jointness, but we are not in the business of derailing joint working through such an approach.

We want a genuine partnership to which both parties can commit and we want results, not restructuring. However, we have gone further than the full range of permissive joint-working powers in England by insisting on joint resourcing and joint management for all community care services, beginning this year with older people's services. At minimum, agencies must by April 2003 have aligned budgets and joint management for older people's services. They must by 1 April 2002 set out the budgets that are to be included and the management arrangements that are to apply. While we are taking action to make joint working work, the Conservatives are determined to talk it down. That is the core message of their motion.

The motion refers to three other issues: care homes, delayed discharge and local government expenditure. We have made an unprecedented financial contribution to care homes and we have ensured that a tripartite group was established to address long-standing funding problems. Last autumn, we announced an immediate investment of £17.5 million to deliver an instant £10 a week for care home owners. That helped to kick-start talks that led to a recommended fee increase to which all have signed up.

From 1 April, we will invest another £24 million. In addition, we will honour a commitment to backdate to July last year one third of the increase that was identified by the review group. That represents another £11 million, which brings to £35 million the total that we will invest from 1 April this year. The overall Executive commitment to care home owners since last July stands at more than £50 million. That is but one important strand of the biggest-ever investment in older people's care services.

Murdo Fraser (Mid Scotland and Fife) (Con)
rose—

Malcolm Chisholm: Shona Robison was first to ask to intervene. I will take Murdo Fraser's intervention later.

Shona Robison: The Executive's action plan suggests that only one local authority and NHS partnership will have pooled budgets. Does the minister agree that that is inadequate?

Malcolm Chisholm: Aligned budgets can achieve a great deal. West Lothian, which is a bit ahead of the game, has had an aligned budget for

some time. As a result, it has reduced its delayed discharges by 60 per cent. We should not underestimate what aligned budgets can achieve although, in due course, many others will want to move on to pooled budgets.

Another strand to our investment in services for older people deals with delayed discharges—most of the people who are affected by that are older. We are the first Administration to count those figures, which means that the comparison that Mary Scanlon made with 1999 was nonsense. We believe in transparency and we want to know the facts as a foundation for action. The true figure for delayed discharges is just over 2,000, because everyone accepts that people should be counted at the six-week point.

We are ring-fencing new money for delayed discharges to ensure that the local authority and NHS board partnerships spend the money on people coming out of hospital—particularly those in the acute sector and those who have been delayed for the longest time. We have identified deliverable improvements that are to be made in each area and we are putting in place additional and robust arrangements for monitoring performance. We will ensure that that money is used only for delayed discharge. That is why, although we are releasing £5 million immediately to kick-start action, we will issue the rest of the money only when we are sure that the targets have been set and that they are achievable. We will certainly take action if partnerships fail to perform.

Mary Scanlon: Will the minister give way?

Malcolm Chisholm: I do not have time.

Our first main target can hardly be clearer. By April 2003, we expect to show evidence that 1,000 extra people who have experienced delayed discharge have moved into more appropriate forms of care. The key to that is care being delivered in the most appropriate setting and in many cases, that means home. Mary Scanlon should remember that when she quotes figures for places in residential care. In many cases, support at the pre-admission stage through rapid response teams and other preventive initiatives will mean that some older people do not need to go into hospital in the first place.

I have only one more minute, so I must address the last part of the motion on ensuring that funds that are allocated for community care are actually spent on such services. There have been problems in relation to services for older people. As Mary Scanlon reminded us, those problems were highlighted by the care development group report. However, let us consider the funding streams: £24 million for care homes—money that will be targeted specifically on care home fees;

£20 million to deal exclusively with the problem of delayed discharge; and let us not forget the ring-fenced £250 million over two years for free personal and nursing care.

We should also remember a fourth funding stream. One hundred million pounds was announced in October 2000 and we should remember in particular the £24 million this year, rising to £48 million in April 2003, for rapid response teams, intensive home support, more short breaks and shopping and maintenance services. That money is being distributed on the basis of outcome agreements, which means that it, too, will be spent on older people's services. Therefore, we are once again taking action while others talk of structural upheaval. This is the biggest-ever investment in older people's care services and we shall ensure that it is spent on improving the lives of older people throughout Scotland.

I move amendment S1M-2839.1, to leave out from "notes" to end and insert:

"acknowledges the progress that is being made towards joint resourcing and joint management of older people's services; looks forward to further developments in the Joint Future agenda; welcomes the provision of significant extra resources for dealing with the problems of delayed discharge and care home fees, and recognises that such resources are part of the biggest ever investment in care services for older people."

11:22

Shona Robison (North-East Scotland) (SNP):

I begin by referring to the poll produced yesterday by Help the Aged and Scottish Gas, which highlights the widespread age discrimination within society and within our public institutions—including the health service. At the beginning of a debate that is, in essence, about the care and treatment of our older people, it is important to say that, despite the existence of awful terms such as bedblocking, we must reassure older people that the core of our desire to resolve the problem is the need to provide the best and the most appropriate care for older people. This is not about portraying older people as a burden on society.

I became a community care manager back in 1997. If at that time someone had asked me to write an analysis of the problem of blocked beds, it would not have been dissimilar to the analysis of the problem in the Executive's action plan.

Five years ago, the problems were as clear as they are today: a lack of funding for local authorities to place people in residential and nursing homes; a contraction of the number of care home places available; a lack of staff to carry out assessments; and well-established institutional barriers between the NHS and local authorities. All those problems have led to an increasing number

of elderly people being inappropriately trapped in acute hospital beds. This is not rocket science. If the same, growing problem was so apparent to all and sundry five years ago, why has it taken five years to even begin to do something about it? The pace of getting to grips with the problem has been ridiculously slow.

The problem has now reached crisis point, with one in 10 NHS beds blocked to those needing medical treatment. As I have said, the Executive's analysis of the problem, as contained in the action plan, is sound—albeit that it tends to underplay the role of the reduction of care home beds and the inadequacy of community care services in creating the crisis. However, the action plan is poor on solutions.

Many of the action points are vague, with yet more references to better partnership, stronger liaison, more co-ordination, and a review of this and a review of that. All of that is worthy, but it is the same language that we have seen time and again. It is time to stop asking for change. It is time to break down the barriers between local authorities and the NHS and to tell them what must and will be delivered—because a laissez-faire attitude will not deliver the change that the Executive has rightly identified in its own action plan as being required.

For example, we are told that

"A review of the funding regime between Local Authorities and NHS Boards around the care of older people needs undertaken to consolidate and accelerate the Joint Future agenda."

Excuse me for saying so, but I thought that that was already under way. It sometimes appears to me—and I am sure to others—that it is easier to analyse the problem than to take action.

Malcolm Chisholm: I want to make it absolutely clear—as I did in my speech—that we are taking decisive action in a new way on the distribution of money. Plans will be required and the money will be handed over only once those plans have been approved. There will be strict monitoring of the money. The review that has been referred to is, of course, something else. What we are doing will make big inroads, but if it does not solve all the problems, it may be that other options will have to be considered. However, the money will make a big difference.

Shona Robison: I am not taking issue with that; I am taking issue with the pace of change, which is far too slow.

The action plan reveals that joint agreed discharge policies and protocols are not in place, that there is no national model agreement or framework, that only one local authority and NHS partnership will have pooled budgets and—to cap it all—that neither the NHS nor local authorities

share the Executive's view of the importance of setting up a system to deal with bedblocking. That is an admission of lack of progress.

After all the debates about bedblocking in this chamber and after all the reports written by numerous working groups, I would have thought that we would have made more progress than we have. The key service providers do not even agree the basics of establishing a system to deal with the problems. That has to be changed.

Let me be clear: we welcome the additional £20 million that has been announced for delayed discharge, but it smacks of crisis management and short termism, with the stated ambition being to reduce the number of blocked beds to 2,000 by next April. That ambition is limited by any stretch of the imagination. We must raise our sights.

A number of things must be done. We agree with the need for new models of care, which the SNP has been advocating for some time now. First, there is a need to expand rehabilitation services, giving people more support to leave hospital and better preparing them to return home. Secondly, we need more intermediate care beds—to stop elderly people being admitted to acute beds in the first place and to be able to move them out sooner. Thirdly, we need to resolve the issue of resource transfer. We must ensure that there are resources to establish adequate community care services. If we are honest, we will admit that those services are not there. I say to Mary Scanlon that the policy was established under a Conservative Government. It was established to fail, and we are suffering the repercussions now.

I am not taking issue with the Executive's intentions as outlined in the action plan, which I think are broadly in line with our own thoughts. What I am taking issue with is the lack of progress and the slow pace of change. I want to see far more intervention on the part of the Executive to make things happen. At the next debate on community care in the chamber, I want to hear from the Executive what progress has been made on the issues discussed here today, and not what the problems are, which we all know very well already.

11:29

Mrs Margaret Smith (Edinburgh West) (LD): I welcome the opportunity to speak in yet another community care debate. It remains an important issue with several facets, as we have heard already.

I believe that the Executive has a good story to tell on the investment that it is putting into the area and on the importance that community care now has on the national political agenda. The Executive has acknowledged many of the

difficulties in the system and is now committed to tackling them on a number of fronts.

Mary Scanlon's motion is on the need for partnership in community care. It focuses on three key areas—care home fees, delayed discharge and joint working.

Most members will have been aware for some time of the problems in the care home sector. Members of the Health and Community Care Committee became more aware of discrepancies between the public and independent care home sectors when we worked on the Regulation of Care (Scotland) Act 2001.

Indeed, during the bill's passage last year, Dr Richard Simpson raised that issue in an amendment. Historically, councils might have been able to argue strongly that they provided a better service with better-trained staff. However, with the passing of the act and the introduction of national care standards, we are trying to level the playing field for everyone who provides care home facilities. There is now no justification for the kind of funding gap that other members have alluded to or for the continuing need for subsidy, particularly for the voluntary sector.

During discussions on the Regulation of Care (Scotland) Bill, there was real concern about the level of fees that bodies would be expected to pay. However, the main financial question was the bill's impact on service providers through increased training and fabric and infrastructure costs and changes. Although many providers raised that point, particularly in the voluntary sector, it had to be set against the historic level of discrepancy. Hugh Henry and Shona Robison are right. The situation has not arisen overnight; it has been building for two decades.

We are keen to ensure that the burdens placed on care home operators and local authorities are not so great as to threaten the current number of beds. Care homes are closing down, and there are particular local reasons for that. For example, in Lothian, the care home sector is experiencing real problems because of the cost of property and the employment market.

Although it is clear that a discrepancy still exists and that much more work needs to be done on that matter, I welcome the fact that negotiations with care homes have been settled successfully, with the Executive and COSLA providing a further £27 million. It means that, since last July, the Executive has spent £50 million on finding a solution to the problem. Care home owners will now see a substantial increase in the level of fees of anything up to a further £38 a week. It is also important to note that a tripartite group involving the Executive, COSLA and the independent sector will be set up to ensure continuing dialogue on

this. Furthermore, the Executive has agreed that, from April 2003, the level of care home fees recommended by the review group will be met in full.

Murdo Fraser: Does the member accept that, even with the new funding package, it is likely that bodies such as the Church of Scotland will still have to consider closing down nursing homes and reducing the number of available beds?

Mrs Smith: Financial difficulties will undoubtedly continue. However, the Executive is committed to meeting the gap in full by 2003 and the Executive and COSLA have committed themselves to continuing discussions and to addressing the issue in a new spirit of partnership. I hope that the Church of Scotland and other bodies will acknowledge that there is now a mechanism to allow them to discuss the problem and to find a way out of it. That partnership is critical, not just for the costs of care, but for the provision of quality services and for ensuring that the links that Shona Robison mentioned between the acute sector, community care, people's homes and the care home sector exist. All the partners involved must speak to each other.

As a result, I particularly welcome Joe Campbell's comments in the press last week that Scottish Care would work closely with the authorities to assist hospitals with the blocked beds crisis. Although delayed discharge is not a new problem, it is a difficult one, and I welcome the minister's announcement of an extra £20 million package for local authorities and the NHS to tackle it. As the minister pointed out, each area of the country will be asked to come up with detailed plans for the money, which will be tested against the area's ability to reduce the impact of delayed discharge and to deliver effective care packages for the 300 people who have been waiting for a year or more.

The issue is all about tackling the problem of having 2,000 people in the wrong place and getting the wrong kind of care. That situation is wrong for them, the health service, the taxpayer and the system as a whole. If one in 10 hospital beds is—for want of a better word—blocked, that has a major impact on all aspects of the service from accident and emergency right through to waiting times.

I agree with Malcolm Chisholm. Initially, the Health and Community Care Committee saw the arguments for one body developing joint working. However, when we came to consider the Community Care and Health (Scotland) Bill, we felt that there was flexibility in the system that the Executive has since introduced. We also realised that the Executive will take action if joint working is not implemented voluntarily. With that new focus on delivery, outputs and monitoring what councils

and health boards are doing in those areas, the committee—and I—were happy to allow joint working to proceed in that manner.

11:35

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): Mary Scanlon's motion not only lacks vision, but shows a lack of understanding of the real world of community care in Scotland today. I am at a loss to understand where Mary has been for the past few years. She was a member of the Health and Community Care Committee when the committee considered the Community Care and Health (Scotland) Bill, the Regulation of Care (Scotland) Bill and during the committee's own inquiry into community care in Scotland.

The unification of budgets into a single organisation was not—and is not—a favoured option by all who provide care. Instead, partnership working and pooled budgets are favoured. As the committee discovered during some of its visits, those measures provide scope for innovative work that delivers quality provision for our older citizens.

Let me address the Tory claim that there is unequal funding support between local authority and independently run care homes. Before anyone says anything, I should declare an interest as a member of the public sector trade union Unison. For many years, I represented local authority Unison members, whose terms and conditions are determined by collective bargaining at a Scottish level. Although those employees do not have the highest hourly pay, they have an occupational sick pay scheme, a pension scheme, access to training and the opportunity to join a trade union and freely express views without fear of dismissal. Unfortunately, many staff employed in the independent sector do not have such employment conditions.

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

Margaret Jamieson: No, I will not. Until there is evidence that respect for staff in the independent sector matches that for staff employed by local authorities, we should resist the one-sided cry for parity. We must open the books, agree the level of profit, demonstrate partnership and enter into meaningful service level agreements with agreed outcomes for older people. We must not use our older people as pawns.

Mary Scanlon: Does the member agree that if the voluntary and independent sectors—including the examples that I have mentioned of the Church of Scotland and the Salvation Army—were given the same funding as local authorities, they could pay their staff at council levels? That is the

inequity.

Margaret Jamieson: In the real world, the discussions involved Scottish Care, which does not include anyone from the independent sector in its membership. The member should not try to pull the wool over our eyes and say that the issue concerns only the independent sector; it is fundamentally about the private sector. *[Interruption.]* Yes, it is—Mary Scanlon's motion is all about the private sector.

Mary Scanlon: It is about care for the elderly.

The Deputy Presiding Officer: Order.

Margaret Jamieson: If the private sector wants to be honest with us, it can let us see its books. Mary Scanlon should not fudge the issue and hide behind the claim that the issue is all about care for the elderly.

The Tories conveniently forget that they were the instigators of community care.

Mary Scanlon: The Labour party has been in power for five years.

Margaret Jamieson: Mary Scanlon should wait a minute. This situation is historical. The Tories forget that they never funded community care fully and that they encouraged the unplanned growth of the independent sector. We are now trying to resolve the difficulties that we inherited from them and their cronies.

The Tories also created bedblocking.

Ben Wallace: Will the member give way?

Margaret Jamieson: No. Sit down.

The Tories have the cheek to condemn the action that the Executive has taken from day one to work in partnership with all those involved in providing care. The joint working to address blocked beds is beginning to make a difference. In Ayrshire and Arran, health, local authority and home care providers in the independent sector are working in partnership to reduce the number of blocked beds. A rapid response team is working with health service staff in the acute and primary care hospitals. The staff are from a varied group of employers, but they have the common aim of ensuring that patients are discharged appropriately, with the assistance necessary to prevent readmission.

At the other end, protocols have been agreed to address the need for admission. General practitioners, district nurses, home helps, occupational therapists and social workers work in partnership—something that the Tories know nothing about—to sustain older people in their own homes, thereby preventing admission. They do not need restructured organisations to deliver services. We need to allow the staff to get on with

the job and to support them as they deliver quality services to our older people.

In case the Tories still suffer from amnesia, let me remind them that the Executive has provided much investment, financially and in delivering quality services to older people. Lest the Tories forget, we have also introduced fully funded free personal care. The Tories choose to consider all of that as unimportant. The least that they could do is be honest and recognise the improvements that have been made in care in the community. I support the amendment in Malcolm Chisholm's name.

11:41

Ms Sandra White (Glasgow) (SNP): How do I follow that? I do not want to get into a slagging match with any party; I just want to get the best deal possible for the elderly. The onus is on the Executive to deliver care for the elderly.

I am the convener of the cross-party group on older people, age and aging. I congratulate Donald Gorrie on his appointment as depute convener of the group—I am sure that he will do a good job. As the convener of the group, I have a particular interest in community care and care of the elderly. Everyone in the Parliament should have an interest, as hopefully we will all grow old and receive the care that the Parliament supports.

Various parties have bandied about the subject of community care. I take issue with what Labour members have said. The contribution of the previous speaker in particular was not helpful to the amendment or to Labour's cause. We do not need such speeches in the Parliament, especially when we are discussing care for the elderly.

Yesterday, at the cross-party group's annual general meeting, we had an interesting speaker from Ireland, Sylvia Meehan, who is the president of the Irish senior citizens parliament. Throughout her life she has championed equality, not for just women, but for elderly people. She talked about how Ireland is dealing with care and help for the elderly and is making elderly people more independent. She mentioned joined-up thinking between health services, hospitals and communities, so that elderly people can live their lives in relative security, in the knowledge that they have health services on their doorstep. I found that interesting. She also mentioned a helpline for elderly people.

What emerged from her speech and from a discussion that I had with her later was that the Irish Government funds all of that, without quibbles. The Irish senior citizens parliament was pushing forward its ideals and the Government was listening. As we all know, Ireland is an independent nation. Is that why it has a different

approach? It did not need to wait for permission from another Government to implement its proposals. That may tell us something about the difference between Ireland—an independent nation—and Scotland, which has devolution.

The SNP, along with other parties, has campaigned throughout for the full implementation of the Sutherland report. We will continue to do so, and to monitor any backsliding by the Executive on the implementation of free personal care. Sutherland enshrined the values of free personal care—for example, that older people are an important part of society. Our approach to long-term care should be to enable older people to lead fulfilling lives, not only in care homes, as was mentioned before by Margaret Jamieson, but in their own homes, with personal care to back that up. That is an important point. The funding system for long-term care—which is what Mary Scanlon's motion is about—should provide opportunities for older people to lead their lives the way they want to. As politicians, we should listen to that.

It is important that there is unified and joint working. We should not keep quibbling about which local authority should be responsible. Older people—and I—do not care how it is done. We just want the money to be made available and for the health boards, local authorities and the Parliament to work together to ensure that care is delivered, regardless of whether it is delivered through a partnership—the buzzword—or whether it is unified. We must have joined-up working. As politicians, we have a duty to everyone in Scotland to ensure that every section of our society is treated fairly. We must ensure that personal care and unified budgeting are implemented as quickly as possible.

11:46

Murdo Fraser (Mid Scotland and Fife) (Con):

On Monday, I met representatives of the Alyth and district Alzheimer's carers group—a group of people who care for elderly relatives with dementia. Many are elderly themselves, and live with a spouse who is unable to feed themselves, bathe, go to the toilet or even get in or out of bed. In many ways, the caring is a labour of love. It would be an easy option for those carers to put their loved one into full-time care, but they would rather care for them themselves in their home, and will go on doing so for as long as they are able. I was encouraged to hear the minister praise people who care in the home and say that that is a model to be encouraged.

Time does not permit me to recount individual stories, but the carers in Alyth and district are clear that they are inadequately supported by the social services. What they are looking for is quite simple: respite day care, together with residential respite

care for the occasional weekend, and a week or two a year to have a holiday. For those who are literally devoting their lives to the task of caring, that does not seem too much to ask. However, the services are just not there. What respite residential care is available is often many miles away, entailing a long journey to visit relatives.

The irony of the situation is that, by caring in the home, those carers are saving the taxpayer thousands that would have been spent annually on residential care. They want to care at home, and will continue to do so for as long as they can, but without support some have no alternative but to give up. The burden then falls on the taxpayer. Even if we disregard the human cost and consider the matter purely in cash terms, it makes no economic sense to reduce services to carers. Services are not only failing to improve, they are reducing.

The situation in Perth and Kinross is covered in the recent Scottish Health Advisory Service report, of which I have a copy. In Perth and Kinross, under the care together project, primary care, health and social work have come together. The Conservatives warmly endorse that approach as a step in the right direction. However, there are still many problems to resolve. The SHAS report makes disturbing reading. It says:

“Specialist services for older people have recently been reduced at Perth Royal Infirmary as a result of financial pressures. Six assessment and rehabilitation beds were closed. We found over half of the remaining beds occupied by people whose discharge was delayed either by a lack of an available bed in a nursing home or by lack of funding. An unacceptable number of people still remain in a delayed discharge situation, some of whom have been in hospital for over 12 months waiting for discharge.”

That confirms the points made by my colleague Mary Scanlon. The report goes on:

“In Pitlochry, where NHS continuing care beds have closed, older people are moving out of their community away from friends and family as there are no nursing home beds available locally.”

Referring to the situation in Blairgowrie, the report says that there will be a reduction in the number of beds, so

“there will be no NHS continuing care for the frail elderly.”

I could go on and read further from the report, but that gives a flavour. There will be a reduction in the number of beds throughout the area, while bedblocking will reduce still further the number of beds that are available. That is the reality in Perth and Kinross.

We have heard a lot from the Executive about how the situation is improving. If the minister were to come with me and speak to people on the ground, he would find that that is not the impression that the people in Alyth are getting. We hear self-congratulatory talk from the minister, but

the carers of Alyth know that the situation is not improving. The Scottish Health Advisory Service report says that the situation is not improving; everyone knows that it is not improving, apart from the Executive. People look back to the days of the Conservative Government and see that services were better under a Conservative Government. Under the Labour-Liberal Democrat coalition, services are being withdrawn and beds are being blocked. Despite its self-congratulatory amendment to the motion, the Executive is failing Scotland on health and community care. I support Mary Scanlon's motion.

11:50

Des McNulty (Clydebank and Milngavie) (Lab): Judged by the Swinney test, Shona Robison's contribution to the debate got nul points, like the Norwegian entry in the Eurovision song contest. If she was supposed to mention independence, independence, independence, she failed to do so. However, battling Sandra White managed to mention it, so I suppose that one out of two is quite good.

It is interesting to note that, in the area of elderly care, where a number of technical and resource issues need to be addressed seriously, the SNP's response is to talk about constitutional change. The SNP would rather talk about what happens elsewhere than about the substance of the issue. We need to talk about the substance of the issue and how we are going to make progress. It is not enough simply to say that the pace of change is not fast enough. We have to ask how change can be secured more effectively. That is where the debate should lie and that is what we must discuss.

I welcome the fact that the Conservatives have brought the matter to the debating chamber, because it allows us to address some important issues. However, it is pretty dishonest of them to hide behind the Salvation Army and the Church of Scotland, when their concern is, in reality, about the private residential home sector and companies such as Westminster Health Care, Four Seasons Health Care, Southern Cross Healthcare Services and Ashbourne, which have put their fees up time after time.

Mary Scanlon: I used the example of the Church of Scotland because it has 34 homes in Scotland. Does Des McNulty not feel that that is relevant? If the not-for-profit sector cannot survive, how does he expect the rest of the voluntary and independent sector, which have no such reserves, to survive?

Des McNulty: I am happy to talk about the not-for-profit sector, but the Conservatives need to make it absolutely clear that their specific concern

has consistently been how the private sector can expand. There is a real issue about how private sector companies are operating in elderly care. Margaret Jamieson mentioned the driving down of wages. One of the private sector's biggest complaints about the present scheme is that private companies might have to pay minimum wages. That just underlines the way in which things have operated in the past.

Murdo Fraser: Does Des McNulty accept that private care home owners and operators, many of whom are individuals—rather than large companies—who live in the homes themselves, would be delighted to give their staff better terms and conditions, but that they simply cannot afford to do so under the present settlement?

Des McNulty: Companies should pay their staff appropriate wages and should charge realistic fees, but profit taking and the whole process of bidding and bargaining in the sector must be examined. Ministers who are responsible for administering budgets in that area must consider those matters properly.

Elderly care is an important issue. Balance must be achieved between what is spent on residential care, what is spent on support for people in their homes and what is spent on the wide variety of other services that people require. Judged on that full range of services and how things have been improved, Labour's record is absolutely outstanding. The initiatives that have been introduced to support—

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Will Des McNulty give way?

Des McNulty: I have already taken two interventions.

