# **MEETING OF THE PARLIAMENT**

Thursday 6 February 2003

Session 1

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### **Scottish Parliament**

Thursday 6 February 2003

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

### Local Government Bill

**The Presiding Officer (Sir David Steel):** Our first item of business today is a debate on motion S1M-3833, in the name of Mr Andy Kerr, on the Local Government Bill, which is proposed United Kingdom legislation.

#### 09:30

The Minister for Finance and Public Services (Mr Andy Kerr): The measures that we are here to debate represent the final step in a three-step process. That process is intended to ensure that people at the front line of public services in Scotland get the terms and conditions of service and the pension arrangements that they deserve.

We are here to deliver the improvements in public service delivery that the people of Scotland expect and deserve. We need to ensure that we work with those at the front line to achieve that, because their support and hard work are crucial to the process. That is why, in November, we agreed the protocol to end the two-tier work force in all future public-private partnership projects in Scotland. It is also why, in January, we asked the Parliament to approve the Executive's taking powers through the Local Government in Scotland Bill for ministers to issue guidance to local authorities about best value and contractual practice.

We intend to use those powers to tell local government to ensure that fair employment issues are addressed every time that it begins negotiations with potential partners for the delivery of public services. It is appropriate that the rights of the work force that is charged with delivering those services throughout the life of the contract form part of those negotiations. That is why we ask this Parliament to agree that the United Kingdom Parliament should be asked to extend the Scottish ministers' powers so that the Scottish ministers can ensure that workers who are directly employed by Scottish local authorities get protection of their terms and conditions and their pensions if they are transferred to private sector providers.

That means that we must give directions and guidance to Scottish local government about matters that are reserved under the Scotland Act 1998. Those directions will say that local

government should conduct its contracting exercises on the basis that the Transfer of (Protection Employment) Undertakings of Regulations 1981 will apply unless there are exceptional circumstances. They will also say that local government should conduct those exercises on the basis that transferred staff will be offered retention of the local government pension scheme or an acceptable alternative and that local government should abide by the provisions of the Cabinet Office statement "Staff Transfers in the Public Sector", as well as the annexe to it, "Staff Transfers from Central Government: A Fair Deal for Staff Pensions".

As I have said, employment rights and pensions usually raise competence issues for us under the Scotland Act 1998. However, a vehicle has been found to give the Scottish ministers the power to issue such directions in Scotland—the Local Government Bill that is currently before the UK Parliament—and I am extremely anxious to take advantage of that opportunity. If we do not do so, we cannot be sure that local authority work forces in Scotland will have the same protections on the issues as their colleagues south of the border, and that would be negligent on our part.

When the Parliament passed the Local Government in Scotland Bill last month, it approved a key part of our reform programme aimed at better public services. It showed its commitment to remove barriers that hinder the delivery of effective public services. It also approved an approach that puts quality, equality and continuous improvement at the fore.

Fair employment is crucial to our modernising government programme—as, of course, are local authorities. Local authorities and the workers that they employ provide vital services, which affect quality of life for the residents of Scotland. In turn, we have the opportunity to make the terms and conditions of those work forces a little more reliable. We should take that opportunity.

#### I move,

That the Parliament endorses the principle of including in the Local Government Bill powers for the Scottish Ministers to issue directions and guidance to Scottish local authorities in relation to staff transfer matters and agrees that the relevant provisions to confer executive functions on the Scottish Ministers in relation to these matters should be considered by the UK Parliament.

#### 09:34

Tricia Marwick (Mid Scotland and Fife) (SNP): I know that it will be a big surprise for the minister when I say that the Scottish National Party will support the Sewel motion. It is a change to see UK ministers' powers on directing local government being transferred to the Scottish ministers. I will say in passing only that we should have more of the same and that it would be very nice if all the reserved powers in schedule 5 to the Scotland Act 1998 could be repatriated to the Parliament.

It is extremely welcome that direction on TUPE will be given to local government. It is essential that workers' rights be upheld at all times.

**The Presiding Officer:** As Keith Harding and lain Smith do not wish to speak, does Mr Kerr want to say anything in response to the vigorous debate?

Mr Kerr: I welcome the support—

**The Presiding Officer:** I beg your pardon. I have another name on the screen. I call Pauline McNeill.

#### 09:35

Pauline McNeill (Glasgow Kelvin) (Lab): I did not realise that the debate would be so short. I have prepared a wonderfully long speech, but I will shorten it, as everyone else has done with theirs.

I wanted to speak in the debate because I have felt strongly in the past about