The supporting people initiative will be introduced next year, and work has been done on housing benefit and on providing aids and adaptations to support people in their homes. The integration of social work services with housing services to provide better support for elderly people is also being developed. What is the Tories' response to that? They want to separate out the system of joint working and move it all into the NHS.

I am one of the few members in the chamber who have experience of being in local government and of being a member of a health board. Considerable progress has been made in developing the joint working agenda and it is important that that development continues. Joint arrangements do not require only pooled budgets. We also need joint working so that people can take on responsibilities for each other's services, so that those services fuse together in a seamless way to support individuals who require a variety of services.

Shona Robison: Will Des McNulty give way?

Des McNulty: I have already taken two interventions.

It is important to develop the joint working agenda further. A lot of professional work is going on in the sector and there has also been a lot of consultation with older people themselves to examine how services can be improved. I just wonder whether the posturing on the SNP and Tory benches adds one iota to the development of that agenda. I think that, unfortunately, it does not, but Labour members are doing a lot of work and a lot of new resources are being put into the area—far more than were ever put in during the 18 years when the Tories were in power. The difference between what is happening now and what happened then is like the difference between chalk and cheese.

11:56

Donald Gorrie (Central Scotland) (LD): We have come a long way, and I found the minister's speech encouraging. When I first started pursuing the issue of what was then called bedblocking, not all that long ago at Westminster, the Government could not provide any figures. My colleague Michael Moore MP and I had to write to all the health boards and get the figures from them, which was quite easy to do. The Government did not really recognise that there was a problem. We have come a long way, but the problem seems to have grown and we are not yet dealing with it satisfactorily.

Getting accurate information, especially about money, can be a problem. The Health and Community Care Committee commented on that problem. I was encouraged by Malcolm Chisholm's remarks—if I understood him correctly—about not ring-fencing but monitoring how well people were achieving results and giving them more money if they achieved them. That is a vital issue. We must ensure that the number of delayed discharges decreases to zero.

Mary Scanlon: Figures from the information and statistics division of the Common Services Agency confirm that, in August 1998, 1,500 beds were blocked. In October 2001, 3,138 beds were blocked. That is more than double the number of blocked beds in 1998.

Donald Gorrie: That is clearly a matter for concern. I deserve a little bit of credit for at least getting some figures started at Westminster. Before that, people did not have any figures at all.

I want to concentrate on carers. All the discussion so far has been about homes, which are very important, but using carers better can help to keep people out of homes. Carers must be

members of the team that deals with people who are being discharged from hospital. If they are ignored, a vital resource is kept out. The whole carers enterprise is seriously underfunded by local authorities and by the Executive. COSLA estimates that there is a £20 million shortfall in funding.

Carers do not get the support that they want. Glasgow City Council has, very honestly, admitted in a report that carers assessments and reviews are not yet routinely part of social work practice in Glasgow. Carers are vital members of the team and deserve more support than they get. They should be involved in the team effort to get people out of hospital, because many people do not need to be in a residential or nursing home at all if they can be properly cared for at home. That is an important aspect of the debate, which the minister should consider carefully.

12:00

Mr Adam Ingram (South of Scotland) (SNP): Delayed discharge and shortage of nursing home places are symptoms of a more fundamental problem that is not being addressed properly by public policy, never mind by the NHS or community care services. That is the aging of our population and our inability to keep healthy in old age.

Our health service is designed to get us through to old age, but it is proving deficient in staving off afflictions that are associated with getting old—in particular, mental health problems such as dementia that are far from inevitable consequences of aging. Despite community care planning and care management, there is evidence that the needs of older people with mental health problems are not being met and that they do not have access to the range of health and social care services that exist for physically frail older people or for younger adults with mental health problems.

The integration of health and social services in service planning and delivery for geriatric and general medical services and for services for older people with mental health problems is fundamental if we are to address adequately the needs of our senior citizens. It is axiomatic that joint working is a must, as it enables agencies to provide a level and quality of provision that they may not have the capacity to attain on their own and it encourages coherence and consistency.

It is deeply depressing that we still have not cracked basic systems failures. Instead of concentrating on how to keep older people healthy and out of institutions—whether hospitals or nursing homes—we are debating how best to solve the problem of too few hospital beds by dumping people into care beds in nursing homes.

In fact, we appear to be going in completely the wrong direction. Supply of home care services is falling while demand for places in nursing homes appears to be rising considerably. That is unsustainable and the trends need to be reversed.

Nursing homes are not the answer to the long-term care question, given the problems associated with the care that is provided in those homes: variable nutritional standards, inappropriate prescribing and lack of continuity in respect of nursing staff, for example.

We need to develop early intervention programmes to keep people out of hospitals and nursing homes. Why do fewer than 40 per cent of general practitioners have specialist training in older people's needs, when most of the people whom they see are older people? Why are NHS boards not developing health promotion to raise awareness of early symptoms of dementia? Why are the boards not developing an ethos of early referral to specialists or fully funded anti-cholinesterase services that are not dependent on postcodes to stave off the onset of Alzheimer's disease? Why is evidence-based treatment not being implemented?

We need to break out of the sterile debate that we have had this morning. Developing and delivering health care services for the elderly should be our top priority.

The Deputy Presiding Officer: As we have a little time in hand, I will allow Mike Rumbles to speak briefly.

12:04

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Thank you, Presiding Officer. I did not intend to speak in the debate—I came here to listen to the arguments—but I have been moved to speak after the exchange of views between Labour and Conservative members on the differences between the independent sector and the public sector.

There should be equity in delivery between the public sector and the independent sector. Differentiation in the system is not a sustainable position. The Regulation of Care (Scotland) Act 2001 is in force and national standards are coming through. I do not understand why a slanging match took place earlier; nor do I understand the points that Margaret Jamieson and Des McNulty in particular made. If pay to the independent sector is not at the same level as pay to the local authority sector, it is no wonder that the same standards cannot be reached. There must be equity in provision.

The Deputy Presiding Officer: That takes us slightly early to the closing round of speeches. In

theory, Margaret Smith is entitled to four minutes, but I could allow her up to five minutes.

12:05

Mrs Margaret Smith: The debate has been interesting and quite a lot of ground has been covered. There has been a general welcome for the settlement of negotiations on care home fees. The way forward is for all the different sectors to talk and work together to ensure that we deliver the best possible care for older people, as Sandra White—I think—said. There are a number of mechanisms and paths by which we can do that, which change locally throughout the country. In some areas there are no care homes, while in others—Lothian, for example—there is a problem not just in paying staff but in getting staff, as unemployment in Edinburgh is about 2 per cent. We need partnerships. I hope that some problems in respect of care home staff will be consigned to the past. That issue must be discussed. I agree with Mike Rumbles. Differentiation in how we treat staff in care homes or in care standards has to be consigned to history. That too must be discussed.

Shona Robison is right to ask for action. On bedblocking, the £20 million package announced in the past few days and the action plan on bedblocking show that the Executive is serious not only about putting investment into that important issue, but about taking action. It is heartening to hear the minister talk about the need to see plans of how people will achieve aims and what we want to see on the ground. The people that members represent are sick and tired of hearing announcements that money has been made available by ministers, who have the best intentions, but of not finding differences on the ground. The Parliament and the Executive must make improvements in monitoring what is happening to money that goes into the system to ensure that it delivers what we all want. The ring fencing and monitoring of money is a step forward.

There has been substantial extra investment in community care services by the Executive—£100 million in October 2000, £48 million for community services as part of the response to the Sutherland report and free personal care for the elderly. On the BBC's recent NHS day, it was said that that was what people throughout Britain want. The elderly people of Scotland have free personal care as a result of the Liberal Democrat-Labour coalition working together and as a result of the Parliament deciding that that was a priority. We must ensure that it is delivered properly on 1 July.

There are new rights to individual assessments for carers. Murdo Fraser and Donald Gorrie were right to focus on carers. In cash terms, we get from Scotland's carers the equivalent of half of the Executive health budget. They do a phenomenal

amount of work. We acknowledge their part as partners in care and we are starting to move in the right direction in respect of individual assessments, for example. We can do further work on respite care, albeit that investment has gone into that too.

The Community Care and Health (Scotland) Bill will improve matters in a range of ways, one of which is joint working. Again, outcomes are important. We do not want wholesale reorganisation; we want to give people on the ground who know their areas the flexibility to come up with solutions to suit their areas. However, it is right to try to have aligned budgets and ministerial approaches that insist on people working together. We are moving forward in that respect and taking action to make joint working work.

Mary Scanlon: Given what the member said on pooled and aligned budgets, does she share my concern that it is the money in those budgets and how it is spent that counts? Does she share my concern that £63 million earmarked for care of the elderly is diverted to other budgets?

Mrs Smith: The member is right. The Sutherland report and the Health and Community Care Committee's report have identified that, in the past, money has not necessarily been spent where it was meant to have been spent. Members from all parties acknowledge that that is not a sustainable situation. Part of that recognition comes from what the minister said earlier about the monitoring and ring fencing of some of the money that is now being allocated.

One reason why members of the Health and Community Care Committee felt able to accept the Community Care and Health (Scotland) Bill was that it sent the message that, if councils and local health boards do not work together and fail to deliver, the Executive will send in the heavy squad—whether it be Malcolm Chisholm, Hugh Henry or Mary Scanlon—and ensure that they deliver. That represents a great sea change in what we are doing. We are giving people on the ground the flexibility to do what needs to be done in their local areas while making them aware that a clear steer is coming from the Executive and the Parliament that action is required now.

The Regulation of Care (Scotland) Act 2001 introduced new national care standards in all our care homes and a new agreement on care home fees. I hope that we will be able to address some of the historical problems that have existed over two decades, irrespective of who caused them or who was in power. The important thing—the point that Sandra White made—is to determine how we can deliver the best care for Scotland's elderly. We can do that only by working in partnership with all the component parts of the network of care, including the public, the private and the voluntary

sectors and all members in this chamber.

The Presiding Officer (Sir David Steel): My predecessor in the chair was generous in his allocation of time; however, I ask members not to presume too much on that generosity.

12:12

Nicola Sturgeon (Glasgow) (SNP): It was lovely to see Des McNulty trying to be animated. It is a pity that *The Scotsman's* sketch writer had left the gallery before he stood up to speak. Des should keep trying. As he was speaking, I found myself asking why, if everything in the garden is so rosy, there are 3,000 blocked beds in Scotland. The record that he described as outstanding is the same Labour record that, on Tuesday, Malcolm Chisholm described as failing to deliver. Des McNulty should try harder to get on message before he treats us all to his animated speeches.

I say to the Tories that, if the situation were not so serious, it would be slightly amusing to sit here and listen to members of a party that underfunded community care for years when it was in power—the party that set up care in the community to fail—suddenly saying that the issue is a priority. Mary Scanlon talked about local councils not spending up to the limit of their grant-aided expenditure. She is right to say that that is wrong and cannot be defended. However, is she prepared to accept what the Tories spent years in government denying—that the funding of local authorities is inadequate? The cake that local authorities are being asked to allocate is too small, which is why GAE limits in older people's services are not being reached. Some honesty about the reasons for the problem would be more appropriate than criticism of local decision makers for circumstances that are outwith their control. The Tories' problem is that they have absolutely no credibility on this issue or on any issue concerning the national health service. People's memories are not that short.

Ben Wallace rose—

Nicola Sturgeon: I will not take an intervention now. Perhaps later.

The Scottish Executive's memory may not be short, but it is certainly selective. The action plan to tackle bedblocking, which was published on Tuesday, provides a reasonable analysis of the problem of delayed discharges. However, the report does not face up to some of the factors that are contributing to the problem. For example, it does not mention the fact that the number of residential care home places has fallen since 1999. It does not mention the fact that there are fewer care homes in Scotland than there were in 1999 or that nearly 5,000 fewer clients receive a local authority home care service than did in 1999.

The problem is that there is a lack of capacity in the sector, just as there is a lack of capacity in the national health service. We need more residential places for people who cannot return home. We need more intermediate services for people who need support before returning home—the action plan at least acknowledges that. As Adam Ingram, who raised some fundamental points, said, we need more early intervention and better rehabilitation services.

What does the action plan offer us on any of those issues? On page 10, under the heading "Action", it offers us a statement of fact:

"Local authority and NHS partnerships need to be more co-ordinated."

Yes, I think that we all agree with that. It then offers us two reviews. Reviews seem to be the Scottish Executive's favourite solution. There is nothing inherently bad about reviews, but when they are simply a fig leaf to cover a lack of action, we have a real problem. The paucity of ideas in the action plan underlines the Executive's lack of ambition. The action plan promises to reduce delayed discharges by 1,000. That will leave us with 2,000 blocked beds in the national health service—a considerably higher figure proportionately than is the case south of the border.

The problem cannot be solved until the Scottish Executive gets to grips with the underlying problem, which is the lack of capacity. In general, the NHS has shrunk, first under the Tories and now under Labour. No wonder that it is failing so many people. Reviews and hit squads—even hit squads headed by fearsome chaps such as Malcolm Chisholm and Hugh Henry—will not make a difference other than at the margins if that fundamental, underlying problem is not acknowledged.

Finally, I shall address the issue of pooled budgets, going back to my theme of the Executive's lack of ambition. Malcolm Chisholm said that aligned budgets were the minimum that local authorities and NHS partnerships were expected to achieve by April 2003. The action plan suggests that all but one local authority and NHS partnership will opt for the minimum. I do not think that the minimum is good enough. I think that, as Shona Robison said, it is time to speed up the pace of change. The people who are suffering are the old, whom the system is failing. As the minister admitted last week, previous initiatives to tackle delayed discharge have not worked. The real fear is that, unless the Executive stops tinkering at the edges and turns its attention to tackling the underlying problems, that will continue to be the case.

12:17

The Deputy Minister for Health and Community Care (Hugh Henry): I congratulate Mary Scanlon on making what was, for a Conservative, a positive contribution to the debate. However, she is to some extent constrained by the history and politics of her party. Unfortunately, that came out in the debate.

It is clear from all the speeches that we have heard today that there is a recognition that the Executive is putting an unprecedented level of investment into this sector of care and that positive things are happening. Although Shona Robison and Nicola Sturgeon may not be happy about the pace of change, there is a recognition that we are moving forward and have acknowledged the problem.

Mary Scanlon raised a peculiar point. She asked how we could justify the fact that more funding is given to local authority homes than is given to the independent sector. She went on to say that, in many care homes, self-funders often pay more than those whose places are bought by local authorities do. In a sense, the logic of purchasing in the private sector—people bulk buying and using their combined resources to get a better deal—is the logic of the free market. I find it peculiar that Mary Scanlon cannot recognise that as the logic of a system that she claims so vociferously to support.

Mary Scanlon: After 1 July, when free personal care is implemented, will the Executive continue to support different pricing strategies for the accommodation and hotel costs of, on one hand, those who are self-funding and, on the other, those who are assisted by the council?

Hugh Henry: We will continue to do what we have said that we will do, which is to put a huge level of investment into free personal care and to support the better pricing of care home fees. We will continue to support the right of individuals to negotiate the packages that are most appropriate to their circumstances. We will also continue to support the freedom of local authorities to negotiate at a local level prices that are appropriate to them. We are not dictating and we are not centralising; we are giving financial support where it is appropriate.

Shona Robison: Will the minister give way?

Hugh Henry: Not just yet.

Mike Rumbles talked about some of the comments that had been made in the debate and said that differentiation was not sustainable. I thought that that was the very point that Des McNulty and Margaret Jamieson had made—in future, there should be no differentiation. If the Executive is putting in substantial additional

resources, we should be quite clear in saying that we expect not just stability in the market, but the provision of better training opportunities and better opportunities for staff in the community care sector. I took from the debate not an attack on the care home sector per se, but a plea for differentiation to be addressed and for our money to be used to provide not simply additional profit, but better care and services in general.

Mr Rumbles: Will the minister take an intervention?

Hugh Henry: Not just now.

Murdo Fraser rightly spoke about the needs of carers, but the name Walter Mitty came to mind when he said that services were better under the Tories. The Conservatives did not address the needs of carers. Between 1999 and 2004, the resources available to support carers will have quadrupled; from 2000-01, the Executive doubled the resources that are annually available to local authorities for supporting carers to about £10 million a year. From this year, we are providing new resources to local authorities so that they can provide more short breaks for carers and the people whom they look after. Those are the facts.

In the debate, members have recognised that the Executive has been moving and putting in additional resources. As Malcolm Chisholm indicated, Mary Scanlon seemed to ignore the motion, which she lodged. The fact that she paid so little attention to it makes it difficult to reply to the debate. What came out from her contribution was that the Conservatives continue to want to centralise. That view is shared by Scottish National Party members. They want power to be taken away from local authorities and to be centralised.

Shona Robison: Will the minister give way?

The Presiding Officer: No.

Hugh Henry: Presumably, they want it centralised in an unelected local body.

Shona Robison: Will the minister give way?

The Presiding Officer: No.

Shona Robison *rose*—

The Presiding Officer: Order. The minister is in the last minute of his speech.

Hugh Henry: The Conservatives want to centralise—that is part of the continuing Tory obsession with reorganisation and upheaval. We saw what that did to the health service and we saw what it did to local authorities.

We invested £17.5 million on care homes last July. We will invest a further £24 million from 1 April. We will spend a total of £35 million from

April. Our commitment to care homes now stands at more than £50 million from last July. Malcolm Chisholm mentioned the £250 million that we are spending on free personal care. We are also spending £20 million on delayed discharge. It is clear from our actions that the Executive is committed to supporting the generation of people who struggled to set up the national health service. We are repaying our debt to older people and we are acting on our promises.

12:24

Ben Wallace (North-East Scotland) (Con): We can always tell when a policy starts to go decidedly wrong, not just by the outcomes, which Labour members have of course completely ignored today, but by the way in which the party in power tries to rectify such failings.

The indications that something is wrong have been clear for a considerable time. I do not have to go over what Mary Scanlon said in her opening speech about how the outcomes for elderly people who require care are getting worse, not better. It is blatantly obvious to anyone, especially those for whom community care is intended, that what the Labour Executive and its Liberal partners have achieved is the doubling of blocked beds, numerous residential nursing home closures and a fall in the quality of care.

It is not only those results that give a clue to the current mess in which we find ourselves, but the method of policy management that we now see. The Minister for Health and Community Care's ad hoc dollops of cash and panic initiative units, which are designed to manipulate outcomes rather than to address causes, are the clearest indication that the policy needs further improvement. We in the Conservative party make no apologies for lodging a motion that seeks to bring about that improvement.

The wrangle between Scottish Care, charities and the Scottish Executive must be considered as one of the best examples of why the public lose confidence in politicians. In the past year, when the Minister for Health and Community Care and COSLA were fighting, more and more patients were being neglected and more and more care homes were closing. Is not the point that we are here to put the patients first?

A few weeks ago, Lord Sutherland expressed to me his concerns about the refusal of the Scottish Executive to go further on pooling budgets. Increasing the division between purchaser and provider will only lead to a semi-failure of Lord Sutherland's report.

Des McNulty: Will the member take an intervention?

Ben Wallace: I will come to Des McNulty later. I do not have time to take interventions when summing up.

Lord Sutherland believes that the Scottish Executive's failure to pool budgets will be taken advantage of by the UK Government, which would like the commission's report to be shelved altogether.

In response to Mary Scanlon, Malcolm Chisholm made some interesting points. He did not mention the earlier £30 million that he released to try to solve bedblocking. The result of that initiative was an increase in bedblocking. The minister certainly made no further mention of the fact that the care development group identified a gap between grant from central Government and local authority spending. In September last year, he scoffed at us when we highlighted that issue, which he claimed was not really a problem. However, the care development group that he established has now produced figures that bear out our claim.

Malcolm Chisholm: Did Ben Wallace not hear the last part of my speech, in which I indicated that the £24 million for care home fees, the £20 million for dealing with delayed discharges, the £250 million for free personal nursing care and the £100 million from 5 October 2000 will all go out on a new basis, to ensure that every penny of that money is spent on older people's services?

Ben Wallace: I could have asked for a better prompt.

I will now make clear why we support the introduction of pooled budgets, rather than the Executive's idea of having half the money ring-fenced in the short or long term and governed by central diktat. Those are half-hearted attempts to get the benefit that we believe pooled budgets would provide. Either we devolve the money to the people who commission the care or we do not. We need to put in place the correct procedures to ensure that the purchaser and the provider of that care do not act in their self-interest. Everything that the Executive is doing is half-hearted. There will be an attempt to ring-fence money for two years. The Executive's reports show that most local authorities have little intention of implementing some of the safeguards that it requires.

Shona Robison and Sandra White made some good points about putting the patient first. Nicola Sturgeon said, in effect, that the motion was not worth the paper that it is printed on because we lodged it. I should enlighten her: there would be no community care were it not for the Scottish Conservatives and the Conservative party more generally. Community care and the internal market, which involves people purchasing care on behalf of the patient rather than on behalf of their

colleagues, exist because of previous Conservative Governments. In his report, Lord Sutherland builds on the internal market, rather than dismantling it. However, when the internal market was introduced, both the Labour party and the SNP fought against it.

Des McNulty and Margaret Jamieson made the point that pay and conditions are better in local authority homes. I am sure that many homes in the independent sector would like to offer their staff better conditions. Where will the Executive find the money to enable them to do that? Clearly, Margaret Jamieson has not read the Accounts Commission report "Care in the Balance", which found that, despite the good conditions, better pay and better training courses that are available to staff working in local authority homes, the absenteeism rate in some homes stood at nearly 60 per cent of the working year. If staff in local authority homes have such good working conditions, why are they skiving off or doing something else?

Margaret Jamieson rose—

Ben Wallace: I will tell Margaret Jamieson why—because management and the safeguards that have been put in place are inadequate.

Des McNulty: Will the member take an intervention?

Ben Wallace: The issue is more about the Scottish Executive being afraid to stand up to its Labour colleagues in local authorities than it is about implementing care for the elderly, which is what the Conservatives are all about.

I am not surprised that the usual suspects, such as Margaret Jamieson, shout "Profiteers!" She was obviously delighted to include the Salvation Army and the Church of Scotland in that charge. She also let the real issue slip: "It's about private!" she cried across the chamber. It is about Unison and it is about the private sector, which so galls Margaret Jamieson that she would put her dislike of it before the elderly, for whom outcomes under the Executive have become worse rather than better.

Des McNulty: Come on, take an intervention.

Ben Wallace: Okay, let us have an intervention from Des McNulty; that will be all right.

Des McNulty: It is interesting to listen to Ben Wallace talking about this issue. I did not hear him say anything when the care home providers took action against elderly people last year and withdrew services. Where was Ben Wallace then? What did he say? He purports to speak on behalf of elderly people, but he is actually talking about care home owners, for whom he stands.

Ben Wallace: I am talking on behalf of elderly

people, because if the care homes had closed down and gone bankrupt, there would be no beds for elderly people. That is the reality Labour has had to wake up to—many Labour local authorities find plenty of money to fill their own homes, but no money to fill the private residential homes that have empty beds. The NHS ultimately picks up the tab and its waiting lists and times are suffering because of that. However, that is supposedly because of 18 years of so-called Tory underinvestment.

Des McNulty said that there was a lack of initiative from Tory members. The last piece of legislation on community care to be introduced by a Labour Government was in 1970. That legislation said that the onus would be on the disabled person to make their own assessment of caring needs. That was it.

Margaret Jamieson: Will the member take an intervention?

The Presiding Officer: No, he is in his last minute.

Ben Wallace: In the 18 years of Conservative Government, we saw nothing from the Labour party except the Griffiths report opposed, the Wagner report opposed and the National Health Service and Community Care Act 1990 opposed. As a result, we are now in a position in which the Labour party tries to champion community care, but will not stand up to its local authorities, which are not ensuring that the money is spent on the elderly, as it should be.

We welcome the announcement that the funds will go some way towards meeting the increased home fees and to alleviating problems. It is regrettable that the safeguards needed are still missing and that such a crisis has developed. When we design our health policies for the future, we must remember that what counts is the patient, not the ideology, the establishment or Unison. If we do, we will be able to produce a less partisan and more mature option for health care in Scotland.

Business Motion

12:32

The Presiding Officer (Sir David Steel): We come to motion S1M-2850, in the name of Patricia Ferguson, which sets out the business programme.

Motion moved,

That the Parliament agrees the following programme of business—

(a) the following revision to the Business Programme agreed on 28 February 2002

Thursday 7 March 2002

after Executive Debate on the Homelessness Task Force, insert

followed by Scottish Parliamentary Corporate Body Motion

(b) the following programme of business—

Wednesday 13 March 2002

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Procedures Committee Debate on its 2nd Report 2002: Substitution on Committees of the Scottish Parliament

followed by Standards Committee Debate on its 8th Report 2001: Report on the Investigation of Unauthorised Disclosures

followed by Justice 1 Committee Debate on its 8th Report 2001: Report on Legal Aid Inquiry

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 14 March 2002

9.30 am Scottish National Party Business

followed by Business Motion

2.30 pm Question Time

3.10 pm First Minister's Question Time

3.30 pm Stage 1 Debate on the Scottish Qualifications Authority Bill

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 20 March 2002

1.45 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Ministerial Statement

followed by Stage 1 Debate on the Land Reform (Scotland) Bill

followed by Parliamentary Bureau Motions
 5.00 pm Decision Time
followed by Members' Business
 Thursday 21 March 2002
 9.30 am Ministerial Statement
followed by Parliamentary Bureau Motions
followed by Stage 3 Debate on the Scottish
 Public Sector Ombudsman Bill
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 (c) that Stage 2 of the Education (Disability Strategies and Pupils' Records) (Scotland) Bill be completed by 29 March 2002.—[*Patricia Ferguson.*]

Motion agreed to.

12:33

Meeting suspended until 14:30.

14:30

On resuming—

The Presiding Officer (Sir David Steel): Before we begin question time, I am sure that members would like to welcome the large number of international visitors who are with us in the distinguished visitors gallery: the Speakers of the Parliaments of Serbia and Montenegro, and legislators from the two Houses of the Canadian Parliament. [*Applause.*]

I also inform members that the First Minister is unwell today, and that his questions will be taken by the Deputy First Minister.

Question Time

SCOTTISH EXECUTIVE

The Presiding Officer: Question 1 has been withdrawn, because the member whose question it is is also unwell.

Transport (Budget)

2. Stewart Stevenson (Banff and Buchan) (SNP): To ask the Scottish Executive what transport projects would go ahead if the additional notional allocation of £84 million in the transport budget, outlined in the report "Is Enough Being Spent on Transport in Scotland?", were made available. (S1O-4833)

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): The figure that is quoted is hypothetical. The Scottish Executive transport budget continues to increase year on year in real terms.

Stewart Stevenson: Is the minister aware that spending per capita on transport has increased both in Wales since the establishment of the National Assembly and in Northern Ireland's domain? Is the minister aware that any further decline in per capita transport expenditure in Scotland, as adumbrated by the ministers' own transport adviser, Professor David Begg, will, especially in rural areas such as those beyond Aberdeen, further fuel the public's deep cynicism about the Executive's intention?

Is the minister aware that people are sick and tired of the dithering and dancing of the Executive, which is not making real progress on the ground? We do not need more studies; we need the people's priority, which is transport.

Lewis Macdonald: It is a great shame that Mr Stevenson has not read David Begg's report, to which he refers. Had he done so, he would be aware that Professor Begg does not suggest that there has been a decline in transport expenditure

in Scotland. Quite the contrary: Professor Begg recognises that the task of comparing transport spend per head across different parts of the country is difficult. [*Interruption.*] Mr Stevenson may be pointing to the piece of paper in his hand, but I am afraid that that is no substitute for actually reading the report.

Bristow Muldoon (Livingston) (Lab): Does the minister agree that it would be a welcome development if the members in this Parliament who whinge about budget priorities produced some priorities of their own?

Lewis Macdonald: One of the great mysteries that face all of us who are engaged with transport spend is finding out what the Scottish National Party's transport priorities actually are. If that is the party to which Bristow Muldoon referred, I am sure that there will be opportunities to explore the matter further in the future.

At the time of the strategic roads review, the SNP's then transport spokesman, Kenny MacAskill—who has once again become the party's transport spokesman—said that all roads were a priority. That is clearly a bottomless-pit commitment, but the SNP will no doubt tell us how it intends to fund it in due course.

Beaches (European Standards)

3. Scott Barrie (Dunfermline West) (Lab): To ask the Scottish Executive what action it is taking in order to ensure that beaches meet European standards. (S10-4810)

The Deputy Minister for Environment and Rural Development (Allan Wilson): The Scottish Executive is committed to achieving compliance with European standards for all Scottish bathing waters. A massive programme of investment by Scotland's water authorities is already in place. On 26 February, we designated nine Scottish bathing waters as sensitive areas, which will require the most stringent level of treatment to be applied.

Achieving compliance is not, however, merely a matter of investment in sewerage and sewage treatment. We are sponsoring a major programme of research into all forms of potential pollution at bathing waters, including the particularly difficult issue of diffuse pollution.

To achieve that, we have, together with stakeholders, been preparing a strategy that will address the range of pollution threats to our bathing waters and outline the solutions to be applied in a concerted effort to meet standards. That strategy will be available shortly and I will be pleased to give Mr Barrie a copy.

Scott Barrie: I thank the minister for that very comprehensive answer. As the minister will know, the only three beaches in Scotland that attract

blue flag status are in my home area of Fife. That is a tribute to both Fife Council and East of Scotland Water.

Will the strategy that the minister has announced today be accompanied by increased resources, to allow other local authorities and Scottish Water to bring beaches up to the standards that we enjoy in Fife?

Allan Wilson: In most years, Fife's beaches do relatively well. There may have been a lack of investment in the past, but that is certainly not the case now. Over the period 1999 to 2006, water authorities will spend in excess of £3 billion.

There are other, more complex reasons for the diffuse pollution that affects bathing water quality. Those reasons include sewage, industrial points, source pollution, urban diffuse pollution, agricultural pollution and, of course, the public. Our strategy will address those issues.

Fiona McLeod (West of Scotland) (SNP): Has the independent bathing waters panel been involved in compiling the strategy to which the minister referred? When will the panel next meet? I understand that it has not met since 1998. Why did the Government, at that time, turn down the panel's recommendation that two beaches in my constituency of the West of Scotland—Helensburgh and Largs—should be designated for bathing water quality standards?

Allan Wilson: Commission officials are surprised by how many, rather than how few, beaches are designated. A range of stakeholders is involved in the development of the strategy: the Scottish Environment Protection Agency, water authorities, farmers and others. Four major points—risk assessment, the balance of nutrient spreading, water margin management and the audit of farmyard drainage—will all feature strongly in the strategy when it is produced. I will be happy to give Fiona McLeod a copy of the strategy when it has been written.

The Presiding Officer: John Scott would like a copy as well.

John Scott (Ayr) (Con): I would. Presumably you will also allow me to ask a question, Presiding Officer.

The minister will be aware that, despite the best efforts of West of Scotland Water, Ayr south beach has failed to achieve a mandatory bathing water pass in each of the past four years. I am aware that various surveys of pollution sources have been conducted, but thus far the situation has not been resolved. Can anything further be done to address this problem, or will the new strategy address it?

Allan Wilson: I have already indicated in part that it will. SEPA plans a range of intensive visits

to Ayrshire and to the south-west more generally. Demographic and climatic conditions in the south-west make it more difficult for beaches in the area to comply with water quality standards. We cannot make the sun shine more brightly—

John Scott: Oh!

Allan Wilson: Not yet, anyway. However, we can certainly advise farmers on how best to tackle problems of diffuse pollution.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): There has been great progress on this front. In the old days, when people went to swim off some of our beaches, they were merely going through the motions—that is an old joke.

Will the minister assure me that, in view of all that we have done and are doing, he will work closely with other ministers and departments to market our new clean beaches, not just to Scotland and the rest of the UK, but across the world? We have a great asset that we can sell.

Allan Wilson: I am happy to give the assurance that the member seeks. Scotland's water quality, air quality and general environment offer great tourism potential.

Recycling (Cars)

4. Nora Radcliffe (Gordon) (LD): To ask the Scottish Executive what action it is taking in order to increase the number of unroadworthy cars that are dismantled and recycled. (S10-4804)

The Minister for Environment and Rural Development (Ross Finnie): Matters relating to roadworthiness are reserved. It is an owner's responsibility to dispose of a car properly if it is not of a standard to pass an MOT test. However, we have recently consulted on proposals to reduce the period of notice that local authorities have to give before removing abandoned vehicles. That should help to reduce their impact and the risk of their becoming a hazard. In addition, we are considering ways to ensure that a higher proportion of scrapped vehicles is recycled.

Nora Radcliffe: My initial question was not unrelated to the end-of-life vehicles directive and the measures that will be required to implement that directive in due course. Bearing in mind our experience with fridges, will the minister assure me that the Scottish Executive is pressing the UK Government on what it needs to do—ideally, starting now—to ensure that facilities will be up and running in time? Will he also assure me that we in Scotland are doing what we need to do to ensure that we have the facilities that will be required to implement the end-of-life vehicles directive?

Ross Finnie: I assure Nora Radcliffe that we

are cognisant of the impact that the end-of-life vehicles directive will have. We are consulting the Department for Environment, Food and Rural Affairs and the Department of Trade and Industry, and the other devolved Administrations, on a common recovery and recycling scheme for the UK. We consulted the industry last autumn on a range of implementation options and will follow that up with more detailed proposals this spring. In addition, SEPA is on a working group with the car and dismantling industries and is considering how best to meet the technical requirements of the directive. That will be set down in a code of practice.

Mr John Home Robertson (East Lothian) (Lab): Does the minister share my concern about the increasing number of unroadworthy vehicles that are being abandoned on public roads and streets? Does he accept that the existing system, which puts the onus on the police to find the owner and requires local authorities to meet the cost of removing the car, is no longer acceptable? Will the Executive give local authorities the power to ensure that vehicle owners take responsibility for the cost of disposing of their scrapped cars?

Ross Finnie: John Home Robertson's question is timely. The issue to which he refers fits in with the question of how we respond to the end-of-life vehicles directive. The directive will shift the onus on to the manufacturer. However, that process will also involve the question of who should pay for the disposal of scrapped cars. We must take that issue into account when we formulate the regulations. The issue is not simply about implementing the EU directive, as that will apply only after one has arranged for a car's disposal. That matter has not been dealt with, but we have it in mind.

Wildlife Protection

5. Rhona Brankin (Midlothian) (Lab): To ask the Scottish Executive what action it is taking in order to protect wildlife. (S10-4827)

The Deputy Minister for Environment and Rural Development (Allan Wilson): The Executive policy statement "The Nature of Scotland", which was published in March 2001, set out proposals to improve the management of sites of scientific interest and to provide more effective measures against wildlife crime. Consultation on the proposals is continuing and a draft bill will be published as soon as possible.

Last week, I attended the first Scottish biodiversity forum. I asked the forum to work on a biodiversity strategy for Scotland that would set a framework for action to support Scotland's special habitats and species.

Rhona Brankin: Will the minister prioritise that

bill, bearing in mind the need to catch up with legislation in England and Wales, to prevent wildlife criminals from coming north of the border, and the need to comply with European environmental law? We have a firm Executive commitment to introduce a draft nature conservation bill during the current parliamentary session. When will that draft bill be published?

Allan Wilson: The draft bill will be published as soon as possible. Measures are in force to combat wildlife crime. When I spoke to police about the matter, I was anxious to impress on them that combating such crime should be part of their core activity because the criminal element that is involved in wildlife crime is often involved in drug smuggling and other crimes.

Many of the proposed changes are complex. There is no quick fix for the problem. When we are satisfied that we have made the right changes, we will publish the draft bill.

Bruce Crawford (Mid Scotland and Fife) (SNP): Does the minister recall that, during a debate on natural heritage last November, Ross Finnie said:

"I have accelerated the timetable for the production of the bill. Let there be no question about that."—[*Official Report*, 15 November 2001; c 3905.]

Will the minister therefore give us a date for the introduction of the bill? The matter is taking far too long. Is this an example of doing less better, or of doing nothing brilliantly?

Allan Wilson: I suppose that we should expect the Scottish National Party to raise debate to the lowest common denominator.

As I said, the matters are complex. Just as I cannot make the sun shine, I cannot conjure bills out of thin air. The matter is not as simplistic as Mr Lochhead would have had us believe when he compared it with the parliamentary time that was devoted to the Fur Farming (Prohibition) (Scotland) Bill. Anyone with a modicum of understanding of the complexities that are involved would understand that we will need to devote much more parliamentary time and resources to the draft bill than Mr Lochhead suggested.

Mr Jamie McGrigor (Highlands and Islands) (Con): Will the minister ensure that he protects all wildlife, especially songbirds, and not just the raptor and predator sector?

Allan Wilson: I am anxious to ensure that our songbird population is protected. As Jamie McGrigor will know, because the previous Tory Government signed up for the measures, we have designated special areas of protection for birds. We have a legislative requirement to look after raptors as well, however, and there is a balance to

be struck in those conservation measures.

Manufacturing and Food Processing (North-East Scotland)

6. Richard Lochhead (North-East Scotland) (SNP): To ask the Scottish Executive what steps are being taken in order to support the manufacturing and food processing sectors in the north-east of Scotland. (S1O-4782)

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): Scottish Enterprise Grampian works closely with companies in manufacturing and food processing, and is currently preparing reports on the north-east economy in general and the manufacturing sector in particular.

Richard Lochhead: The minister will be aware that the manufacturing and food processing sectors in Tayside and Grampian have taken a hammering in the past year. Does the minister understand the frustration that is felt by many workers when, time and time again, the enterprise department publishes meaningless glossy documents such as the one that I am holding, which cost a lot of money and talk about long-term strategies, when livelihoods are on the line here and now? Will the minister introduce some action points to help the food processing industry and the manufacturing sector, which are up against difficulties in the short term rather than the long term? They need action to be taken now.

Lewis Macdonald: Mr Lochhead knows that I am aware of the difficulties that he is talking about. The Richards of Aberdeen manufacturing facility, which is one of the companies that is in difficulty, is in my constituency. It is the policy of the Executive and the enterprise network to work with those companies to try to reduce the risks that they run in the wider economy.

We are aware of the need for diversification in the economy of the north-east. We are continuing to support the enterprise network's efforts in that regard.

It is important to say that Scottish Enterprise Grampian and the local authority take seriously their responsibility to work with industry. The same situation pertains in Tayside. Workers in those industries are looking not for debates for and against the production of glossy documents, but for market opportunities that will allow those companies to thrive. That is what we are committed to achieving as well.

Mr David Davidson (North-East Scotland) (Con): I welcome the minister's announcement of the assessment that is to be carried out by Scottish Enterprise Grampian.

It has been well over two years since I first

raised the issue of the problems that face this sector in the north-east. Should Scottish Enterprise Grampian's report result in a requirement for immediate action that will need to be resourced by the Executive, what resources will the minister make available?

Lewis Macdonald: We have asked Scottish Enterprise Grampian to examine the position as it affects the companies that are involved. McIntosh of Dyce is the other company that is in receivership, and the MSP in whose constituency that company is, Elaine Thomson, has raised that matter with us. We have asked Scottish Enterprise Grampian to report back to us, but we have not made any prejudgments on what it will discover.

Mr Davidson will know that the enterprise company's manufacturing strategy has been successful, in that employment in manufacturing is higher in the north-east than it is in the country as a whole. However, there are clearly points in that strategy that need to be revisited and that is what we have asked the enterprise company to do.

Schools (Buildings)

7. Mr Gil Paterson (Central Scotland) (SNP): To ask the Scottish Executive what funding it provides for repairs to school buildings. (S10-4800)

The Minister for Education and Young People (Cathy Jamieson): In addition to the resources that are available to local authorities in their general revenue budgets, the Scottish Executive makes funding for improvements to the fabric of the school estate available through capital allocations, the new deal for schools, the school buildings improvement fund, and revenue support for public-private partnership projects.

Mr Paterson: Is the minister aware of an article in a Sunday newspaper that described a Lanarkshire school as our worst school? I do not think that that is an unusual story to hear about Lanarkshire, but the story states that it is too dangerous to turn on the lights, water pours through the roof and the staffroom ceiling has fallen in on the teachers.

Does the minister agree that there has been serious neglect in Scottish schools for decades and that it is the responsibility of the Scottish Executive to take action now? I understand that the Executive has provided £12 million for emergency repairs to schools in Scotland. That is a pittance—it would not be enough to address the situation in one school in Lanarkshire, never mind the rest of the country.

Cathy Jamieson: I am aware of concerns about the fabric of the school that the member mentions and I have had discussions with the local MSP, Elaine Smith, about the situation. She has

indicated that she will pursue the matter.

I am also aware that the school board is taking up the issue with the council. I make it clear that maintenance of school buildings is the responsibility of the local authority. I am assured that North Lanarkshire Council intends to deal with the matter and will take health and safety issues into account in that process.

George Lyon (Argyll and Bute) (LD): Is the minister aware of the bid by Argyll and Bute Council to the public-private partnership fund for some £90 million to overhaul and bring up to a high standard all the schools in Argyll and Bute? The proposal is rather novel, in that it is on a not-for-profit basis. Will the minister tell me when a decision is likely to be reached and whether she is giving priority to that unique proposal from Argyll and Bute Council?

Cathy Jamieson: I assure the member that I am aware of all the novel and innovative proposals that have been made by all the local authorities throughout Scotland that are seeking to upgrade their school facilities with the best interests of children and young people at heart. We are giving full consideration to those proposals. I want to ensure that we use the opportunity to have buildings that are fit for the 21st century in which to educate our pupils. That is my priority.

David Mundell (South of Scotland) (Con): I welcome the minister's commitment to having school facilities that are fit for the 21st century, but does she agree that it is not acceptable that those facilities should be made available in a number of schools at the cost of the closure of small rural schools?

Cathy Jamieson: I have answered that question from the same member on a previous occasion, when I made it perfectly clear that any proposals to close schools must be made within the appropriate regulations and statutory requirements and that we expect all local authorities to consult the people who are involved in the schools—parents, teachers, pupils and others. I expect that Dumfries and Galloway Council, to which I assume that Mr Mundell is referring, will engage fully in that process.

Sleep Apnoea

8. Lord James Douglas-Hamilton (Lothians) (Con): To ask the Scottish Executive whether it will prioritise the purchase of more sleep apnoea machines in view of waiting times for sleep apnoea treatment. (S10-4787)

The Minister for Health and Community Care (Malcolm Chisholm): The treatment needs of sleep apnoea sufferers, along with many other clinical needs, will be reflected in national health service boards' spending plans for 2002-03, when

an average of 7.2 per cent more funding will be available from the Scottish Executive than is available in the current year. As well as meeting national waiting targets, NHS boards should ensure that they target any particularly long waiting times in their areas.

Lord James Douglas-Hamilton: Is the minister aware that up to 1,000 patients of Edinburgh royal infirmary's sleep clinic are waiting two and a half years for a sleep apnoea machine, which costs a mere £300? Does the minister agree that that lengthy wait for treatment is unnecessary and causes patients and their families discomfort and stress? Does he also agree that, as a result of that astonishing lack of treatment, patients with driving licences are conceivably a hazard to themselves and the general public?

Malcolm Chisholm: Like Lord James Douglas-Hamilton, I am concerned about the long wait for treatment for sleep apnoea. As Minister of State with responsibility for health, Lord James stopped the service being treated as a national service in 1996. The problems have, to some extent, resulted from that. Funding is now increasing, but so is demand, as diagnosis and awareness of this most distressing condition increase. I look forward to further progress this year, as well as to the publication of a Scottish intercollegiate guidelines network guideline on sleep apnoea in the summer.

Lord James Douglas-Hamilton: On a point of order, Presiding Officer. I stopped that sleep clinic being closed.

The Presiding Officer: Order. That is not a point of order. You can ask another question.

Lord James Douglas-Hamilton: Does the minister acknowledge that the sleep clinic would have closed had it not been for my intervention?

Malcolm Chisholm: I believe what Lord James tells me on that point. I referred to the fact that the service was no longer treated as a national service. A lot of the problems have arisen because the funding no longer came from the national service but came from individual health boards. Of course, I accept the point that Lord James has just made.

Mr John McAllion (Dundee East) (Lab): Is the minister aware that the Public Petitions Committee received a petition on waiting times for the sleep clinic in Edinburgh and was told that the issue would be addressed in the Lothian health plan? Is he aware that I have since learned from the petitioners that there is no reference to sleep apnoea in the draft plan that Lothian NHS Board has published?

Given the fact that the clinic serves not only Edinburgh and Lothian but the whole of east Scotland, will the minister intervene to ensure that

the clinic is included in Lothian's final plan? Will he also ensure that the disgraceful two-and-a-half-year waiting time is brought down in the near future?

Malcolm Chisholm: John McAllion is quite right that several boards are involved. Although all the boards have increased their funding for the clinic, more funding is clearly required. The traditional stance of the Executive and the former Scottish Office was to say that waiting times were a matter for boards. We are saying that boards must tackle waiting times, especially those that are particularly long. I expect Lothian NHS Board and the other boards to deal with the waiting times for what is a most distressing condition, which can—as Lord James Douglas-Hamilton pointed out—be highly dangerous.

Irene McGugan (North-East Scotland) (SNP): Is the minister aware that Professor Neil Douglas, who is conducting a three-year research project into sleep apnoea at the University of Edinburgh, has stated that at least 20 per cent of major road accidents are caused by people falling asleep at the wheel, which means that sleep apnoea has now overtaken excessive alcohol consumption as a major cause of such accidents? Is not the minister concerned that up to 4,000 people in Tayside alone are affected by the condition? Will he take steps to ensure that sleep apnoea services are given a much greater funding priority to ensure that the waiting lists are dealt with?

Malcolm Chisholm: As I said, I am concerned about the waiting times. Having spoken to Professor Douglas, I know that he is keen to have more funding and to develop the services. He has talked about developing a managed clinical network. The SIGN guideline might also point in that direction.

The position is that funding decisions are for boards, but I have probably gone further than any previous Scottish Executive or Scottish Office minister in saying that we expect boards to address their long waiting times. Sleep apnoea is clearly a serious and distressing condition and I certainly expect more action to be taken to deal with the waiting times.

Social Workers

9. Karen Whitefield (Airdrie and Shotts) (Lab): To ask the Scottish Executive what action it is taking in order to promote social work as a career. (S10-4829)

The Minister for Education and Young People (Cathy Jamieson): In the coming months, the Scottish Executive will continue to work closely with the newly created Scottish Social Services Council and other organisations to ensure that, locally and nationally, we work together to put in

place effective new strategies for this vital work force. We have made clear our commitment to substantial and sustainable reforms by establishing the new body and by making available significant new funds. We are consulting employers and educationists on the next steps.

Karen Whitefield: I thank the minister for her detailed response. Does she agree that, if we are to attract more people into careers in social work, we need to improve the public perception of social workers and of the services that they provide? Will she also explain what plans the Scottish Executive has to improve and upgrade social work training in Scotland?

Cathy Jamieson: As a former social worker, I am happy to indicate that I very much value the work that social workers do. In response to the chuckles that have come from the SNP benches, I suggest that, instead of making cheap political points, some of those members should spend time going out to see what social workers have to deal with at the front line.

I stress that the Executive is committed to ensuring that we have a good-quality, highly trained social work work force. Only this week, I met representatives of the Association of Directors of Social Work and the Association of Directors of Education to consider how we might jointly develop plans to revise and reform social work training so that we have a social work profession for the 21st century.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): I declare an interest: I certainly would not chuckle, as my wife is a social worker. Will the minister say whether she is satisfied with the size of the case loads of many social workers, especially those who work with children and families? Will the minister answer the point that Karen Whitefield made by saying what practical steps she will take to raise the esteem in which social workers are held by the public? The lack of esteem is a significant factor in recruitment.

Cathy Jamieson: I thank the member for his helpful comments. If his wife is a social worker, I am sure that he is well aware of the long hours and heavy case loads that are borne by those who are involved in child protection and children's services.

We must recognise that there is no quick-fix solution to the problem. We need a change in the way in which social workers are trained. However, some things can be done at the moment. We are considering how we can learn from the work that has already been done to recruit and retain social work staff.

When we talk about social work as a profession, we must also remember to highlight the very good work that happens across Scotland. Unfortunately,

all too often, the problem areas are highlighted. We can learn from good practice and the Executive intends to do that. We are examining how we can organise recruitment and retention campaigns. We are also examining how we can best support front-line staff in the process.

John Young (West of Scotland) (Con): Does the minister agree that social work entrants should be made aware that social work is not only a career but a calling that requires dedication and patience?

Cathy Jamieson: I can safely say that the majority of entrants into the social work profession are very aware of the demands that will be made on their time. Throughout their social work training, they are left in no doubt about that. I want to see opportunities for people to get involved in the process. I encourage people who are contemplating entry to the profession to go and talk to the people who are doing the best work in the front line at the moment.

Tommy Sheridan (Glasgow) (SSP): Does the minister agree that, in addition to addressing wages, which is an issue that relates to problems with retention, the Executive must address immediately the problem of student placements? A number of students from the University of Glasgow have contacted me to complain that, despite promises, local authorities are unable to offer student placements on social work courses, which deters students from pursuing a career in social work. Does she agree that that area requires urgent attention?

Cathy Jamieson: I am aware of that issue and of the fact that the member has made representations on the matter, as have other members from the Glasgow area. I am concerned about the matter. We will have to consider it in the context of examining social work training overall. The matter has been taken up and meetings have taken place between representatives of Glasgow City Council and the social work services inspectorate to try to resolve some of the issues. The matter will continue to have my attention.

Robert Brown (Glasgow) (LD): I want to return to the front-line crisis that exists in Glasgow social work. The minister was saved from confirming whether she is aware of the full extent of the crisis. There is a particular problem in Glasgow, where there are areas of great need. Does the minister accept that that damages the ability of the Executive and Glasgow City Council to help young people in trouble? Does she also accept that the issue is fraught and has long-term consequences? Will the minister reassure the chamber about the steps that can be taken, for example to encourage the return of experienced older people to social work? The immediate problems will get worse unless they are tackled now.

Cathy Jamieson: I am happy to respond to the member and I am happy to note the level of interest that this question has generated. It is high time that people took an interest in the issue.

As I indicated, a number of discussions have already taken place. We want to consider creatively how we can encourage people to return to the profession. We must also recognise that there are a number of areas within social work in which people who have skills in working with young people but who may not yet be qualified social workers may be able to do some of the work and achieve their professional qualifications while they are doing so. Those are the kind of initiatives that we ought to consider and we will continue to pursue them.

Education (Pay and Conditions)

10. Donald Gorrie (Central Scotland) (LD): To ask the Scottish Executive whether it will take any action to ensure that fair packages for pay and conditions are negotiated with education advisers, educational psychologists and musical instrument instructors and that all those affected have a chance to vote on their package. (S10-4816)

The Minister for Education and Young People (Cathy Jamieson): I apologise to the Presiding Officer for the delay in replying. There was a last-minute switch in the minister who was to answer the question.

In a recent ballot, musical instrument instructors voted to accept a pay and conditions offer. At the meeting of the Scottish negotiating committee for teachers on 28 February, the local authority employers tabled an offer for education advisers and psychologists. The teacher organisations will now consult their adviser and educational psychologist members and a formal response is expected at the next meeting of the SNCT on 25 March 2002. Responsibility for all ballot arrangements rests with the teacher organisations.

Donald Gorrie: Does the minister accept that the three groups of people that I mentioned are vital members of the educational team? Does she accept that because those people are not very numerous and because they are represented by different unions and some of them do not belong to a union, she has a duty to ensure that they have a fair offer and a chance to vote on it?

Cathy Jamieson: The offer that was made to those groups of people was reached through consultation and negotiation with the relevant trade unions. It is not appropriate for a member of the Executive to interfere in that process. The appropriate trade unions are fully involved in the negotiations and the balloting process.

Christine Grahame (South of Scotland) (SNP): Four education advisers and musical

instrument instructors are to lose their jobs because of the £5.5 million cuts by Scottish Borders Council. Does the minister agree that such people are essential to deliver a rounded education programme? If so, what action is she taking to save those jobs?

Cathy Jamieson: As I have said before, responsibility for the matter rests with Scottish Borders Council, which is responsible for managing its budgets. It would be inappropriate of me to intervene in the process.

Murdo Fraser (Mid Scotland and Fife) (Con): The minister referred to a ballot of musical instrument instructors. Is she aware that that ballot took place only among musical instrument instructors who are members of the Educational Institute of Scotland and that a substantial proportion of instrument instructors are not EIS members? Is she concerned that their views have not been properly taken into account?

Cathy Jamieson: I am aware that a number of musical instrument instructors are members of the Musicians Union and that there is a long-standing agreement between the EIS and the Musicians Union about which organisation takes the lead in negotiations. It is not for me to interfere in that matter; it is for the two representative organisations to resolve.

Scottish Transport Group Pension Schemes

11. Dennis Canavan (Falkirk West): To ask the Scottish Executive what discussions it has had with the trustees of the Scottish Transport Group pension funds about the winding up of the pension schemes. (S10-4821)

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): I met trustees of the Scottish Transport Group pension schemes yesterday and I am delighted to confirm that they have now begun the formal procedures required to complete the wind-up of the pension schemes.

Dennis Canavan: Begun? It is about time that they finished. Will the Executive face up to its responsibilities? The Executive foolishly gave the trustees indemnity without giving them a deadline for handing over the money. After tax, the surplus has grown to about £175 million, which is much more than the £118 million that is on offer to the pensioners. Given that, will the Executive increase the offer and give the trustees a firm deadline for handing over the money so that the payments can be made to the pensioners, who have waited for nearly 10 years for justice to be done?

Lewis Macdonald: If we had followed the policy line that Mr Canavan suggested and not issued indemnities to the trustees in the middle of last year, the pensioners would have had to wait a

good deal longer than I hope will be the case. By issuing the indemnities, we made it possible for the trustees to proceed with the wind-up. They have begun that process, which is an important step, for which pensioners and members have long waited. We should welcome that step and encourage the trustees to proceed with all possible speed. Rather than seeking to apportion blame for past delays, we should try to ensure that future delays are kept as short as possible.

Dr Sylvia Jackson (Stirling) (Lab): I have received a letter from the minister that addresses some of the questions that MSPs and the campaign group raised at the meeting at New St Andrew's House before Christmas. Will the minister respond to one unanswered question, which is whether he will pursue the reason why the ex gratia payments are taxed, which is a double taxing of the surplus fund? Advice that was given to the campaign group suggested a £30,000 threshold for the tax; the Transport and General Workers Union said that no tax should be paid. What is the situation?

Lewis Macdonald: I thank Sylvia Jackson for her interest in the issue and for pursuing that important point. The letter that she received should have answered the other questions that were raised at the meeting. The issue of tax is still outstanding with the Inland Revenue.

We have put to the Inland Revenue the arguments that have been put to us and we have asked it to consider the matter. Last year, its advice was that the ex gratia payments were liable to income tax in the usual way. The figure of £30,000 that Sylvia Jackson mentioned and that the T and G brought to our attention was a figure relating specifically to redundancy payments and not to ex gratia payments. However, we have taken that point on board and we have asked the Inland Revenue to consult its lawyers formally. We will report back on the matter as soon as possible.

First Minister's Question Time

Prime Minister (Meetings)

1. Mr John Swinney (North Tayside) (SNP): To ask the First Minister when he last met the Prime Minister and what issues he raised. (S1F-1716)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): Before answering Mr Swinney's question, I am sure that the First Minister would wish me to convey his apologies to the Parliament for not being here to answer First Minister's questions. He was taken ill this morning. I think that a bug caught up with him. He has had tests and I understand that he is on the mend. I am sure that the Parliament wishes to send him best wishes for a good recovery—I certainly do.

I have not had any recent meetings with the Prime Minister, but the First Minister last met the Prime Minister on 22 February.

Mr Swinney: I know that I said au revoir to the Deputy First Minister on 22 November, but I did not think that he would be back so quickly to answer questions. I echo his good wishes to the First Minister.

Does the Deputy First Minister believe that the Ethical Standards in Public Life etc (Scotland) Act 2000, which was passed by the Parliament in June 2000, has been effective?

Mr Wallace: If my recollection serves me correctly, the Ethical Standards in Public Life etc (Scotland) Act 2000 was in the first tranche of legislation that the Executive brought to the Parliament. The act has an important role to play in public life in Scotland. It builds on the Nolan principles of securing appointments to public bodies, which are that those appointments are made openly and on the basis of merit. The act appoints a standards commissioner for Scotland and a chief investigating officer to investigate breaches of codes of conduct and it requires registers of interests to be available to the public. It is worthwhile legislation. It has been on the statute book for less than two years and I am sure that it has and will continue to have an important role to play in upholding standards in public life in Scotland.

Mr Swinney: I hope that the Deputy First Minister's optimism is securely founded. The act says that it establishes

"a framework for securing the observance of high standards of conduct by councillors and other persons holding public appointments".

In Labour-run Fife Council, vital documents have been shredded, £40,000 has been paid to a charity that does not exist and lies and conflicts of

interest have been uncovered. A newspaper said today that the report into the scandal

“paints a vivid picture of incestuous links between Labour party politicians and like-minded council officials.”

Has Labour-run Fife Council met the high standards expected under the act or have those standards been shattered in a way that the Deputy First Minister would deprecate?

Mr Wallace: I am aware of the newspaper reports, but I am not prepared to comment on a leaked report. Part of the structure of ensuring good standards in public life is that there is in Fife Council, for example, a standards and audit committee. I understand that a report will be made to that committee tomorrow and that appropriate action will be decided on. I do not think that we do justice to standards in public life by condemning them on the basis of leaked reports in the newspapers and by using the Parliament to come to judgments when people's rights are at stake.

Mr Swinney: That sounded like a lot of ducking and diving from the Deputy First Minister. Is not the difference between Mr Wallace and me that he wants to keep the cronies in and I want to get the cronies out? Is not that how we should be cleaning up Scottish politics? Is not that one of the good reasons why Scotland should be talking independence?

Mr Wallace: Mr Swinney had to get the “i” word in somewhere, but that was mighty contrived. I make it clear that the Scottish Executive expects every council to apply proper procedures and to apply them rigorously. That applies to Fife Council as much as to any other council. The Scottish Executive expects officials and elected representatives in the public sector to follow high standards. However, I do not believe that the Parliament puts itself in good standing if it comes to rushed judgments when it does not have all the evidence. The matter is for Fife Council to determine and I do not believe that we should be making judgments on the basis of a leaked report. None of my councillors has sent me a copy of the report, but perhaps Mr Swinney has had the advantage of being able to read the report.

Secretary of State for Scotland (Meetings)

2. David McLetchie (Lothians) (Con): To ask the First Minister when he will next meet the Secretary of State for Scotland and what issues he plans to raise. (S1F-1710)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): The First Minister will next meet the Secretary of State for Scotland on 11 March. As chance would have it, I met the Secretary of State for Scotland in London this morning.

David McLetchie: I hope that when the First Minister is restored to health—I wish him a speedy recovery—he will discuss with the Secretary of State for Scotland the findings of the inquiry into the goings-on in Fife Council, to which Mr Swinney alluded.

I accept that we should not rush to judgment until we have sight of the full report, but does the Deputy First Minister acknowledge that there are legitimate concerns about the relationship between government in the widest sense and those organisations in the voluntary sector that are effectively wholly funded public agencies—in other words, mini quangos? Does he accept that those concerns are not confined to relationships in Fife Council alone? Given the amount of public money that goes into such organisations, does he agree that the relationship might appropriately be investigated by a committee of the Parliament, so that we can make a considered judgment on these matters and those relationships?

Mr Wallace: I support anything that will lead to a considered judgment, which is not what we heard from Mr Swinney. If the Local Government Committee thinks that that approach is appropriate, I am sure that it will take the appropriate course of action. It is worth reminding the Parliament that in promoting high standards in public life we have had not just the Ethical Standards in Public Life etc (Scotland) Act 2000, to which John Swinney referred, but the Public Finance and Accountability (Scotland) Act 2000. We also have the proposed public appointments and public bodies (Scotland) bill. We have made it clear that, if we think further action is required, we will take it, but it is important to put on the record just how much the Parliament has done in a relatively short time to promote public standards throughout Scottish public life.

David McLetchie: I wish to suggest further action for the Deputy First Minister and the Executive to consider. Does the Deputy First Minister think that it is appropriate for councillors who are responsible for allocating the bulk of funding to voluntary organisations of the type that I have just described to be employees of those organisations? Instead of increasing the number of council employees who can become councillors, as the McIntosh commission proposed, should not we be tightening up the rules to avoid conflicts of interest and to prevent people from becoming councillors if they work for organisations that are wholly or largely funded by their local council?

Mr Wallace: We want to wait and see what the report says. I am aware that the report that has sparked off these exchanges has been sent to Audit Scotland, a body that the Parliament established. I am sure that Audit Scotland will wish to give a considered response. We will examine

any wider implications of the report and Audit Scotland's examination for public bodies in Scotland.

Codes of conduct have been prepared with the Convention of Scottish Local Authorities for public bodies and local authorities. The codes of conduct include sanctions for breaching the codes, such as censure and suspension. The Local Government Committee has considered the draft codes. It is important to put on the record the fact that the code of conduct for councillors shares the same principles as we hope to uphold—duty, selflessness, integrity, objectivity, accountability, stewardship, openness, honesty, leadership and respect. I hope that those principles command support throughout the chamber. I am sure that they command support throughout public life in Scotland.

Iain Smith (North-East Fife) (LD): Is the Deputy First Minister aware that it was the diligence of Fife Liberal Democrat councillors that uncovered the payments to the Third Age Group in Fife and that it was Liberal Democrat councillors who called for the inquiry? Does he agree that elected members at all levels should abide by codes of conduct and ethical standards, particularly in relation to the disclosure of information that may prejudice disciplinary or criminal proceedings?

Mr Wallace: I was aware of the origin of the inquiry. Iain Smith is right that, under codes of conduct, councillors who come into possession of confidential reports are bound to ensure that they observe that confidentiality, so that proper council procedures can take place and so that people are not judged through trial by newspaper.

Drugs

3. Mr Kenneth Macintosh (Eastwood) (Lab): To ask the First Minister what message he plans to promote to children and young people on illegal drug use. (S1F-1727)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): The Executive continues to have a strong commitment to tackling those who deal in drugs. However, sending that message on its own does not help young people to make positive life choices. We must promote the benefits of healthy lifestyles and equip young people with the skills and knowledge to make those choices.

Mr Macintosh: I thank the Deputy First Minister for his comments. I also thank his deputy, Richard Simpson, for the comments that he made in the papers at the weekend. Does the Deputy First Minister agree that any drugs policy must work in the absence of teachers, police and parents to enforce it? If we are to make a difference in

tackling the crime, chaotic lifestyles and misery that drug misuse and abuse bring, we must give our young people the education, information and self-confidence to choose for themselves not to use drugs.

Mr Wallace: I agree strongly with Kenneth Macintosh. It is obvious that teachers, police and parents are not always around to enforce, but we all accept that the police and particularly parents and teachers have a responsibility to try to ensure that children are well aware of life choices and the consequences of drug misuse.

I am the father of two teenage daughters and I do not wish them to misuse drugs, but if I simply said to them, "Just say no," and gave them no information on which to base judgments that they might have to make, that would not work. It is important that 97 per cent of Scottish children are receiving drugs education. We want that figure to be increased to 100 per cent. By providing such education, we are more likely to tackle drug abuse in Scotland effectively, because young people will be able to make healthy-living choices on the basis of knowledge.

Ms Margo MacDonald (Lothians) (SNP): What advice or recommendations have been forwarded from this chamber to the Home Secretary, who has announced his intention to reclassify cannabis? Is there unanimity in the Executive, given that the two parties that form the Executive have, I think, diametrically opposed opinions on the reclassification and possible eventual liberalisation and legalisation of cannabis?

Mr Wallace: As Margo MacDonald is well aware, reclassification of cannabis is a matter reserved to the Westminster Government. Even if the Home Secretary decides to reclassify cannabis, the criminal offence will remain. That decision will be made on recommendations from the statutory Advisory Council on the Misuse of Drugs, the report of the Select Committee on Home Affairs and the evaluation of the Lambeth experiment.

It is healthy to have an informed debate and the issue should not be swept under the carpet. The ultimate decision remains with Westminster, but if we have a debate on all the issues, such as the health implications and whether cannabis is a gateway to more serious drugs, we will reach an informed decision. However, the decision remains with the Westminster Parliament.

End-year Flexibility Funds

4. Christine Grahame (South of Scotland) (SNP): To ask the First Minister what steps will be taken in order to ensure that the end-year flexibility of £200 million for 2001-02, identified in the letter from the Minister for Finance and Public Services

to the Convention of Scottish Local Authorities' finance spokesman on 25 February 2002, is disbursed timeously. (S1F-1717)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): Carrying forward money from one financial year to the next ensures spending in favour of top priorities, rather than spending on low priorities in the last three or four weeks of the year simply to get money out of the door. I note that on 27 September 2001 the member's colleague Andrew Wilson said:

"I praise the Executive for introducing that mechanism, whereby it moves money forward at the end of the year if it is underspent."—[*Official Report*, 27 September 2001; c 2922.]

Christine Grahame: The point is that the letter says that the true end-year flexibility figure is £200 million, although £600 million has been mentioned. I take that to be £200 million spare cash in the coalition coffers. I have a question for the Deputy First Minister that probably would have suited the First Minister.

The Presiding Officer (Sir David Steel): I would be delighted to hear a question.

Christine Grahame: If the Borders population equals 2 per cent of the Scottish population, and 2 per cent of £200 million equals £4 million, and Scottish Borders Council is short of £4 million, has the Deputy First Minister any advice for his Liberal Democrat colleague, the new leader of that council?

Mr Wallace: It is worth pausing and remembering that, last year, end-year flexibility was allocated to fund the McCrone settlement, the coronary heart disease plan and additional support for students. More money was provided to tackle foot-and-mouth and its consequences and more money was supplied for fishing vessel decommissioning, of which I am sure people in the Borders received a fair share, because of the problems of the fishing industry in Eyemouth and foot-and-mouth in the Borders. People would have benefited from the fact that the Executive had end-year flexibility to meet some of those issues as they arose. We will pursue a similar route this year and we will distribute underspend widely across the whole of Scotland. I am sure that the Borders will benefit directly from that expenditure, like other parts of Scotland.

Mr Murray Tosh (South of Scotland) (Con): Is the Deputy First Minister aware that the fundamental difficulty that Scottish Borders Council faces is getting its expenditure within the grant-aided expenditure limit that has been laid down? Will he advise the Parliament whether the rules on end-year flexibility give the Executive the authority to advance some revenue support grant to the council, to allow it the time that it needs to

find alternative mechanisms to manage its swimming pools? That would enable the council to keep the swimming pools open rather than, as seems likely, to close them within the next two or three months.

Mr Wallace: I am certainly aware of many of the issues to which Murray Tosh refers. I have been in the Borders about three times in the past 12 months and I met a group from the Borders last week. It is fair to point out that Scottish Borders Council has balances of some 1.4 per cent of its total expenditure. I think that that percentage is somewhat greater than the Executive's underspend. My colleagues Euan Robson and Ian Jenkins have been encouraging Scottish Borders Council to make use of those balances. Some say that balances are for a rainy day; some in the Borders may think that it is raining.

Ian Jenkins (Tweeddale, Ettrick and Lauderdale) (LD): I know that the Deputy First Minister recognises the deep concerns in the Borders about the threats to public services. Does he agree that the changes in the leadership in Scottish Borders Council offer a window of opportunity for a fresh start? Will he and his ministerial colleagues vigorously support efforts to find a positive way forward by using those balances or by using some other method?

Mr Wallace: There is a new convener in place and I understand that there will be a new administration, although it will not be chosen until 19 March. That offers a window of opportunity. The Audit Scotland report found administrative failures, particularly in the education department, and called for a recovery strategy. I hope that the new administration will develop such a recovery strategy. I am sure that it will want to and I am sure that, having developed it, it will want to discuss the matter with ministers.

Elaine Thomson (Aberdeen North) (Lab): Does the Deputy First Minister agree that the SNP's answer to everything is to propose spending more money—usually the same money again and again? By 4 pm on Monday this week, Alasdair Morgan was calling for more expenditure from EYF; at the same time, Christine Grahame was calling for the Scottish Borders Council to be bailed out.

The Presiding Officer: That question is not in order. The minister is not responsible for SNP policy.

Foot-and-mouth Disease

5. David Mundell (South of Scotland) (Con): To ask the First Minister whether foot-and-mouth disease has been eradicated in Scotland. (S1F-1715)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): The last case of foot-and-mouth disease in Scotland was on 30 May 2001. On 11 September 2001, the country was declared disease free. Obviously, however, continued vigilance is required.

David Mundell: The Deputy First Minister will of course be aware of a number of scares in the north of England of potential recurrences of foot-and-mouth. The on-going inquiries have yet to report. I agree with Mr Wallace's colleagues at Westminster that the inquiries should be public, which those in Scotland will not be. Is Mr Wallace satisfied that arrangements are in hand to deal immediately with any similar scare in Scotland?

Mr Wallace: The short answer is yes. I can assure Mr Mundell and the Parliament that officials in Ross Finnie's department keep in close touch with the situation in England. At the time of the scare of the suspected outbreak in North Yorkshire, our officials were ready to launch full disease-control procedures had that case turned out to be positive. Ross Finnie will shortly issue the Executive's response to the lessons-learned inquiry. One of the issues dealt with in that response will be the revision of contingency plans in the light of experience.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): Given that the likely cause of the previous outbreak of foot-and-mouth was infected imported meat, and given the considerable concerns that existed even before the outbreak about the inspection of the quality of imported meat, will the Deputy First Minister tell us whether he is satisfied with the levels of inspection that are now in place?

Mr Wallace: I assure Alasdair Morgan that the Executive takes the matter very seriously. Indeed, it was raised at the most recent meeting of UK agriculture ministers. Checks on imports have been increased, a major information campaign has been aimed at international travellers, regulations have been changed to allow local authorities to seize suspect meat where there is no documentation to prove its origin, and the feeding of swill has been banned. As I indicated in my answer to David Mundell, the Executive will respond to the lessons-learned inquiry, another key element of which will be import controls. Furthermore, work is under way to revisit the regulations. I again assure Alasdair Morgan and the Parliament that we take the issue seriously.

George Lyon (Argyll and Bute) (LD): Is the Deputy First Minister aware that a recent Lloyds TSB Scotland survey found that more than 60 per cent of farmers in the Borders and Dumfries and Galloway area were very satisfied by the Scottish Executive's handling of the foot-and-mouth crisis and that only 12 per cent indicated any

dissatisfaction? Given that there is grave concern that foot-and-mouth disease could return to this country through illegal meat imports, what steps are being taken to strengthen Customs and Excise's functions throughout the UK to ensure that those imports do not enter the country and put at risk our hard-fought control of the disease?

Mr Wallace: Although I acknowledge the figures and findings that George Lyon has quoted, I am the first to say that they do not give us any cause for complacency. Last August, I met many of the foot soldiers from Dumfries and Galloway Council, who represented a whole range of support mechanisms that one would not have thought were required in such a situation. I pay tribute to everyone in Dumfries and Galloway and the Borders who worked excessively hard to bring the outbreak under control. Indeed, I should also mention the Army's contribution to that effort.

In addition to my assurances to Alasdair Morgan, I assure the chamber that the veterinary laboratories agency is undertaking a full and detailed risk assessment and is studying the risk of infected meat entering the country. Arrangements have been made for sniffer dogs to be deployed at Heathrow airport for a trial period. If that is successful, the measure could be extended to other airports. The use of X-ray machines to examine the luggage of inbound passengers is also being considered for that purpose. Given all those steps, it is clear that we are not sitting on our hands on this important issue.

The Presiding Officer: That concludes question time.

Tricia Marwick (Mid Scotland and Fife) (SNP): On a point of order, Presiding Officer. Is it in order for the Deputy First Minister to mislead the Parliament with his claim that he could not comment on a leaked report when the report's authors, the chief executive of Fife Council and the leader of the Labour group, have today given detailed interviews about its contents and have therefore put it into the public domain?

The Presiding Officer: I am sorry, but that is a point of argument, not a point of order.

Homelessness Task Force

The Presiding Officer (Sir David Steel): We come to the debate on motion S1M-2838, in the name of Iain Gray, on the final report of the homelessness task force, with two amendments to that motion.

15:34

The Minister for Social Justice (Iain Gray): I am pleased to open this debate on the report of the homelessness task force. I should begin by thanking the task force for its work and acknowledging the leadership of that work through most of its life by my predecessor, Jackie Baillie. Its final report is a blueprint for the prevention of homelessness in Scotland.

Those who complain that the task force has taken two and a half years to complete the work simply fail to acknowledge the complexity of the task, the quality and scale of the work done, the progress made in the meantime and the audacity of the objective that the task force has pursued.

Nowadays, we all understand that homelessness is a complex issue. The provision of accommodation is not, of itself, enough. Many homeless people, particularly those who sleep rough, face a multitude of other problems. Many have poor health or are addicted to drugs or alcohol. Others have been victims of violence or domestic abuse.

For all homeless people, whatever has led them to homelessness, the resettlement process can be very difficult, especially for those with no prior experience of managing a home or maintaining a tenancy. Homelessness is a housing problem, but not only a housing problem. People at risk of losing their home require intensive support if the crisis of homelessness is to be averted. Those who have experienced homelessness need intensive support if resettlement is to be sustainable and permanent.

That is why we chose to mobilise the widest range of experience and expertise available to us: Shelter Scotland, *The Big Issue*, the Convention of Scottish Local Authorities, the Scottish Council for Single Homeless, the national health service—a broad base covering all aspects of the problem. The quality of the task force's work is already reflected in statute, with the Housing (Scotland) Act 2001 including its interim recommendations.

Local authorities are therefore already obliged to carry out assessments of homelessness in their area and produce homelessness strategies. They must also produce wider local housing strategies, and plan for the economic, efficient and effective provision of housing and related services. Those

two things must be interlinked and a wide range of agencies must be brought together in their production. We now have Communities Scotland acting as the regulator of homelessness services. Regulation provides a means of dealing with inconsistent and poor practice. It ensures that the legislation and guidance are followed.

Having set that framework, the task force has, in its final report, made 59 specific recommendations. We accept them all. Some of the recommendations are directed towards other Government departments: the Scottish Prison Service; the education department; the Ministry of Defence; and the Department for Work and Pensions. The benefits system has a vital part to play in helping people avoid and resolve homelessness. We will work with the DWP and Westminster ministers to ensure that that part is played to the full. We want to ensure that homeless people are not disadvantaged, particularly in their efforts to develop their skills and move into work.

Tommy Sheridan (Glasgow) (SSP): I appreciate what the minister is saying about working with the Westminster Government, but he will appreciate that the recommendations are specific about the ability to reform the benefits system to help with the problem. Is the Executive willing to argue for the devolved power necessary for us to deal with benefits in Scotland? That is the position of the task force.

Iain Gray: I think that the task force would like a review of particular aspects of the benefits system. It talks about benefits for 16 to 24-year-olds, and particularly about the way in which housing benefit operates when people move back into work. I am prepared to argue for changes that allow some of those things to work better; indeed, I have already done so. As I said in response to a question last week, I have already ensured that, latterly, the DWP was part of the task force recommendations.

Overall, the implementation of the task force report will give homeless people rights that they have never enjoyed before and will change the way in which homelessness is perceived and dealt with in Scotland. Most significantly, within 10 years, all homeless people will be entitled to permanent accommodation, except where that right has been suspended for a specific reason. There will no longer be a distinction of priority need—homelessness itself will be enough to confer a right to a permanent home. There are those who criticise the time scale, but it is simply realistic. That pragmatic focus has been a marker of the task force's work. Its aim was real and realistic changes to address homelessness.

Along with the change to priority need, homeless people will be able to apply to any local authority in Scotland without having to establish a local

connection. There is no evidence to show that that will lead to a deluge of homeless people in certain areas. In Edinburgh, where such fears were whipped up by Tory councillors, the local authority seldom uses the local connection measure as it is.

A new regime for responding to intentionally homeless families will also be established. Accommodation must always be provided within a framework that supports the intentionally homeless household to maintain that accommodation, to address the issues that led to their homelessness and to move on to more secure accommodation.

Those measures require legislation. I can confirm today that we will introduce a homelessness bill later this year. The legislative programme is crowded, but that is a clear signal of our determination to implement the recommendations.

Robert Brown (Glasgow) (LD): I want to ask about the extension of priority need, which is dealt with in the report. The minister will be aware that there are existing powers in the Housing (Scotland) Act 1987 to enable that to be done by statutory instrument. Will he undertake to introduce such a statutory instrument in advance of more general legislation in the later part of the programme?

Iain Gray: The intention of the task force was that we should address those issues together in a homelessness bill, which will provide the stronger statutory force that the task force wanted. Nevertheless, the task force's work is not entirely done, and its successor, the monitoring group, will work with us to develop the homelessness bill. There will be an opportunity to discuss with the monitoring group whether a statutory instrument is required, and the task force has said that expanding priority need is the first step.

Responding to homelessness is not all about legislation. Providing the right kind of accommodation is important. For example, the use of bed-and-breakfast accommodation for families is unacceptable and must be eliminated. Large-scale hostels for homeless people must also be a thing of the past. We need to widen access to housing for homeless people by requiring all local authorities to provide a rent deposit or guarantee scheme by 2004. Furnished tenancies and lead tenancies must also be considered.

Support packages must be in place for homeless people, and health care needs must be fully met. Homeless people must be given every opportunity to participate in education and employment and to rebuild supportive social networks. We take all those things for granted for ourselves and our families. It should not be any different for those who experience homelessness,

if for no other reason than that any one of us or our families could face homelessness. Homelessness can result from illness, family breakdown or job loss, which can happen to anyone.

A major focus of the report and of our future approach is the prevention of homelessness. In particular, we stress that local authorities should be proactive and should intervene early to avoid the crisis of homelessness. Corporate policies in local authorities on anti-social behaviour, rent arrears or eviction should not lead to avoidable homelessness. The change in culture goes further than a greater emphasis on prevention. We must recognise, and have services that recognise, that homeless people deserve to be treated with respect. Their views should be listened to and acted on. As I said at question time last week, there is an attitude problem that must be addressed.

We will act quickly to implement the recommendations of the task force. I am not convinced of the need for further action plans. The recommendations themselves point the way. Work on the forthcoming legislation is already under way, and we will establish a monitoring group to drive and oversee progress.

We have already allocated £11 million over the next two years to start the delivery of the recommendations. We should remember that that money is in addition to the £40 million allocated to the rough sleepers initiative, with a further £11 million over the next two years. Our commitment to end the need to sleep rough by next year still stands, and £27 million has been allocated over this and the next two years to fund the implementation of the homelessness provisions of the Housing (Scotland) Act 2001.

We have allocated £14.5 million to decommission Glasgow hostels and £6 million to provide alternative accommodation for families in bed-and-breakfast accommodation. Only this morning, Richard Simpson announced the allocation of £250,000 of seized criminal assets to fund drug services for Glasgow's homeless people. We are providing new resources, but we must also focus on more effective use of existing resources.

Looking at the amendments to the motion, I fear that at least some of this afternoon's debate will focus on the recital and deconstruction of statistics. I confess that my heart sinks somewhat. However, statistics are important and we do not have statistics that are good and up to date enough. The last detailed analysis that we have of the issue is over a year old and predates the measures and resources that are already in place, to which I have referred. The task force commissioned research on the statistics and found

that homeless applications hide a significant pattern of repeat applications.

Tommy Sheridan: Will the minister take an intervention?

Iain Gray: I do not think that I have enough time.

That is why the task force made so many recommendations to improve the outcomes of homeless applications.

We are already improving the collection of data, but we will also look to other sources, such as the Scottish household survey, for better information on hidden homelessness and on those who do not apply at all as they expect a negative response. If we succeed in pursuing the issue, homeless applications might even increase. So be it. The work is about real solutions for real people, rather than statistics. The wider our evidence base, the more effective our solutions will be.

Some people are not counted in the statistics to which the amendments refer. We want to get those people into the system. There are new measures and resources that are not yet reflected in the numbers. We are already adding to measures and resources to provide solutions for those people.

Much is being done and the task force report provides the blueprint for what we must do now. I sincerely hope that all parties welcome that and add their determination to our determination to make the report's recommendations a reality.

I move,

That the Parliament welcomes the Scottish Executive's commitment to preventing and alleviating homelessness in Scotland and endorses the Executive's pledge to implement the wide-ranging recommendations contained in the final report of the Homelessness Task Force, *Helping Homeless People: An Action Plan for Prevention and Effective Response*.

The Deputy Presiding Officer (Mr Murray Tosh): Kenneth Gibson has seven minutes.

15:46

Mr Kenneth Gibson (Glasgow) (SNP): I welcome the debate on the homelessness task force and its final report. My one concern—which is shared by many members and organisations that deal with homelessness at the coalface—is the length of time that has been allocated to the debate, given that the report has been much anticipated and was two and a half years in the making. A full Wednesday afternoon or Thursday morning would have allowed more members to contribute and allowed the minister to detail further his plans on the recommendations. My colleagues will attempt to deal in greater detail with what I am unable to discuss, given the comprehensiveness

of the report.

First, I pay tribute to those who have contributed to a thorough report, the recommendations of which the SNP is happy to endorse. The Conservatives may disagree, but we think that the debate is not about which recommendations are or are not acceptable, but about how and when they are implemented. I have no doubt that the Social Justice Committee will wish to provide detailed scrutiny.

Shelter raised a number of issues with members that they will be familiar with through their briefing. Some of those are mentioned in my amendment—for example,

“a commitment from the Scottish Executive to produce an action plan for implementation of the 59 recommendations within six months”

and, significantly, full resourcing of the recommendations, with the comprehensive spending review this summer taking the report into account.

It is obvious that, as some recommendations relate to reserved matters, the Executive must rely on the good will of colleagues down south. I ask the minister whether we would be able to address the issue of homelessness more effectively if at least benefits were a devolved matter, as Mr Sheridan asked. Surely that would aid the Executive in providing a holistic, joined-up approach—to which the minister referred—across all areas of social justice.

Mel Young, the director of the *The Big Issue in Scotland*, wrote in issue 364:

“It would be much better if benefits were devolved to Scotland as part of an integrated anti-poverty strategy”.

In addition, Shelter suggested that an annual report on homelessness to the Parliament by the minister responsible would sustain the momentum behind the task force report. That seems eminently sensible. Perhaps the minister, in summing up, will advise members on the monitoring group's membership and how often it will meet.

I am aware that the Executive intends to bring forward a homelessness bill—indeed, the minister confirmed that today. I urge him to ensure that no slippage in the timetable takes place, given the tight time scale for a bill as the next election approaches. The minister referred to the great amount of parliamentary business in the autumn.

Of course, it is important to acknowledge that the Labour Government is in its fifth year and homelessness is at a record level. The minister suggested, somewhat defensively, that perhaps we should not trust the statistics. I accept his comments on that and commend his comments about making data more robust. However, we

must work with the information that we have. According to the report, homelessness applications rose from 40,989 in 1996-97 to 46,023 in 2000-01, the last year for which figures are available. Some areas have done well, but other areas have not done so well. We have seen a 33 per cent increase in homelessness applications in Fife, a 40 per cent increase in Inverclyde and a shocking 65 per cent increase in West Lothian.

Robert Brown: I wonder about the extent of the reliance that Kenny Gibson places on the figures, bearing in mind the minister's earlier comments. It seems that there is a hidden homelessness underneath the statistics. One must be cautious about taking the statistics at face value, albeit that they are helpful as far as they go.

Mr Gibson: Yes. As I tried to say before I cited those figures, I acknowledge what the minister said about statistics. I welcome the minister's intention to make the data more robust. Nevertheless, the data that we have show a trend and it is important that we consider the trends. I have no doubt that, if the trends were in another direction, the Executive would be making hay from them.

It is shameful that homelessness has not been accorded a higher priority by the Executive. It is a scandal that council housing investment has plummeted by more than £1 billion in the past five years; that grants to the private sector have fallen by two thirds; that housing capital set-aside has drained money from local authorities; and that housing association grant has fallen.

Tommy Sheridan: Does the member agree that it is deeply disappointing that, according to the levels of spending for council housing across local authorities, more was spent during the previous Tory Governments than has been spent over the past five years of a Labour Government at Westminster and the past three years of a Labour Government in Edinburgh?

Mr Gibson: I fully accept the point that the member makes. In 1990-91, at current prices, the Thatcher Government allowed borrowing of £176 million in Glasgow for capital investment, which is some £100 million more than is being allowed at present.

New housing partnership moneys have often remained unspent and council rents have soared by some 131 per cent above inflation in Glasgow over the past 16 years. It is obvious that those actions have had an adverse cumulative effect on housing supply and affordability. That is why it is important not only that the recommendations of the homelessness task force are accepted, but that they are fully resourced and that the cost should not fall on local government.

On 31 January, I secured a debate on the issue of young runaways. The authors of "Missing Out—Young Runaways in Scotland", the report that informed the debate, estimated that some 6,000 to 7,000 children under 16 run away in Scotland every year for the first time. Around a thousand of them do so because they are forced to leave home. For those vulnerable youngsters, who are at risk from sexual predators, possible physical assault, cold and hunger, the only refuge in the United Kingdom is in London.

The Housing (Scotland) Act 2001 ensured that all applicants who are over 16 have a right to be registered. However, the decision of the previous Conservative Government to remove benefit entitlement from 16 and 17-year-olds has impacted on the number of young homeless. Despite the fact that it opposed the legislation when it was introduced, London Labour has done nothing to rescind it, although the number of homeless people under the age of 18 has risen by 20 per cent since Labour came to power. The cost of such a policy would be approximately £10 million a year, according to a House of Commons parliamentary answer to a question that was asked by John Swinney two years ago. Surely that cost is less, in economic and human terms, than the cost of maintaining the status quo.

As a result of the current situation, many young people find themselves homeless and in despair unnecessarily. As the homelessness task force's report makes clear, the younger a person is when they first become homeless, the more difficult it is for them to avoid remaining so. Although the issue of benefits is covered and 16 to 24-year-olds are mentioned in the report, 16 and 17-year-olds specifically are not mentioned. Last week I asked the minister a question on the matter and his response was that, if the report

"does not comment on the issue that he raises, that is perhaps because the experts feel that it is not the issue that has the greatest impact on homelessness."—[*Official Report*, 28 February 2002; c 9835.]

That is fair enough. However, on 9 November, Lyndsay McIntosh, Mike Watson and I addressed a conference that was held by the Scottish Council for Single Homeless at which not only was unanimous support expressed by the 120-strong audience for the repeal of the law that excludes 16 to 17-year-olds from benefits, but similar support was expressed for such a move by both Lyndsay and Mike. Given the fact that there is cross-party support for such action, it is obvious that an independent Scotland would not only repeal that harmful policy, but work to ensure that such policies were never again imposed on an unwilling nation.

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

Mr Gibson: We do not believe for a minute that the appalling situation whereby Scotland has proportionately 50 per cent more homelessness than the rest of the UK would occur in an independent, self-confident, prosperous, socially just and outward-looking Scotland.

Does anyone seriously believe that decisions affecting homelessness in Denmark should be taken in Berlin, that decisions affecting homelessness in Switzerland should be taken in Paris or that decisions affecting homelessness in Finland should be taken in Moscow? Of course not. None of those prosperous European nations with per capita incomes far in excess of that of the UK would accept being told that their nation was too small, too poor a—

The Deputy Presiding Officer: Mr Gibson, you are still developing new points. You are considerably over time, and I would appreciate it if you would close and move your amendment.

Mr Gibson: I will close, Presiding Officer.

It is time for the north British parties to stop undermining Scottish self-belief and to accept that this Parliament needs powers that are taken for granted even on the Isle of Man and Jersey to deal with Scotland's concerns in the same confident way as our European neighbours. It is time for independence.

I move amendment S1M-2838.2, to leave out from "welcomes" to end and insert:

"notes the final report of the Homelessness Task Force, *Helping Homeless People: An Action Plan for Prevention and Effective Response*; regrets that, five years after the election of New Labour, homelessness in Scotland is higher than when they took office; seeks a commitment from the Scottish Executive to produce an action plan for implementation of the 59 recommendations within six months; believes that, for homelessness to be eradicated, the recommendations in the report must be fully resourced, and acknowledges that an independent Scotland, with full control over the benefits system, would be much better placed to tackle homelessness than an Executive dependent on the decisions and goodwill of Westminster."

15:55

Mr Keith Harding (Mid Scotland and Fife) (Con): I, too, welcome the debate. The Scottish Executive's record on homelessness is abysmal. There have been a record number of applications to local authorities, a rise in the number of people in bed-and-breakfasts and other temporary accommodation and a lengthening of the average time that people stay there. That is the legacy of the Labour Government since 1997 and of the Labour-Lib Dem Government since 1999.

I am rather disappointed that the Executive's response has come from a task force that has a lifetime of more than two and a half years and that has involved three Government ministers. I recall

the first of those ministers, the then Minister for Communities, Wendy Alexander, telling us that the task force approach was not an excuse for inaction. As there is no excuse, the Executive must take the blame. Now, we have a short debate on the 59 recommendations that the minister has already accepted.

Iain Gray: Will the member give way?

Mr Harding: I am sorry. I cannot take any interventions, as this speech lasts five minutes. That hardly makes for open debate in the Parliament. I have only five minutes to discuss the 59 recommendations. Although there are many that I can support, I do not have time to address those. I must stick to my concerns and the overall philosophy.

I am particularly concerned about the proposal to phase out the category of priority need that has been covered. Even the minister's own research paper states that that

"enables scarce resources to be targeted on those in greatest need".

The minister must tell us how he will continue to fulfil that basic requirement and where the resources will come from for dealing with the problem of sharing those scarce resources more widely. He says that he will allow more single young people access to social housing. Where is that housing coming from? Why is he, through state intervention, further breaking down family ties in favour of those who may not yet have the skills or funds to live alone? In the past, there were fewer homeless and more people stayed with the natural support of their families, until they were ready and able to move out. The breakdown of families and civic society will only be accelerated by the minister's measure, which will mean that more of taxpayers' money will go into inefficient, disinterested support services later.

The minister wants to remove the local connection requirements. I urge caution, particularly for cities such as Edinburgh, which the minister mentioned, but also for other areas, which might experience a huge influx of the homeless, overwhelming their already scarce social housing. The answer is not parliamentary review but genuine devolution. The Executive should not prescribe, but rather let councils decide whether they accept outside applications.

Because of the shortage of time, I will leave Bill Aitken to deal with our concept of sin bins for persistently anti-social tenants, although I must say that the task force's plans to remove the category of intentionally homeless could go some way towards achieving the same end. That will depend on how the proposal is implemented, however. It must not become an excuse simply to let the feckless few who will not pay the rent and

who behave in an anti-social way permanently to terrorise our social housing neighbourhoods.

If it does become such an excuse, that will have two results. The Executive will get the rough end of the fury of the decent tenants and the rising tide of rent arrears and bad behaviour will continue, as those who attempt it will know that there are no sanctions to prevent such behaviour. The only solution lies in a new category of specialist housing association to provide high levels of support in conjunction with the criminal justice service, to tackle the problem in a way that prevents damage to decent tenants and to the neighbourhoods that they live in.

Mr Gibson: Will the member give way?

Mr Harding: No, I am sorry. I will not take an intervention.

In that respect, it is a great shame that the task force contained four representatives of homelessness pressure groups, but only one from the future social landlords, the Scottish Federation of Housing Associations. Even worse, no one at all represented Scottish tenants. That is a glaring omission, given that those people live in the communities whose homelessness problems ministers want to solve. For ministers to provide community solutions, it is necessary for them to take those communities into account and take them with them.

Tricia Marwick (Mid Scotland and Fife) (SNP): Will the member take an intervention?

Mr Harding: No, I am sorry.

The other group that is needed is Scotland's councillors. What is the answer from ministers? The obvious solution would be to give councils powers to address their own local problems and some funding to assist with that. As usual, the Executive's plans to put more control on council funding centralises decision making in many areas and makes councils comply through guidance and duties to follow the Executive's priorities rather than their own. So much for local democracy—or, dare I say it, for local solutions to local problems.

Iain Gray: Will the member give way?

Mr Harding: I will not take an intervention.

A new civic society must be the natural precursor to social justice. Instead, the task force has recommended—and the Executive has agreed—that the state should further monopolise compassion. By doing so, we ignore the vital role played by Scotland's charities, faith communities, and local and national voluntary organisations. Often individual action most assists individual neighbours and their communities and resettles those who experience homelessness. The role of the family needs to be extended again, rather than

broken down further. The more the state steps in, the less ordinary people feel responsible for their fellow man and the less they feel the need to care even for their relations. "It is all right," they think, "the Government says it will look after us. It's all the Government's fault. The Government must do something."

It is now time to draw back the involvement of the state and to restore the role of personal responsibility and opportunity in our society. We should encourage charities and faith-based groups to innovate, to help solve the problems of homelessness and of our sink housing estates. We need to restore some values in our society. We need a new approach to homelessness that takes people with us and creates the civic society that prevents homelessness through the family cohesion and voluntary effort that builds genuine caring communities.

This comprehensive report offers a way forward and we will work with the Executive and others to address the scourge of homelessness.

I move amendment S1M-2838.1, to leave out from "welcomes" to end and insert:

"notes the publication of the final report of the Homelessness Task Force, *Helping Homeless People: An Action Plan for Prevention and Effective Response*, two and a half years after its inception; condemns the fact that homelessness applications to local authorities have reached record levels during that period, under the Scottish Executive, and remain close to that level; notes with concern the Executive's decision to accept the task force's recommendations in full without prior debate, particularly the proposals to phase out the category of priority need and to remove the local connection requirements, and calls on the Executive to take a less prescriptive approach and allow local authorities the flexibility they require in order to address the individual needs of homeless people in their areas."

16:01

Robert Brown (Glasgow) (LD): Few things are more central to our ability as a society to nurture opportunity, build communities and ensure basic human rights than having a home of our own. Conversely, few things are more destructive of the life chances of our citizens, the physical and mental well-being of families and the key dynamic of hope for the future than homelessness.

The homelessness task force has produced a superb report. It is radical, far-reaching and highly relevant to housing and homelessness in Scotland today. The report and the research paper that underpins it are shot through with important insights into the many complexities of this most tragic of human disasters. I am bound to say that it was with a sense of extreme depression that I listened to Keith Harding outlining his views on the report. I have considerable doubts that he has read it—what he said certainly did not seem to

suggest that he had.

I want to draw members' attention to the stress that the report places on the interests of children. I take some little credit for that, because during consideration of the Housing (Scotland) Bill the Executive took on board amendments that I lodged requiring the interests of children and young people to be included in homelessness strategies and other policies. I pointed out that children are often the forgotten and innocent victims of homelessness—they lose friends, schools and the security of home and they often experience damage to their mental health and well-being.

To be honest, I was doubtful whether the inclusion of young people's interests in the rather dry and legalistic terms of the Housing (Scotland) Act 2001 would make much difference. However, I am bound to say that the power of words and duties in helping to determine the direction of the Executive's policies on this matter has been vindicated. The interests of children come through strongly as a risk factor in the University of Stirling report, as a trigger to homelessness and to young people leaving the parental home, and as a key area for support mechanisms, advice and intervention. Children should be first in the queue for widening priority need.

I share Kenneth Gibson's regret that the debate is so short. I hope that at some point the Social Justice Committee will be able to do more justice to the report.

The second insight that I would like to mention is the value of relationships and emotional support. In a sense we already know that, but it is often forgotten. Ann Rosengard's research paper "Routes out of Homelessness" notes in detail the value of relationships and emotional support when dealing with children. In particular, it points to the valuable work that is done in refuges by specialist children's workers. However, there is also a general issue, which is linked to the importance of providing meaningful occupational opportunities that can build confidence and provide people with social networks. It stands to reason that long-term solutions to homelessness—and it is sustainable long-term solutions that interest us—are not helped if people are isolated and depressed and lose their contacts. That is why I intervened on Kenny Gibson to raise the issue of statistics and to highlight the need for us to look to the long term. I am sure that Kenny Gibson will agree with that, as a number of qualifications are attached to the statistics.

Tackling homelessness is not just a matter of providing a house. The strategy must consider the care and support that are needed and must involve rebuilding social networks and job opportunities. We must get rid of the revolving-

door syndrome. For example, the Heriot-Watt University report suggested that 27 per cent were repeat applications.

I caution that work is not the panacea for every homeless person. Homelessness occurs for many reasons, but some of the most intractable cases involve people with complex addiction problems and mental health difficulties. They might not be, and might never be, ready for work. Meaningful occupational opportunities are needed, whether part-time, full-time, project based or mainstream, for people with restricted life skills and social skills. Those opportunities should be related to the homeless person's needs. As the report points out, we need to know more about that area. A strength of the report is that it points out clearly areas in which further research is required. The area of employment and occupation is one of the most crucial of those.

Rent guarantee and deposit schemes must be supported. They cannot exist in isolation but must involve individual mentoring support for homemaking and budgeting skills if they are to work. I hope that the minister will take on board that point and ensure that schemes are effectively achieved and resourced.

Our priority must be to ensure that people do not become homeless in the first place. Well-meaning attempts to help often founder in red tape and bureaucratic inertia. Those making the relevant decisions must have powers to access urgent support of any kind.

I do not have time to deal with targeted action on care leavers, prisoners and those leaving the armed forces, but that is the right direction to go in. It would be helpful to have a detailed assessment by area of the available resources, such as supported projects and support personnel, to set against the assessed needs. I know that that must be done locally, but it would be helpful to have national information. We should not go too fast, but we should ensure that we match the resources to our current objectives. The homelessness task force's report sets out the challenge and raises our sights about what can be done. Increased funding over time will be needed, but abolishing homelessness is one of the Parliament's great crusades. It is up to us to ensure that that succeeds. I support the motion.

The Deputy Presiding Officer: I think that I will be able to get everybody in, if we have speeches of four minutes.

16:07

Karen Whitefield (Airdrie and Shotts) (Lab): I begin by congratulating the members of the homelessness task force on delivering a comprehensive and well-considered report. The

task force's broad membership ensured that it could pull on a wealth of knowledge and experience when considering the homelessness problem. Debate on the report in the chamber is important, but our priority should be implementing the report's recommendations.

The Housing (Scotland) Act 2001 implemented many of the initial recommendations of the task force. The 2001 act strengthened the rights of those who are homeless and ensured that registered social landlords—RSLs—played their part in addressing homelessness.

Anyone who followed the intricacies of the 2001 act's passage through Parliament will know that measures to alleviate homelessness are at the heart of the act. They will know that the Social Justice Committee took seriously the concerns of organisations such as Shelter about the possible damaging impact that stock transfer could have on local authorities' ability to fulfil their statutory homelessness obligations. If amendment 93, which was lodged by the SNP, had been successful, RSLs would have been prevented from taking homelessness applications. If that is what independence means, I say no thanks to it and so do the homeless people of Scotland.

I welcome particularly the report's emphasis on homelessness prevention. The report rightly states that the objective should be to avoid the crisis of homelessness whenever possible. The report identifies local homelessness strategies as playing a key role in establishing procedures and mechanisms for the early identification of those who face housing difficulties. The provision of information, advice and support services must be co-ordinated within local authority departments and, where appropriate, between local authorities and the national health service. That is particularly important when new tenants come out of long-stay hospitals.

The report rightly concludes that evictions should be a last resort. However, it is unfair to suggest, as some have, that local authorities and RSLs currently evict indiscriminately. Local authorities and registered social landlords have a duty to their tenants to ensure that those who are responsible for anti-social behaviour or repeated and deliberate non-payment of rent are held to account.

Brian Adam (North-East Scotland) (SNP): Does Karen Whitefield agree that we still do not have the right approach to anti-social behaviour and that, as well as introducing legislation to deal with homelessness, we need to introduce legislation to deal with anti-social behaviour?

Karen Whitefield: As the member will recall, during the progress of the Housing (Scotland) Bill, we had many discussions in the Social Justice

Committee about that subject. I am pleased that the forthcoming criminal justice bill will introduce recommendations that came from the Social Justice Committee on interim anti-social behaviour orders.

It is important that, where rent arrears have occurred as a result of failings in the housing benefit system or for other bureaucratic reasons, landlords properly take that into account.

I will conclude with a few words about the Tories. I am sorry that Keith Harding has left the chamber because, in a recent press statement, he voiced rather hollow concerns about the increase in the number of homelessness applications since the Labour Government came to power. His concern on that subject has as much credibility as Homer Simpson's might have on etiquette. Between 1981 and 1991—a period about which those sitting to my far right seem to have developed a special kind of amnesia—the number of households presenting as homeless to local authorities in Scotland rocketed from just under 15,000 to 40,000. Through the Tories systematic underfunding and undermining of local authorities throughout Scotland and through their belief that unemployment was a price worth paying, the Tories almost single-handedly created the modern homelessness problem.

In contrast, the Scottish Executive is committed to working in partnership with local authorities, the voluntary sector and the national health service to ensure that effective action is taken to tackle homelessness where it exists and prevent people from becoming homeless in the first place. The Executive is committed to providing the resources that are needed to tackle homelessness and prevent rough sleeping. The Executive is allocating £27 million over three years to implement the Housing (Scotland) Act 2001; £11 million to support the recommendations of the task force; and £42 million to support the rough sleepers initiative, with an additional £11 million over the next two years.

The Executive is willing to put its money where its mouth is and it is willing to address the problem of homelessness in Scotland.

The Deputy Presiding Officer: I would be grateful if members could say "in conclusion" reasonably near the end of their speeches rather than in the middle. I must ask members to keep strictly to four minutes from now on.

16:13

Brian Adam (North-East Scotland) (SNP): I was intrigued by some of Karen Whitefield's remarks. I agree that the Tories significantly exacerbated the homelessness situation in Scotland during their time. However, the evidence

does not show that there has been any improvement in the past five years. In fact, the situation has got considerably worse.

I was also intrigued by Keith Harding's proposals for dealing with some of the more difficult members of our society. The picture that he painted in my mind was of some sort of concentration camp patrolled by armed guards, but I am sure that the Conservatives would not dream of making any such suggestion.

I welcome the homelessness task force report and wish to commend the task force for its diligent work during the past two and a half years and for the imaginative and innovative approach that it has taken to the growing problem of homelessness in Scotland.

However, one of the report's major weaknesses is that it does not address the supply of affordable housing. It is all very well to have a strategy and a series of recommendations or action plans, but if we do not have an appropriate supply of affordable housing, we will not eradicate the problem, however much we change our priorities. We do not have the right balance of the right kinds of houses available in the right places in Scotland. The Executive will have to tackle its responsibility to deliver an increased supply of affordable housing to rent.

The report also fails to address one of the underlying problems—anti-social behaviour. I am pleased that legislation on dealing with such behaviour may be introduced in the near future. The debate that took place on that during consideration of the Housing (Scotland) Bill meant that the topic was batted around. It seems to have been batted off to criminal justice, although it is substantially a housing problem. I hope that the Minister for Social Justice will have a significant input into the legislation.

Karen Whitefield: Does Brian Adam think that local authorities should adopt North Lanarkshire Council's policy? That council has set up a dedicated task force to address anti-social behaviour and to ensure that ASBOs are obtained much sooner. That task force recently won the Convention of Scottish Local Authorities innovation award.

Brian Adam: I commend any advance in the area, but that policy is not being followed widely in Scotland. It is clear that the Executive feels that legislation is necessary. I am asking only that there be a significant input from the housing angle and not just the criminal justice angle.

I will focus the rest of my remarks on the support that the task force suggests for a wide variety of people. We must support those who are likely to become homeless in the near future or who are already homeless. The reasons for homelessness

are changing. Our approach to providing services must be flexible enough to reflect those changes.

How do we deliver that laudable aim and the welcome, fresh approach that addresses all the needs of those who are vulnerable, not just the need for a roof over their heads? We had a wide range of suggestions from Robert Brown, which I am more than happy to endorse. It is important that the major changes that the homelessness task force proposes should not lie on a shelf somewhere in Victoria Quay, in our local housing departments or with RSLs. A change in culture is required. That will demand a bit more commitment from the minister and his officials. I refer not only to Communities Scotland's role as regulator, but to a proactive approach to encourage changes in the approach that housing providers take—both new RSLs and council housing departments. I look forward to the minister assuring me that the full resources of his department and associated agencies will be available to train and support those who will deliver at the sharp end.

16:17

Jackie Baillie (Dumbarton) (Lab): As members know, the causes of homelessness are myriad. We also know that homelessness is not simply a case of bricks and mortar, but can often be a result of family or relationship breakdown, domestic abuse or drug or alcohol problems. That list is clearly not exhaustive, which serves only to underline the complexity of the task ahead.

The housing dimension of homelessness is important—I will return to it later—but it can only ever be part of the answer. Unless we address the underlying causes of homelessness, we will not begin to achieve lasting solutions. The report addresses the need to improve homelessness services and to make people's experience of those services much less traumatic, but it also addresses prevention. We know the cost of homelessness, not just the cost to society in helping the homeless to pick up the pieces, but the real human cost to those affected. The real prize for the Parliament is to prevent homelessness in the first place.

The report must be set in the context of tackling poverty and inequality. As inequality in our society increased under the Tories, so did homelessness. Part of the solution must therefore lie in addressing fundamental inequalities, bridging the gap for our least well-off and achieving social justice for all.

As the minister said, the report builds on the Housing (Scotland) Act 2001. If members cast their minds back, they will remember the significant role that the homelessness task force had in shaping the initial provisions on

homelessness and delivering the best-ever package of rights for homeless people in Scotland. I welcome the further recommendations for legislative change, although legislative change alone is not enough. I welcome the abolition of priority need, which will be phased out over the next 10 years, and the abolition of intentionality and local connection. However, all those provisions are about managing the system; they are not about addressing the needs of homeless people.

To realise that ambition, we need to tackle housing supply and quality. If we look at our most marginalised communities around Scotland, we see houses that lie empty, that are run down and that are not fit for purpose. It is interesting to note that, broadly speaking, some of the areas that have the highest levels of homelessness also have the highest levels of void property. We need to understand why that is so. Further consideration of housing supply and quality must be a key part of future housing policy.

I welcome Iain Gray's announcement of £11 million, which is a good start towards implementing the task force's ambitious and radical recommendations. We need continued political will to ensure that all the recommendations are achieved and that nothing drops off the agenda. We know that the problems that we face will not be resolved overnight, but I know that in Iain Gray we have a minister who will provide the necessary leadership to ensure that we do not lose focus.

I add my personal thanks to the members of the task force for their time, energy and commitment. I was privileged to be part of a unique process in which homeless people themselves contributed to shaping the solutions. There is nothing like direct experience of the problems to help understand what the solutions should be. Homeless people were not only listened to, but heard.

At the office of *The Big Issue in Scotland*, one young man said to me, "I don't want much. I want to work and I want a home." Do not let that young man down.

16:22

John Young (West of Scotland) (Con): Iain Gray talked about the work of the task force and mentioned that the final section of the report was made available in February this year. However, the rest of the report concerns the years that lie ahead and will not be completely implemented until 2012.

The report's terms of reference reminded me of similar terms that were used 25 years ago, when my party became the administration on Glasgow District Council. At that time, I had several

meetings with Geoff Shaw, who was an acknowledged expert on social work and homelessness, and who was recognised as such by all political parties and by various members of the community.

Geoff Shaw explained at great length the complexities of homelessness. As the report of the homelessness task force does, he mentioned problems relating to alcohol, mental health, family break-up, destitution and eviction. There was a group of people who were completely unemployable and there was a smaller number who had been in the regular armed forces but could not cope with civilian life. However, the big difference between then and now is in the explosion in the number of people who take drugs, which were not so prevalent 25 years ago.

Geoff Shaw made another interesting point. He estimated that at that time there were some 3,000 homeless people in Glasgow, of whom 10 per cent were those who—rightly or wrongly—were nicknamed the roofless ones. Those people refused to live inside any form of building or premises. If one walked past Glasgow Central station late on any cold night, one would find them huddled around outside parts of the station, where they could get some heat and warmth. However, they would not enter a building. I think that that must still apply today.

In those days, I worked in Glasgow's St Enoch Square. I still remember a tragic sight, which has imprinted itself on my mind. One cold, wet, winter Friday night, a woman who looked filthy and was definitely under the influence of alcohol was roaming about trying to sell her body for sixpence. The sight was like something from the third world. Ever since, that image has haunted me when I think of somebody in that condition.

Paragraph 13 of the report rightly lays out the ultimate aims, but paragraph 14 is perhaps oversimplistic. It worries me that if we are to put certain of these people into mainstream housing, we will need to be selective. Putting the wrong people in could make life hell on earth for the neighbours. That must be borne in mind.

The most recent figures are once again spiralling upwards and have reached an all-time high of 46,000 homeless families. Labour and the Liberals constantly trumpet their social justice credentials, and I am sure that they are sincere when they do so, but the fact is that the situation is getting worse.

In Edinburgh, there are beggars in Princes Street. If I were an Edinburgh councillor—some members have been Edinburgh councillors—I would try to introduce a byelaw to ban begging in Princes Street.

The Deputy Presiding Officer (Mr George Reid): The member has one minute.

John Young: In view of the shortage of time, I will cut out part of my speech.

We have to remember that 65 per cent of homeless people have a failed tenancy; 70 per cent of another group were found to have been evicted at least once from their hostel or other accommodation. Even Wendy Alexander stated that the system was

“failing to accommodate people or give adequate support or protection in hostels.”

Karen Whitefield criticised the Tories, but I have to say that, in May 2000, John Reid, who is described as a future Deputy Prime Minister of a Labour Government, talked about

“a new civic society based on opportunities and responsibilities ... It recognises that government cannot solve every problem, cure every ill. It understands that the state does not have a monopoly on compassion; that social needs can be met by institutions, organisations, and associations, autonomous of—and other than—central government.”

In May 2000 John Reid was advocating, almost word for word, Tory policy. On that note I will resume my seat.

16:26

Ms Sandra White (Glasgow) (SNP): As Kenny Gibson and Robert Brown said, it would have been better if the debate had been longer. However, we have to remind ourselves that, if we were at Westminster, the debate would not have taken place. It is excellent that the Scottish Parliament is debating the subject, no matter how short the debate is.

The report of the homelessness task force has been welcomed broadly by every party, and especially by the SNP. A wide range of groups that work to resolve the problems of homelessness have welcomed the report. The task force's report is timely, as action to resolve the homelessness problem is urgently required. As has been mentioned by previous speakers, research shows that homelessness remains a serious problem in our society. Homelessness has risen by 40 per cent since new Labour came to power.

We have to ensure that the recommendations of the report are backed up by the necessary action from the Executive. The resources that are required must be provided to eliminate the scourge of homelessness from our society. The report was described by the Scottish Council for Single Homeless as

“firing the starting pistol to make inroads into homelessness in Scotland”.

I welcome that comment. However, as Brian Adam said, the report will have failed if it sits on a shelf gathering dust. I am sure that the Executive will take on board that the recommendations must be turned into action. The minister may shake her head, but for too long, we have seen reports gather dust.

The Deputy Minister for Social Justice (Ms Margaret Curran): Sandra White was a member of the Social Justice Committee when I appeared before the committee and confirmed that the interim recommendations of the homelessness task force were to be implemented in the Housing (Scotland) Bill. We can hardly be accused of letting the report lie on a shelf gathering dust.

Ms White: The Executive acted on the interim report, but we must not allow the report to lie on the shelf doing nothing. On many occasions, reports have been published, task forces have been established and yet no recommendations have been produced. I ask the minister to take note of that. Action speaks louder than words.

The Executive has pledged to eliminate homelessness by 2012. The SNP believes that homelessness must be eliminated long before that. Although the report gives a date of 2012, I hope that action will be taken to eliminate homelessness before then. I welcome the Executive's pledge, but I hope that the Executive will accept the genuine concerns of the SNP and many agencies that although 2012 is an acceptable date to have in a report, for the sake of homeless people homelessness must be acted on before that date.

I want to concentrate on priority needs. Other members, including the minister and Jackie Baillie, mentioned that matter, as have many campaigners in the housing field. I welcome the assessment that people's needs should be re-examined. Anyone who is homeless has a priority need. Slippage must not be allowed.

The Chartered Institute of Housing also welcomed the extension and the eventual phasing out of priority need. The institute said that the funds that were allocated by the Executive would not cover the longer-term need to increase the provision of decent, affordable homes. The money that has been provided is welcome, but it is not sufficient to implement the report and to end homelessness. The Executive should put its money where its mouth is. We need action as soon as possible to eradicate homelessness once and for all. It should be eradicated sooner rather than later.

16:30

Cathie Craigie (Cumbernauld and Kilsyth) (Lab): Like other members, I am pleased to take

part in the debate. The approach that the Scottish Executive adopted in 1999, which was led by Jackie Baillie, was the right one. It was correct to set up the homelessness task force and to take time to examine the causes and nature of homelessness. It was right that the task force included people with proven track records of dealing with homelessness and its causes and people with experience of homelessness. Those people, who for many years have been committed to finding solutions, were given the opportunity to put to good use their skills and expertise in the field. I acknowledge the effort and time that they put into producing the recommendations.

The recommendations of the task force's first report formed the basis of the homelessness sections of the Housing (Scotland) Act 2001. That act changed legislation; it defined the rights of homeless people and placed duties on local authorities to develop homelessness strategies.

I am sure that all local authorities are working to develop a strategy as required, but I am pleased that North Lanarkshire Council is well on its way to developing its strategy. The council knows that homeless people have complex and varied needs and that the range of needs of homeless people—or of those who are threatened with homelessness—cannot be dealt with purely as a housing issue. Members have spoken about the mental health issues, alcohol abuse and family problems that can affect the homeless.

To tackle those problems, North Lanarkshire Council is developing a multi-agency approach that will address not only people's accommodation needs, but also their wider needs such as the care and support that they require. The approach will involve people who find themselves homeless or who are threatened with homelessness. Local authorities throughout Scotland must develop that type of approach.

Members should know that although legislation is important, it does not in itself solve the problem. Fortunately, for most people who are affected by homelessness, it is a once-in-a-lifetime occurrence. However, as was mentioned earlier, 27 per cent of people who present themselves as homeless do so more than once. It is not enough to provide only a secure roof over such people's heads.

North Lanarkshire Council is considering how to tackle the problem and I am sure that councils throughout Scotland are using the funding that the Scottish Executive has provided to advance their provision and to modernise their approach to dealing with homelessness.

In many parts of Scotland, the supply of available houses in the rented and owner-occupied sectors exceeds demand. The Executive

must ensure that its targets for new building are met and that the programmes for modernising houses that are unfit for human habitation are carried out. The supply of affordable rented housing is an important aspect of achieving the targets in the task force's recommendations.

For too many years, homelessness was not tackled and was not on the political agenda. What some Conservative members have said beggars belief. I am pleased that the Executive recognises that homelessness must be tackled. I believe that, working in partnership at all levels of government and with representatives of the voluntary sector, we have an opportunity to tackle homelessness and the reasons for it. We have a time frame for action.

Shelter Scotland, which has campaigned long and hard for an end to homelessness, is said to be excited by the ambitious plans in the task force's report. I share that excitement and look forward to the Executive and the Parliament working together. We must work with our partners and use our energy to eradicate homelessness for good.

16:35

Colin Campbell (West of Scotland) (SNP): I welcome the document. I agree with Shelter that one homeless person is one too many and that the problem must be addressed, however great it is.

The document is comprehensive and detailed. I address recommendations 32 to 57 under the heading

"Action to deliver an effective response to homelessness".

The extract is sound, imaginative and thoughtful; it acknowledges the needs of homeless people and touches upon all the organisations—statutory and voluntary—that are committed to ridding the nation of homelessness. The variety of the recommendations is an acknowledgement that there are no quick fixes, as Iain Gray said earlier, that the roots of homelessness are complex and that curing it confronts everyone involved—home provider and homeless citizen—with major challenges.

Scrutiny shows that the 25 points contain references to duties or services that should be provided by local authorities: the creation of joined-up agencies; crisis response systems; advocacy services; a range of temporary and supported accommodation; support packages; barrier-free housing; dovetailing with domestic abuse strategies; liaison with general practitioner registration of the homeless; and the provision of practical means of enabling people who are affected by homelessness to build or rebuild social networks. If I were still a councillor, I would be reeling from that list and would be asking how my

council was to pay to implement those recommendations. Some of the solution is about liaison and changes in philosophy. However, the majority of the headings will demand human, administrative and therefore some financial investment.

A similar list of suggestions falls upon national health service trusts, with a similar division into changes of ethos and cost-creating recommendations. Jobcentres are tasked with helping homeless people to access jobs and developing initiatives for that with employers; drawing in public sector employers, and linking with pilot transitional employment programmes.

It seems to me that there are financial implications to those recommendations. The Chartered Institute of Housing in Scotland states:

"The HTF report also stressed the crucial role of support services in the prevention of homelessness. This will require further resources than those already committed by the Executive."

That is reinforced by its comment that

"The Executive's pledge to end homelessness will only be met if the Homelessness Task Force's recommendations are backed by sufficient resources to allow complete implementation."

In short, I welcome the intent and the determination to be as effective as possible in tackling homelessness. Not one of us here today would quarrel with the principles. However, practically, it seems to me that the resources are insufficient. Naturally, I support the Scottish National Party's amendment and its assertion that independence for Scotland will release the wealth of Scotland for the benefit of all the people of Scotland.

The Deputy Presiding Officer: We move to winding-up speeches. We are absolutely on schedule, therefore closing speakers should adhere to the times allocated to them.

16:37

Donald Gorrie (Central Scotland) (LD): I make a procedural point. Perhaps other people are better organised than I am, but I suspect that if we had to sit an exam on the contents of the two excellent documents, we would almost all fail dismally. The debate takes place too soon after the production of the documents. I know that ministers have to report to Parliament, but I would have thought that we could have a formal laying of the document before Parliament and then have a full debate perhaps two weeks later.

However, considering the time constraints, the debate has been of a remarkably high quality and that might be because the report is of a particularly high quality. It includes less pseudo-philosophical

garbage than any report I have read for a long time. It is therefore very good.

I will concentrate on two aspects of the report. One is the early identification of people who might become homeless because of problems with employment, benefits, disputes with neighbours, drink, or drugs. The report deals with that issue quite well, but we must make a serious effort to get on to those matters as early as possible.

I am interested in alcohol abuse and I know that there is far too slow a response to people who are beginning to get involved in alcohol abuse, especially young people. We should concentrate on prevention as well as cure.

I will also talk about personal support. There is much about that in the research document but I have not noticed much about it in the report. There is quite a bit about systems, the official structure and trying to teach people officially but, in addition to that, we need to give personal support, especially to young people.

I shudder to think what sort of mess I would have made of running my own flat at the age of 16. I would have been a disaster. Youngsters come out of supported accommodation and young unmarried men come out of the Army—where they have always been looked after, because the Army feeds and houses them—are given a key and are told to get on with it. Mention has been made of furniture recycling, which is important. There is an excellent scheme in Edinburgh called Fresh Start, which gives people a lot of useful small articles for the home. If we could get the right sort of volunteers we could have a system of honorary aunties to help people.

Tricia Marwick: I know that tomorrow is international women's day, but Donald Gorrie is suggesting that all young men are absolutely hopeless and that we need women, in the shape of aunties, to look after them. That is not my experience of young men.

Donald Gorrie: It is my experience of young men, so we will just have to differ.

We could have a voluntary system. Obviously, sometimes it would not work, but if there was good chemistry between a volunteer and, for example, a rather clueless young woman with a family, or a young man who has no domestic skills, great progress could be made. That system could exist in addition to the official system, because people warm to people who are not officials. That issue could be explored further and developed with the voluntary sector.

16:42

Bill Aitken (Glasgow) (Con): Once again we have a document before us, this time not adorned

by the benign and cherubic visage of Jackie Baillie, but by the somewhat more sinister and vulpine features of Iain Gray. Once again, we are absolutely no further forward. It seems that we debate homelessness year in and year out, but make little progress.

Ms Curran: Like Sandra White, Bill Aitken was on the Social Justice Committee. Has he forgotten the passage of the Housing (Scotland) Act 2001, with which we made such substantial progress?

Bill Aitken: No, I was just about to deal with that act and my substantial contribution to it.

Homelessness is complex. Robert Brown and Donald Gorrie were correct to say that we should be seeking to prevent homelessness, but I think that they would also agree that sometimes it is not easy to do that, because the reasons for homelessness are varied and complex. It is easy to sort out the short-term disaster of a fire, for example. It may also be easy to sort out in the longer term the problems of a broken relationship, but dealing with people who eventually find themselves on the streets is more complex.

Two weeks ago tonight, I went out with the Glasgow Simon Community and saw a lot of the street homeless. It was a fairly depressing prospect, but even so, I was left with the feeling that there are certain things that we could be doing—but they are not contained in the 59 recommendations in the homelessness task force report. Why, for example, are we not considering—and Margaret Curran will confirm that I raised this some time ago—communal assisted tenancies? They would not work in every case, but in some cases they might. They are worth consideration.

I am left with the inescapable conclusion that homelessness is not being properly handled. There is much of import in the homelessness task force's report. We should have been allowed to debate it, and debate it at greater length, rather than just agree with its recommendations, because some of them are wrong. If we are going to take away the aspect of local connection, we will end up in a disastrous situation.

We must recognise that a proportion of avoidable evictions relates to people who have been evicted for anti-social behaviour. We must do something about that, and answer questions more seriously. Even local authorities such as the City of Edinburgh Council are aware of that. Councillor Sheila Gilmore, in a paper that went to the council's executive, stated:

"We call on the Scottish Executive to address this failure, and to give councils proper support to deal effectively with Anti-Social Behaviour".

In my sin-bin approach, I suggested not kicking people out on the street, but giving them one last

chance and preventing them from creating mayhem with their neighbours.

Iain Gray: Will the member give way?

Bill Aitken: I am sorry; I am in my last minute. I would like to give way.

Jackie Baillie and Karen Whitefield fell back on the usual Pavlovian explanations for why homelessness is rising and talked about the contribution of 18 years of Conservative Government.

Jackie Baillie: Will the member give way?

Bill Aitken: I would love to, but I am in my last minute.

Jackie Baillie: It is up to the member.

Bill Aitken: I cannot give way.

Jackie Baillie was right to say that inequality contributes to homelessness, but if homelessness is increasing under a Labour Administration, inequality must also be increasing. Perhaps Jackie Baillie will take that point on board. We are unhappy with how the matter has been addressed. The purpose of the Conservatives' amendment is to show that. The report should be debated more thoroughly and at greater length.

16:46

Tricia Marwick (Mid Scotland and Fife) (SNP):

I am happy to begin summing up the debate by reflecting on the broad welcome that Parliament has given the final report of the homelessness task force. I welcome the minister's announcement of a homelessness bill by the end of the year.

This substantial piece of work provides a blueprint for ending the shame of homelessness that plagues Scotland. In passing, I say that the Conservatives have lost the plot. I heard some language from them that I last heard a long time ago. I was ashamed to hear Keith Harding seem to suggest that all homeless people are criminal or anti-social. That is not my experience of homeless people and I do not think that that is the experience of most people in the chamber.

Iain Gray: Will the member give way?

Tricia Marwick: No. I will finish my point. An implementation plan and the appropriate finance are urgently required to ensure that the report's recommendations become a reality.

I congratulate Jackie Baillie on a fine speech on a subject about which she cares deeply. He is not here at the moment, but Angus MacKay sat through most of the debate. Now that he is a back bencher, I say as one ex-Shelter worker to another ex-Shelter worker that I look forward to hearing his contributions on homelessness.

The report contains many recommendations to change legislation to expand the definition of those who are in priority need. That comes as little surprise, as there are clear gaps in provision that have, in my experience, long required urgent action. Those amendments—particularly to include 16 and 17-year-olds, vulnerable people and people who are experiencing domestic abuse—were proposed by me when the Housing (Scotland) Act 2001 was discussed. The then housing minister rejected them because the Executive's

"strong preference is not to make ad hoc amendments to the current categories, but to wait for the considered opinion of the task force."—[*Official Report, Social Justice Committee*, 4 April 2001; c 1995.]

Although I welcome today's announcement, I cannot help but reflect that the categories for priority need could already have been extended for at least a year.

I hope that the minister will take on board the recommendations of the report, because its thrust is not a new philosophy. Solving and preventing homelessness is not, and has never been, simply a housing matter. As the report says:

"Part of the answer ... lies in reducing the social and economic divide between those who are prosperous and those who are disadvantaged."

The report makes a series of recommendations on benefit policy. I will highlight some of them, particularly those that relate to young people. Although benefits are beyond the Parliament's competence, the issues are critical to tackling homelessness. The report is the result of considerable effort to tailor a Scottish solution to the Scottish homelessness problem and our work must not be undermined by a Whitehall department's one-size-fits-all attitude to benefits.

I urge the Executive to ensure that the Department for Work and Pensions is fully aware of Scotland's needs. It is vital that the Executive demands that DWP policies are dovetailed to meet Scotland's needs and priorities, rather than an arbitrary London-based assessment of the situation.

I want to move on quickly to something that has concerned me for a long time—tied housing. The minister knows of my concern about the lack of legal provision for people who live in tied housing. In rural areas in particular, evictions from tied housing cause part of the homelessness problem. I hope that ministers will consider the forthcoming legislation very carefully to see whether there is any way in which we can extend protection to people who live in tied housing but who can be evicted for various reasons, some of which are not very important. I urge the minister to consider that point, because that protection is essential.

Considerable work has gone into the task force's report. It is clear that most of us in the Parliament want to end homelessness. The Executive must demonstrate that it can match the will of the Parliament. I can give a commitment from the SNP that the homelessness legislation that will be introduced at the end of the year should find a fair wind from us.

16:51

The Deputy Minister for Social Justice (Ms Margaret Curran): This has been a very interesting debate and the commitment that the Parliament has shown to the subject has done it credit. I take the point that was made about the need for further debate: Iain Gray and I will always be happy to debate the issue, which is of great significance to our portfolio.

I have to comment on Donald Gorrie's contribution. I think that Donald could benefit from spending some time with Johann Lamont, to help him to understand the feminist principle that young men should look after themselves and not require young women to bail them out all the time.

Alex Johnstone (North-East Scotland) (Con): That is marriage.

Ms Curran: No, that is not marriage. That is part of the supportive work that we try to deliver on homelessness.

I was intrigued by Tricia Marwick's experience of young men. I am sure that, with great interest, we will hear more about that on another day.

The task force's report has highlighted the full range and nature of the problems of homelessness in Scotland—from homelessness that we do not see, with families sharing houses, and friends sleeping on floors—to the most obvious and extreme examples of people sleeping rough, about which we heard a lot during the debate. We are determined not only to prevent and tackle those problems, but to do so in a way that is practical, sustainable and deliverable.

We made sure that the right people were involved in the review—and we took exception to a number of things in Keith Harding's contribution, because, if he had cared to, he would have found that a number of the people to whom he said we should talk were, in fact, members of the task force.

It was necessary to ensure that the solutions that were identified would work, and continue to work in the long term. Given the complexity of homelessness and the demanding remit set for the task force, we accurately predicted that the task force would require at least two years to complete its review. We are not remotely apologetic about the time scales. It is proper to do this work and to

give it the time necessary.

In fact, Shelter's view at the outset was that the full review would need to comprise a rolling programme of legislation and policy changes through to the second session of the Scottish Parliament.

Through the task force, we have undertaken extensive research and we have listened to and consulted with practitioners, experts, representative groups and people who have experienced homelessness. We now have a deeper understanding of the problems of homelessness and the most comprehensive set of recommendations ever on how to address them.

The task force's report is helping us to develop the blueprint for preventing and tackling homelessness in Scotland over the next decade. To continue the assault on homelessness, we have pledged to implement all of the task force's latest recommendations—encompassing further legislative change on eligibility criteria, a new focus on prevention, wider access to housing, and more effective responses for people experiencing homelessness.

Elaine Smith (Coatbridge and Chryston) (Lab): Having worked as a homeless persons' officer and, indeed, for Women's Aid, I have been a long-term advocate of the removal of the priority need category, so I am pleased to see that the report recommends that.

However, I am particularly concerned about women who are not in priority need and who are fleeing domestic abuse. Paragraph 26 of the task force's report says:

"Women suffering, or in fear of, violence may be vulnerable even if they have no children."

Will the minister highlight that vulnerability to local authorities to ensure that they do not simply dismiss such women as not being in priority need and therefore fail to assist them?

The Deputy Presiding Officer: Before the minister responds, I would like to make a point to members. I know that it is difficult to communicate with people in the seat behind. However, doing so means that members present their backsides to the member who is speaking and to the chair. It is a little discourteous and I ask them to refrain from doing so.

Ms Curran: I am happy to assure Elaine Smith that we will raise the issue that she mentioned with local authorities. In fact, women who flee domestic violence will be one of the first categories for which we will remove top priority need.

We are backing the task force's report with substantial new money. For example, we will provide an extra £11 million over the next two

financial years to begin to implement the report's recommendations; £3 million will be available in 2002-03 and a further £8 million will follow the year after. In his speech, Iain Gray outlined the Executive's substantial financial commitment. We are not backing off from the need to deliver those resources. However, we also expect a better use of existing resources to give people who are at risk of experiencing homelessness a better deal. Local authorities and others must make better use of existing funding streams. Much of the task force's report is concerned not so much with making a stretched public sector do more, but with carrying out service provision better and differently and linking more effectively with others, particularly with other parts of the public and voluntary sectors. That means strengthening current provision, changing current practices and achieving integrated action. As a result, resources should be channelled to vulnerable people who need them most when they will have the biggest impact.

Mr Gibson: Will the member give way?

Ms Curran: Very briefly. I am rapidly running out of time.

Mr Gibson: The minister is obviously not in favour of devolving the benefits system to Scotland. However, will she tell us how Scotland would be adversely affected if that happened?

Furthermore, although the minister would undoubtedly agree that Jackie Baillie delivered an excellent speech, did it not remind her of the song on the album "Hats" by The Blue Nile, which contains the lines:

"I know it's over
But I can't let go?"

Ms Curran: That comment was gratuitous and inappropriate.

I was about to discuss the benefits system. Anyone familiar with the task force's work will know that the DWP was represented on the task force and that benefit issues were a serious priority. I am delighted to say that the Secretary of State for Work and Pensions has already welcomed the final report as being authoritative and timely, and has undertaken to consider all of its recommendations on benefits in the coming months.

I think that Kenny Gibson wants us to debate independence. Anyone who was present for Mr Gibson's speech will have seen that he was under instructions from the leadership to ensure that independence was mentioned. However, he clearly just tacked it on at the end, which indicates that he saw the point as being as irrelevant to tackling the problems of homeless people as we do.

For us, delivery is critical. Although its recommendations are rightly ambitious, the task force has focused on the achievable, not the theoretical. The recommendations build pragmatically on the framework set by the task force's initial report and the Housing (Scotland) Act 2001, and have been the subject of consultation with a wide variety of people. In his speech, Kenny Gibson also asked about the monitoring group. We have been discussing that with the task force and the group's membership will be made available.

In the brief time that I have left, I want to return to Keith Harding's comments. For people who were not in the chamber, I should point out that Mr Harding took no interventions during his speech. I am not remotely surprised that he did not do so, because it would have given us the chance to correct a few facts. He also made some bizarre comments about the need for central direction and about charities.

That said, I strongly recommend that all MSPs read the text of Keith Harding's speech. What we heard was unadulterated Thatcherism and a return to right-wing ideology—[MEMBERS: "Hear, hear."] I am delighted to hear that the Tory benches support unadulterated Thatcherism. Did Murray Tosh cheer there as well? I am not sure. In the chamber, they often like to go incognito and pretend that they are committed to social justice when—as we saw very clearly—social justice is not on their agenda. They said that state intervention to help homeless people undermines family networks and charities. I tell Keith Harding and the Tories that responses to and action on homelessness are not acts of charity; they are acts of a Government's social responsibility. Mr Harding gave no cognisance to the women who have to leave their families in order to protect themselves from violence or to the young people who have experienced abuse and neglect at the hands of their families. Where are those people to go if the Government does not intervene to help them?

Homelessness is the most extreme form of social exclusion. Jackie Baillie, in her excellent contribution, called for the political will to address the needs of the homeless. The Executive has that political will, both in the big policy issues and in the detail. That is what the report is about and that is what we will move forward on.

Scottish Parliamentary Corporate Body Motion

17:00

The Presiding Officer (Sir David Steel): The next item of business is consideration of a Scottish Parliamentary Corporate Body motion. I ask Robert Brown to move motion S1M-2845.

Motion moved,

That the Parliament agrees to the Scottish Parliamentary Corporate Body's proposal to appoint Tom McCabe to be a member of the Scottish Commission for Public Audit.—[Robert Brown.]

Parliamentary Bureau Motions

17:01

The Presiding Officer (Sir David Steel): The next item is consideration of two Parliamentary Bureau motions. I ask Euan Robson to move motion S1M-2840, on the approval of statutory instruments, and motion S1M-2847, on the establishment of a committee.

Motions moved,

That the Parliament agrees that the following instruments be approved—

the draft Town and Country Planning (Fees and Applications and Deemed Applications) (Scotland) Amendment Regulations 2002;

the draft Budget (Scotland) Act 2001 (Amendment) Order 2002;

the draft Advice and Assistance (Financial Conditions) (Scotland) Regulations 2002;

the draft Civil Legal Aid (Financial Conditions) (Scotland) Regulations 2002; and

the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (Scotland) Order 2002.

That the Parliament agrees to establish a committee of the Parliament as follows—

Name of Committee: Scottish Parliamentary Standards Commissioner Bill Committee

Remit: To consider the Scottish Parliamentary Standards Commissioner Bill at Stage 2

Duration: Until the Bill is passed, or falls or is otherwise no longer in progress

Convenership: The Convener will be a member of the Scottish National Party

Membership: Sarah Boyack, Bruce Crawford, Lord James Douglas-Hamilton, Donald Gorrie, Kenny MacAskill, Kenneth Macintosh, Maureen Macmillan.—[Euan Robson.]

Decision Time

17:02

The Presiding Officer (Sir David Steel): There are no fewer than 11 questions to put to the chamber.

The first question is, that amendment S1M-2833.2, in the name of Wendy Alexander, which seeks to amend the motion in the name of Annabel Goldie, on the Scotch whisky industry, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

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)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (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)
 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)
 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)

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)
 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)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 Aitken, Bill (Glasgow) (Con)
 Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Davidson, Mr David (North-East Scotland) (Con)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (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)
 Grahame, Christine (South of Scotland) (SNP)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harding, Mr Keith (Mid Scotland and Fife) (Con)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Johnstone, Alex (North-East Scotland) (Con)
 Lochhead, Richard (North-East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 MacDonald, Ms Margo (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McGugan, Irene (North-East Scotland) (SNP)
 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)
 Reid, Mr George (Mid Scotland and Fife) (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)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Sheridan, Tommy (Glasgow) (SSP)

The Presiding Officer: The result of the division is: For 65, Against 47, Abstentions 1.

Amendment agreed to.

The Presiding Officer: The second question is, that amendment S1M-2833.1, in the name of Fergus Ewing, which seeks to amend Annabel Goldie's motion on the Scotch whisky industry, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

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)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Grahame, Christine (South of 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 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)
 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)
 Eadie, Helen (Dunfermline East) (Lab)
 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)
 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)
 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)
 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)
 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)
 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)
 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)

The Presiding Officer: The result of the division is: For 30, Against 83, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The third question is, that motion S1M-2833, in the name of Annabel Goldie, on the Scotch whisky industry, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.**FOR**

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)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (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)
 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)
 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)
 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)
 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)

AGAINST

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, Mrs Margaret (Moray) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Grahame, Christine (South of 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 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)
 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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Sheridan, Tommy (Glasgow) (SSP)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

The Presiding Officer: The result of the division is: For 65, Against 29, Abstentions 19.

Motion, as amended, agreed to.

Resolved,

That the Parliament welcomes the Scottish Executive's recognition of the importance of the Scotch whisky industry to the economy, the contribution that the industry makes to employment across Scotland and the Executive's commitment to work with the industry as set out in *A Toast to the Future – working together for Scotch Whisky*.

The Presiding Officer: The fourth question is, that amendment S1M-2839.1, in the name of Malcolm Chisholm, which seeks to amend the motion in the name of Mary Scanlon, on community care, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

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)
 Eadie, Helen (Dunfermline East) (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)
 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)
 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)
 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)
 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)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Canavan, Dennis (Falkirk West)
 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)
 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)
 McGregor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Grahame, Christine (South of 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 64, Against 19, Abstentions 30.

Amendment agreed to.

The Presiding Officer: The fifth question is, that motion S1M-2839, in the name of Mary Scanlon, on community care, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

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)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (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)
 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)
 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)
 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)
 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)

AGAINST

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)
 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)
 Johnstone, Alex (North-East Scotland) (Con)
 McGregor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Tosh, Mr Murray (South of Scotland) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Grahame, Christine (South of 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 65, Against 19, Abstentions 29.

Motion, as amended, agreed to.

Resolved,

That the Parliament acknowledges the progress that is being made towards joint resourcing and joint management of older people's services; looks forward to further developments in the Joint Future agenda; welcomes the provision of significant extra resources for dealing with the problems of delayed discharge and care home fees, and recognises that such resources are part of the biggest ever investment in care services for older people.

The Presiding Officer: The sixth question is, that amendment S1M-2838.2, in the name of Kenneth Gibson, which seeks to amend motion S1M-2838, in the name of Iain Gray, on the final report of the homelessness task force, be agreed to. Are we agreed?

Members: No.

The 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)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Grahame, Christine (South of 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

AGAINST

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)
 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)
 Eadie, Helen (Dunfermline East) (Lab)
 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)
 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)
 McGregor, Mr Jamie (Highlands and Islands) (Con)
 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)
 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)
 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)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Harper, Robin (Lothians) (Green)

The Presiding Officer: The result of the division is: For 31, Against 79, Abstentions 1.

Amendment disagreed to.

The Presiding Officer: The seventh question is, that amendment S1M-2838.1, in the name of Keith Harding, which seeks to amend motion S1M-2838, in the name of Iain Gray, on the final report of the homelessness task force, be agreed to. Are we agreed?

Members: No.

The 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)
 Fergusson, Alex (South of Scotland) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

AGAINST

Adam, Brian (North-East Scotland) (SNP)
 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)
 Eadie, Helen (Dunfermline East) (Lab)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 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)
 Grahame, Christine (South of Scotland) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Harper, Robin (Lothians) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, Mr John (East Lothian) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 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)
 McGugan, Irene (North-East Scotland) (SNP)
 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)
 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)
 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)
 Sheridan, Tommy (Glasgow) (SSP)
 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)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Thomson, Elaine (Aberdeen North) (Lab)
 Wallace, Mr Jim (Orkney) (LD)
 White, Ms Sandra (Glasgow) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

The Presiding Officer: The result of the division is: For 17, Against 92, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The eighth question is, that motion S1M-2838, in the name of Iain Gray, on the final report of the homelessness task force, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

FOR

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)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Eadie, Helen (Dunfermline East) (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)
 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)
 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)
 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)
 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)

AGAINST

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)
 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)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Lothians) (Con)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Mundell, David (South of Scotland) (Con)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Wallace, Ben (North-East Scotland) (Con)
 Young, John (West of Scotland) (Con)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)
 Campbell, Colin (West of Scotland) (SNP)

Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Elder, Dorothy-Grace (Glasgow) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Grahame, Christine (South of 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)
 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)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Russell, Michael (South of Scotland) (SNP)
 Sheridan, Tommy (Glasgow) (SSP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 White, Ms Sandra (Glasgow) (SNP)
 Wilson, Andrew (Central Scotland) (SNP)

The Presiding Officer: The result of the division is: For 65, Against 17, Abstentions 30.

Motion agreed to.

That the Parliament welcomes the Scottish Executive's commitment to preventing and alleviating homelessness in Scotland and endorses the Executive's pledge to implement the wide-ranging recommendations contained in the final report of the Homelessness Task Force, *Helping Homeless People: An Action Plan for Prevention and Effective Response*.

The Presiding Officer: The ninth question is, that motion S1M-2845, in the name of Robert Brown, on behalf of the Scottish Parliamentary Corporate Body, on the Scottish Commission for Public Audit, be agreed to.

Motion agreed to.

That the Parliament agrees to the Scottish Parliamentary Corporate Body's proposal to appoint Tom McCabe to be a member of the Scottish Commission for Public Audit.

The Presiding Officer: The 10th question is, that motion S1M-2840, in the name of Patricia Ferguson, on the approval of statutory instruments, be agreed to.

Motion agreed to.

That the Parliament agrees that the following instruments be approved—

the draft Town and Country Planning (Fees and Applications and Deemed Applications) (Scotland) Amendment Regulations 2002;

the draft Budget (Scotland) Act 2001 (Amendment) Order 2002;

the draft Advice and Assistance (Financial Conditions) (Scotland) Regulations 2002;

the draft Civil Legal Aid (Financial Conditions) (Scotland)

Regulations 2002; and

the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (Scotland) Order 2002.

The Presiding Officer: The final question is, that motion S1M-2847, in the name of Patricia Ferguson, on the establishment of a committee of the Parliament, be agreed to.

Motion agreed to.

That the Parliament agrees to establish a committee of the Parliament as follows—

Name of Committee: Scottish Parliamentary Standards Commissioner Bill Committee

Remit: To consider the Scottish Parliamentary Standards Commissioner Bill at Stage 2

Duration: Until the Bill is passed, or falls or is otherwise no longer in progress

Convenership: The Convener will be a member of the Scottish National Party

Membership: Sarah Boyack, Bruce Crawford, Lord James Douglas-Hamilton, Donald Gorrie, Kenny MacAskill, Kenneth Macintosh, Maureen Macmillan.

Regeneration

The Deputy Presiding Officer (Mr George Reid): The final item of business is a members' business debate on motion S1M-2818, in the name of Colin Campbell, on regeneration. The debate will be concluded without any question being put.

Miss Annabel Goldie (West of Scotland) (Con): On a point of order, Presiding Officer. I make it clear to Mr Campbell that I will certainly not go to the wire on the issue, but I understood that the members' business debate was on the Inverclyde economy. Has there been some confusion?

The Deputy Presiding Officer: Perhaps Mr Campbell can help us with that when he speaks. I, too, queried the short title. I do not think that any member wants to go to the wire on the issue, but I will return to your query later, Miss Goldie.

Motion debated,

That the Parliament recognises that a lack of appropriate jobs is a major problem in Scotland; notes that a main cause is the decline of heavy industry in the past three decades; considers that all local authorities, MSPs and key agencies should work together to implement a regeneration programme, and believes that the Scottish Executive should provide resources for its speedy completion.

17:12

Colin Campbell (West of Scotland) (SNP): Originally, I intended to address only the interests of Inverclyde, but an amendment to the motion was lodged and it did not seem that much agreement would be reached at the end of the day. Therefore, the SNP and I decided to change the motion and make it more general. The change will allow any member to speak about regeneration, which is of nationwide interest. I hope that members can live with that and I am sure that Annabel Goldie can adapt to the change.

Miss Goldie: Yes.

Colin Campbell: The debate is meant to be an opportunity for members to air good ideas. The motion refers to the "decline of heavy industry" as the main cause of joblessness. That decline has continued since 1919 and has been exacerbated by the problems that were created by the slow and painful decline of light engineering projects such as the Linwood car factory and the sometimes sudden demise of lighter, sunrise industries such as Motorola and NEC, which trained and employed large numbers of people, then disappeared, leaving an employment vacuum. The accession of low-wage European nations to the European Union may exacerbate the trend.

The motion also refers to "appropriate jobs".

Changing demographics means a diminishing work force. Lack of jobs in some areas leads to the loss of young people and the lack of jobs that are appropriate to the qualifications and aspirations of other young people may oblige them to leave, too. A percentage will always emigrate to pursue careers so specialised that they cannot be pursued in every nation of the world—even in Scotland—or to gain experience that they will bring back. They may simply have a wanderlust. However, the need to provide greater diversity of jobs at all levels and to attract and encourage businesses that need such skills is great.

The motion calls for inter-agency co-operation—which is, of course, taking place—and calls on the Scottish Executive to provide resources. The Executive does that, and I am sure that it would provide more resources if the block grant were even bigger. I illustrate the enormity of the task by citing Inverclyde, although I know that the same situation exists throughout the country.

In 1987, when I was first a candidate for Renfrew West and Inverclyde, the future of the old Gourrock pier head was an issue. It had to be tidied up and reinvigorated. That issue is still unresolved, after all these years, although the funding for shifting the railway station is now coming through and an end may be in sight. Similarly, the Cardwell bay development has been on the cards for years, but it is still an unresolved and contentious issue. Greenock's waterfront has been enhanced hugely by the James Watt campus, Custom House Quay and the neighbouring housing. The Gourrock Ropeworks building in Port Glasgow remains a challenge to the imagination, and Port Glasgow looks forward to the east yard regeneration that will, when it is finished, provide many jobs.

It is a disillusioning experience for the electorate when grand plans are publicised but years elapse before anything happens. That affects community morale, causes cynicism and leaves unresolved the immediate problem of joblessness. Next Monday, Peter Peacock will launch the Clyde urban waterfront regeneration zone programme, under URBAN II, which was announced in the Parliament some weeks ago. I welcome that programme, which will have a limited time scale of four years until 2006. It should deliver the goods. The programme is funded by European money matched by UK money. I hope that the expectations there will be met.

Regeneration includes every aspect of community life—transport, education, health provision, recreational facilities and housing. Councils and organisations scratch around for funding from every source. Healthy living programmes have to pit their proposals against those of equally deserving communities on a win-

or-lose basis; consultations take place on the possible loss of maternity provision in hospitals that are key to communities where there is a bad health record; and similar bodies compete for lottery funding. All interests are represented on all the bodies that are involved—such as health boards and social inclusion partnership boards—but I wonder whether they sometimes lose sight of the big picture as they attempt to solve the immediate problems in their area of responsibility.

The major resource that I call for from the Scottish Executive and its civil servants is help for citizens, councils and agencies in taking a more strategic view of the jigsaw of disparate—sometimes complementary, sometimes competing—efforts that are being made on regeneration throughout the nation. That help would bring more all-embracing solutions across departmental interests to communities that are in need of regeneration.

Where do we go to diminish the need for regeneration? In addition to the well-tryed experience of attracting foreign investment, a potential solution would be to achieve a sustainable economy. Sustainable means investing in items that have a lifetime of more than 25 years. In that context, equipment, short-term job provision and even intellectual property could be defined as consumables. The definition of sustainable will encompass the future work force, which is being educated as we speak, infrastructure with a lifetime of more than 25 years and environmental resources with a similar or greater life span.

Whereas, in the past, we have seized on large and often transient incoming industries, the key is to build our own sustainable industrial infrastructure. The characteristics of those industries will be investment in research and development, the employment of existing trained employees in appropriate jobs and the training of future employees for developing the firms' future outputs. Investment in that form of sustainable industry will build up long-term businesses that, because they have strong ties to Scotland, will weather the storms of recession better and be here long after foreign branch factories have closed.

We should grasp new initiatives and areas of growth. I met representatives of the European Union's Commissioner for the Environment yesterday. It is clear that the potential for research and job opportunities in waste management and renewables is immense. There is a fridge mountain in the United Kingdom, on an airfield in Wales, which is waiting for someone to demolish it legitimately and in an environmentally sound way. Remploy, in Clydebank, is considering undertaking part of that work.

What research is being done into integrated product policy to produce low-energy-consuming products that will be recyclable at the end of their lives? What mechanisms exist to allow research outcomes to be translated into real jobs in Scotland, instead of research disappearing into an academic vacuum or being taken up by Scotland's competitors? Are the Scottish academics or civil servants examining likely areas of future regeneration need? Until now, regeneration has always followed on the footsteps of deterioration. Does the minister agree that sustainable indigenous industries will provide safeguards against the need for widespread regeneration in the future?

The Deputy Presiding Officer: I will allow four minutes for the lead speaker from each party, after which members will have three minutes each.

17:20

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): I thank Colin Campbell for giving us the opportunity to discuss regeneration. As he said, it is an issue that concerns many communities throughout Scotland, in particular communities that were formerly dependent on heavy industries.

One such area is my constituency, Greenock and Inverclyde. That is hardly a surprise if we consider the speed of decline in shipbuilding there in the late 1970s and in the 1980s. James Lamont and Company of Port Glasgow closed in 1979; the Greenock Dockyard Company closed in 1980; George Brown and Company of Greenock closed in 1983; Scotts Shipbuilding and Engineering Company of Greenock closed in 1984; and Lithgow's of Port Glasgow closed in 1988—not to mention Kincaid's engine works. That industrial vandalism ripped the heart out of the community and left us with mass unemployment, widespread deprivation and precious few prospects.

If Shakespeare will forgive my murdering of his verse, "I come to praise Inverclyde, not to bury it." Despite the collapse of traditional industry, progress has been made. The local work force has retrained and reskilled. We have achieved the status of manufacturing export capital of Scotland, and we made the transition from building ships to making microchips. Unemployment is low, and the number of employed is very high. Our educational attainment levels are, according to Her Majesty's Inspectorate of Education, among the best in the country. The number of my constituents who are in full-time higher education is now 2.4 per cent above the national average, and the number of people who are in further education is nearly 11 per cent above the national average.

There has been a dramatic redevelopment of our waterfront, as was witnessed by the 800,000

visitors to the area during the tall ships event. We have attracted such companies as One 2 One, as well as the Royal Bank of Scotland mortgage centre, to complement the more established major employers such as IBM and National Semiconductors. House prices in Gourock, for example, have risen by 69 per cent since 1991, and Wemyss Bay and Inverkip are growing so quickly that the local public services are having to work very hard to keep up.

Despite that progress, the perception of decline remains. That perception plays a big part in one of the key challenges that Inverclyde faces today: a decline in population. We are making progress, and are looking for light whenever it is there. The most recent population projections have been revised upwards, with the figures showing that the rate of decline is stabilising.

However, the challenges remain. The question now is how to reverse the trend. First, we must examine what pushes people away. There is no doubt that the jobs issue plays a part, but it is not simply a question of the number of jobs available, but of their quality. We cannot build and sustain communities on low-paid, low-skill temporary employment. We need to understand the needs of existing employers in electronics and in financial services, to convert some of our derelict land for inward investment and to realise the massive opportunities for tourism and leisure. Our successful James Watt College of Further and Higher Education will be a key player in that process.

The regeneration game must take the form of a package deal. To make Inverclyde a place of choice, we need to create a pleasant and safe place to live. We need to provide affordable, high-quality housing across all sectors, and in areas where people wish to live. Parents need to know that their children will be well educated in a warm, comfortable classroom that is fit for teaching in the 21st century. Our environment must be improved and our brownfield sites must be redeveloped.

Crime and the fear of crime can push people away from a community. For that reason, it is important that we crack down on crime and tackle anti-social behaviour. We in Inverclyde will do our very best to ensure that permanent and terminal decline is not our fate.

17:25

Miss Annabel Goldie (West of Scotland) (Con): My speech will be fairly brief—not because it is unprepared because the motion is slightly different from the one that I had anticipated, but because I have a fairly severe head cold and my voice may give out.

Perhaps unusually, I find myself not entirely at

one with Colin Campbell's motion, but my difference of opinion is fairly minimal. The motion states:

"That the Parliament ... considers that all local authorities, MSPs and key agencies should work together to implement a regeneration programme".

I rather hoped that that was already happening in Scotland. Work is being done by the enterprise networks and by some very good local authorities. I say to Duncan McNeil that Inverclyde Council and Renfrewshire Council deserve their share of praise for responding to extremely challenging situations. Mr Macdonald will confirm that the enterprise networks and local authorities receive the biggest chunk of the Scottish Executive's budget. Local authorities receive about £6.2 billion. The Scottish Enterprise network, along with Highlands and Islands Enterprise, also receives a very considerable sum of money. If that is not working, what are the enterprise networks and local authorities being paid to do? To be honest, such a generalisation would be a little harsh on both the enterprise networks and local authorities.

I have not been diffident in being critical of the enterprise network. My principal concern is not that the enterprise companies do not have a job to do, but that I have not been able to perceive that they are doing that job to best effect. A valid question remains to be asked about that, given the resources that the enterprise network receives. Clearly, there are some areas of extremely good practice. I would like to think that that good practice would be replicated throughout Scotland. That would be the best way of contributing towards a regeneration programme.

Mr Campbell referred to the involvement of MSPs in regeneration. There are none so precious as those who belong to the same club, but if we were to ask the public what they think about the involvement of MSPs, the response might be problematic. MSPs have a role to play. Clearly we must be conduits of information, instruments for raising the profile of areas and authors of new ideas, suggestions and proposals. However, to be honest, the main hope for regeneration is to find sustainable enterprise, because that is the best way of bringing new life to areas. Both Colin Campbell and Duncan McNeil acknowledged that.

I was pleased to see—indeed, I lodged a motion referring to it—that last week *business a.m.* contained what can only be described as a glowing tribute to Renfrewshire Council and Inverclyde Council for their attempts to bring about regeneration in extremely challenging circumstances. Although we all applaud the concept of regeneration, I think that that is best achieved by solutions and proposals that are flexible. There was all-party agreement to a report by the Enterprise and Lifelong Learning

Committee on the impact at local level of business development services. That report stated that the best provisions are those that are locally tailored. That was the rationale for the suggestion that local fora be created.

Much is already happening. The one aspect of the motion that makes me slightly uneasy—Mr Macdonald will probably share my unease—is the statement that

"the Scottish Executive should provide resources".

I believe that the resources that are being provided are generous. I did not notice Mr McNeil calling on Mr Macdonald to increase those resources. The challenge is to ensure that the resources that are currently on offer are being used to best effect. While in no sense dismissing Mr Campbell's motion, I find myself unable to be entirely on all fours with the sentiments of part of it.

17:29

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I congratulate Colin Campbell on lodging the motion that we are debating today. I am glad that it is drafted in broad terms, because it will come as no surprise to the member that I would like to bring a Highland perspective to the issue of regeneration.

I take members back a number of years, to when I was a wee boy. In my home town of Tain, a Glaswegian was a pretty unusual beast. We could name them on the fingers of one hand. However, another small number was the number of my old classmates who remained in the Highlands after their teens. We subsequently had a boom time in the 1970s.

Duncan McNeil talked about the decline of industries in his part of the country, but it is worth remembering that many folk from there, and from the central belt, went up to the Highlands to work in the rig-building industry in the 1970s and 1980s, when we enjoyed a boom.

One is apt to fall into the trap of thinking about regeneration only in the context of the central belt, but it is worth remembering that that issue also affects us in the Highlands, as I will describe.

The 1970s and 1980s were bonanza times for highlanders. The people who moved in were a welcome shot in the arm for Highland society and communities. They are still with us, having mixed. They have invigorated and strengthened Highland communities. Since that time, however, we have had an industrial decline in the Highlands. The kind of job that I had 20 years ago has largely disappeared.

I know that the minister, Lewis Macdonald, takes

a close interest in oil and gas issues and that Scottish and UK ministers do their best to get contracts for the Highland yards. However, that is not easy to do. There was news this morning that the Barmac yard at Nigg, which is just a few miles from where I live, is the only yard in the Highlands that is still in the running for the big BP job. The situation is tough. To be honest, it is hard to see the slope going sharply up again.

We are left with Highland communities such as Alness, Invergordon and, to a lesser extent, Tain, where housing estates were put up at great speed in the 1970s. That means that many people who came to join us at that time are still with us. But times have changed. If you are a 55-year-old scaffolder, welder or shot-blaster, it is hard to train for work in the new industries, although they are doing their best. For example, I went round the call centre in Alness earlier this week and was amazed by how many former colleagues from the Nigg yard are working there. The general situation is difficult, but agencies such as the councils and the local enterprise network are doing their best to deal with it.

I plead with members to remember that regeneration applies not only to the central belt, but to the Highlands. The problems there are on a smaller scale, but are just as severe per capita as those faced in Inverclyde and the central belt. I ask members to remember that we are all in the same boat.

The Deputy Presiding Officer: Speeches are now down to three minutes.

17:32

Michael Russell (South of Scotland) (SNP): I congratulate Colin Campbell on having his motion accepted for debate. The motion is fortunately not entirely about Inverclyde, otherwise I would not feel qualified to contribute to the debate. I pass through Inverclyde, but I do not spend any time there, fine place as it is. My experiences are of further down the Clyde coast in North Ayrshire, particularly in the Irvine, Stevenston and Kilwinning areas.

I have two distinct points to make. First, I do not think that anyone can deny that historical imperatives have been a great source of problems for Scottish heavy industry and have caused the devastation of our traditional industrial communities. As Jamie Stone said, that situation applies not only to Inverclyde, but to the central belt, most of the south of Scotland and many other places in Scotland. That is a globalisation force that cannot be resisted.

However, more recent forces might have been resisted. The judgment on any Government or Executive is how it responds to such forces. In

recent years, for example, in the closure of the Volvo plant in Irvine, the Executive's response has been woeful and inadequate. A challenge to the Executive and any Government, not just the Government to which Lewis Macdonald is an adornment, is to ensure that it can respond to pressures that come in from outside. It is also a challenge to have not only a short-term view but a long-term view of the potential of, and possibilities in, each of our communities.

The debate is about more than infrastructure. I was struck by some of Duncan McNeil's remarks. I thought that Annabel Goldie was coming on to the point when she tempted us by asking what the main hope of regeneration was, but I do not think that she adequately answered that point. The main hope of regeneration is people. The issue that Duncan McNeil raised was an issue of people. One can invest in almost anything in Scotland, but it will be hopeless without people.

If one looks at North Ayrshire, and Cunninghame South in particular, the difficulties that arise are not necessarily about infrastructure, although that is problematic. There are difficulties that concern education, social inclusion, giving young people purpose and hope in society, drugs and housing. Regeneration is about far more than things; it is about human beings.

One of the areas where this Parliament is least effective is in making the link between people, the landscape in which they live and the culture that surrounds them—everything that goes towards making up human beings in our society. That is the regeneration that we need in Scotland. That might sound unduly Messianic but it is not. It simply means that people matter more than anything else. A Government that is obsessed with ticking boxes and with targets and indicators forgets the importance of people. There will be no regeneration in Scotland until we remember that.

17:35

Trish Godman (West Renfrewshire) (Lab): I thank Colin Campbell for securing the debate.

The motion says that

"local authorities, MSPs and key agencies should work together to implement a regeneration programme".

I want to focus on Port Glasgow, which is in Inverclyde and which I represent. Like Duncan McNeil, I work alongside local Labour councillors, officials, MPs and all the key agencies. As a result of that work, the area has received funding from the Scottish Executive of more than £900,000. That money will go towards improvements and extra facilities at the Greenock health centre—work which is well under way—and full funding for a clinic in the Boglestone area, which will provide a host of new initiatives. There will be close

involvement with local people in the planning and proposed use of the clinic.

Plans have been accepted by the council to provide increased competitiveness, innovation and expansion of the indigenous businesses on the waterfront at Port Glasgow. Having mentioned the waterfront, I must mention Ferguson Shipbuilders shipyard, which is one of the few shipyards on the Clyde that is still building ships. I regret very much today's announcement to the effect that the shipyard was not successful in the latest Caledonian MacBrayne ferry bid. I shall continue to work with the company to secure orders for the yard.

The waterfront plan should increase the number of employment opportunities in the area. However, I advise the minister that, if the necessary traffic order to allow freight ferries to go from Port Glasgow to the north and south of Ireland has not been signed, as has been alleged, he should look into the matter immediately, as that appears to be holding matters up.

All those achievements have been the result of consultation, encouragement and the support of the council, MSPs, MPs, local businesses and the Clyde Port Authority.

With regard to Mike Russell's comments, I point out that the bid for European Union URBAN II funding, with matched funding from the Scottish Executive, which Colin Campbell mentioned, was designed to stop the movement of people away from Port Glasgow. The success of the bid was the result of the fact that all agencies, elected or otherwise, worked together to ensure that it succeeded.

How will we spend the money? We will develop health action plans, integrate care services, improve transport accessibility, have a positive approach to land use, foster a culture of lifelong learning, create a business base for women, young people, disabled people, the ethnic minorities and people on low incomes and provide employment and advice. We will also enhance the attractions of the town through the development of shopping, civic amenities and cultural leisure provision with the aim of encouraging people to come and live in Port Glasgow. Added to that, the thrust of the local government bill, which will be introduced later this year, will be community planning. That will assist the process.

Duncan McNeil and I do not stand on the sidelines shouting advice or criticism. We get tore in, as they say, and work with anyone who will contribute in any way to enhancing the lives of the people whom we represent.

17:38

Robin Harper (Lothians) (Green): I congratulate Mike Russell on giving a speech that I would have liked to have given if I had not already decided to speak on my usual subject of the contribution that green industrial development can make to the regeneration of Scotland. I could open and close my remarks simply by referring everyone to the speech that I made on 24 January, but instead I will expand on what I said then.

Many of the proposals on waste processing that are coming before the Executive are large scale and relate both to incineration and landfill. As I see it, that would preclude any of the developments from being situated in the areas that we would like to be regenerated—no one wants a landfill site and a new incinerator to be banged down in the middle of Clydeside, Dundee or Aberdeen. That situation has been created by the fact that the Executive's policy is not ambitious enough and does not include an aim to recycle all household waste.

To give an example, if a tonne of household waste is burned and the ash is landfilled, that will produce £26-worth of electricity. If that same waste is treated as a resource and all recycled, it can produce up to £700-worth of recycled goods. That is not £700 of profit—the profit on it will be relatively small—but the ambition in this case relates to what we can get from the waste. I recommend to the Executive that it implement policies of as close to zero waste and total recycling of household waste as possible so that recycling plants can be sited in those areas of Scotland that desperately need new industries and regeneration.

I will skip briefly over the other subjects that I would have liked to cover. Green transport—railway development in particular—organic farming, insulation and renewables all offer huge opportunities for Scotland in the sense that they are distributive. Policies to accentuate and develop those will produce jobs all over Scotland, not just in those areas that are looking desperately for jobs.

17:41

Mr David Davidson (North-East Scotland) (Con): The subject of regeneration brought three words to my mind: people, communities and confidence. Other speakers have mentioned those.

I take issue with one or two points that have been raised. We must couple regeneration with wealth creation, because that provides us with the taxation that gives us health centres and social spending. As others have said, regeneration and

wealth creation go hand in hand.

I believe in local initiatives. I hope that the economic forums that have been set up will produce the goods locally. We cannot go for a central plan. That was tried in Russia and did not work. Scots would not take kindly to it. We have different issues and opportunities in different areas of Scotland.

We should support sustainable business development, which will provide long-term jobs. Colin Campbell made a similar comment. The block grant does not exist to subsidise; it exists to help investment.

The Scottish Executive has a role in training, advising and creating a climate for investment. That will provide returns in the confidence that local people have that an employer might come along who will invest and give them jobs, self-reliance and quality of life.

The Executive has many tools. It has the business rate. It can influence fast-track planning. To redevelop a brownfield site can sometimes take an enormously long time because of the planning process. The minister could consider that, although he is not the minister responsible for planning.

The Executive also has a role in encouraging technology shift—the move towards new technologies. I will use the oil industry as an example. It is not a sunset industry—it has produced technology shifts, particularly in the north-east—but it will not exist for ever. There will have to be life after oil. Oil will not vanish from the scene overnight, but we must start planning to get the change in place. We must simplify business support and encourage research and development. We must also encourage the commercialisation of research. The Executive has a role to play in that.

Above all, we must have a positive attitude in communities. Agencies must work together and speak to each other. That must not take place in a political way and not with a sense of one scheme being set up in competition with another. People must look for ways in which to co-operate, but not silly ways that do not have long-term results. Whatever we do, we need sustainable redevelopment in our communities, new opportunities for those who train, and hope for the future for our young people.

17:44

Donald Gorrie (Central Scotland) (LD): I congratulate Colin Campbell on lodging a motion on regeneration. The subject sounds more like a Russian novel or a theological seminar than a debate in the Parliament, but it is a good issue to

debate. I would like to accept his invitation to make a few constructive suggestions.

First, we should look critically at the new deal and try to target the money better. More money should go into the colleges and other efficient, reputable training organisations. Quite a number of the schemes are ineffectual and so should be discarded, as we could use that money better.

Secondly, as Colin Campbell mentioned, we need to support local small businesses to stay in business and to grow. If we could put half as much effort into sustaining our own industries as we have put into whoring about the world trying to attract people to invest in Scotland or Britain, we would do very well. If people want to come and invest, that is fine. However, far too much effort has gone into attracting them and not nearly enough effort has gone into supporting our small engineering and other industries.

In particular, we should try to promote more community industry, even if that is only somebody earning some money from cleaning other people's windows. We should advise the big banks, credit unions and other well-informed local organisations to target small sums of money to help a whole lot of people to get started in businesses. In that way, we could get businesses growing from the bottom up.

We need to consider developing sites such as Ravenscraig. I know that the prospect of developing Ravenscraig might produce conflict with other schemes to develop Motherwell town centre, but we need to work through the democratic system and get good developments on such sites.

Finally, I will make a plug for exploring the possibility of land value taxation, which is relevant to the debate. First, areas that have potential but whose potential is neglected should be taxed on their potential along with other commercial land. That would bring in money. Secondly, the efforts of the community to produce infrastructure such as new railway developments should increase the value of many such bits of land. People would then pay more tax, which would help to pay for the railway or whatever the development might be. We should positively explore the option of land value taxation.

17:47

Richard Lochhead (North-East Scotland) (SNP): I congratulate Colin Campbell on securing tonight's important debate. I welcome the fact that the debate is of a more general nature than was anticipated, as it allows me to make a few points about the economy of the north-east of Scotland.

The north-east has not suffered as much from

losing heavy industries as other areas have, but we are in danger of losing some of our lighter industries. There is cross-party consensus on the view of the Scottish economy that, too often in the past, too many eggs were put in the one basket. The north-east's economy is largely dependent on the energy sector but, of the jobs that are in non-oil sectors, 20 per cent are in industries that are experiencing difficult trading conditions.

In the past few weeks, jobs have been lost in the paper industry and in the food processing industry. Our remaining textile industry is going through difficulties, while fishing and farming do not have their problems to seek. In the north-east, a major debate is taking place about diversification, because we cannot allow all our eggs to stay in the one basket.

It is unfortunate that the Government does not seem to realise that the key to regeneration is to try to avoid the need for regeneration in the first place. All the economic commentators in the north-east keep mentioning Ravenscraig to make the point that the Government should not wait for another Ravenscraig. The Government should do something now to protect the existing industries, especially those in the non-oil sector that I have mentioned.

Unfortunately, the Government does not seem to have any short-term solutions available to help out those industries that are going through difficulties. Because of apparent wealth, we do not qualify for things such as regional selective assistance. The local business community and the Government have few tools available to protect the existing industries.

Let me briefly mention the example of lottery funding, which is now increasingly used to regenerate local communities. Because the indicators fail to identify communities in the north-east that need regenerating, lottery funding is not making its way north of Dundee. I would like the minister to address that point.

Regeneration needs to happen in the context of bottom-up strategies. That is especially the case for rural communities, where community planning is so important. Rural communities that need regenerating do not just need infrastructure; they need flexibility in the funding that is available to them. Too much funding that comes to rural communities from the Government is overly prescribed. That means that communities cannot use it for their own ends to regenerate their communities locally.

My final message to the minister is that by all means let us pull out the stops to regenerate communities in Scotland that need to be regenerated. Let us also use all our powers to ensure that new candidates for regeneration are

not created in future.

The Deputy Presiding Officer: I call the minister, Lewis Macdonald, to reply on behalf of the Executive, after which I will return to the point of order that was raised at the start of proceedings by Annabel Goldie.

17:50

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): I thank Colin Campbell for securing the debate and for framing it in terms that allowed us to debate some of the important regeneration issues across the country.

As members have noted, the past 30 years have seen structural change in the Scottish economy including the dramatic decline of traditional heavy industries such as coalmining, steel-making and shipbuilding. Duncan McNeil mentioned that that had happened in his own locality. In the space of only three years between 1979 and 1981, Scottish manufacturing lost 11 per cent of its output and 20 per cent of its jobs. As a consequence of that, unemployment stood at over 10 per cent for most of the 1980s and much of the 1990s.

Those were the inescapable consequences of the economic policies of the Government of that time—policies that were politically motivated and ideologically driven. They carried a high human cost, which blighted a generation. They also did untold damage to business confidence in Scotland and to our image in the wider world. That legacy has taken time to repair.

We have a different economy from that of the 1960s. The service sector now accounts for some 60 per cent of Scottish output and 75 per cent of employment. Finance and business services now have almost the same weight in terms of gross domestic product as the whole of the manufacturing sector. In recent years, our high levels of skills and commitment have attracted new companies and new technologies to Scotland.

The Executive has sought to build on the strengths of the new economy as well as to reinforce our existing manufacturing strengths. Regeneration is not about seeking to restore the old order; it is about looking forward to identify how we can build a successful future for Scotland's economy, based on increasing employment, increasing economic growth and improving our competitiveness in a global economy.

Duncan McNeil spoke about how microchips have replaced ships as the chief product of his constituency. There are many new jobs across Scotland in many new industries—100,000 new employee jobs were created in Scotland between

1997 and 2001. We have the highest level of employment in Scotland and the lowest level of unemployment for a generation.

We recognise that there is a particular challenge in achieving the regeneration of those formerly heavy industrial areas, which lost out most in the course of the previous 20 years. We are achieving that through regeneration of the physical environment—Ravenscraig has been mentioned—and through regeneration of the economy by supporting the development of industries with growth potential. Above all, as a number of speakers have mentioned, we are doing that through regeneration of our human capital by providing the training to ensure that our work force has the skills to access the new jobs that are being created.

Trish Godman, Duncan McNeil and Colin Campbell have mentioned Inverclyde. It is one of those areas where real regeneration has been required. It is important to be clear that the future for that area is not bleak. Unemployment has fallen in Inverclyde faster than for Scotland as a whole. It has fallen to less than the Scottish average. The Scottish Executive has provided the area with regional selective assistance grants of over £10 million, with planned investment of nearly £100 million and the creation or safeguarding of some 2,000 jobs. Inverclyde has the highest manufacturing output in Scotland. As local members have described, the area is undergoing a renaissance. Annabel Goldie referred to an article in *business a.m.* that included a comment by the leader of Inverclyde Council about the success of his local area in making a significant contribution to the Scottish economy.

What is true in Inverclyde is also true in Easter Ross, the north-east and elsewhere in Scotland. The approach of partnership for regeneration is right for the whole country. Richard Lochhead spoke about the need for diversification, even in relatively successful economies such as that in the north-east. That diversification, like regeneration in our older industrial areas, requires us to look forward and to work in partnership to stimulate new economic growth and to seek to protect the older industries.

Richard Lochhead: Many members have made the point that economic growth should, as much as possible, be driven by indigenous companies. What measures does the minister intend to introduce to ensure that that is the case?

Lewis Macdonald: Economic growth is our next challenge. The fundamental conditions for economic growth are good, but all members agree that there is a need to improve the rate of growth. To do that, we must consider the supply aspect of the economy.

I mentioned regional selective assistance in relation to Inverclyde. That is one example of us refocusing from a previous concentration on inward investment to seeking to expand the economy by stimulating indigenous companies.

As Duncan McNeil said, we cannot hope to achieve sustainable economic growth by relying on our ability to produce simple products more cheaply than other places. We must seek to add value to our produce and to achieve the economic growth that will come from that.

Members from all parties spoke about the importance of people. At the core of our economic strategy is the recognition that we must encourage and direct more investment toward science and skills. We are implementing Scotland's first ever science strategy. We are establishing an independent science committee and rebuilding public investment in that area. We plan to establish new specialist technology institutes to deepen our research and development capability, which we hope to translate into jobs in the energy, biotechnology and communication sectors. As Robin Harper said, some of the opportunities in the energy sector are in renewable energy.

Regeneration requires not only science, it requires skills. The heart of our skills strategy is to ensure that every Scot is ready for tomorrow's jobs. That does not mean only those who are at school or university, but those who are in the work force and who must update their skills to allow them to access the new economy as it develops.

At the heart of our regeneration strategy is a commitment to grow Scottish science and skills. Those priorities reflect our discussions with business, academics, trade unions, the enterprise networks, local authorities and all those with an interest in our economic future. To deliver the strategy, we must develop a national consensus in support of it. I welcome the positive aspects of the debate—there have been many—and the commitment that has been shown to achieving a consensus in support of economic regeneration for Scotland in the 21st century.

The Deputy Presiding Officer: Before we finish, I return to the point of order that Annabel Goldie raised at the beginning of the debate. I found the debate to be such a catch-all that it was probably not in accordance with the guidelines that the Parliamentary Bureau laid down a year ago. My view is that members' business debates should be member specific, subject specific or location specific. The subject will be considered in the Presiding Officers' meetings.

Meeting closed at 17:58.

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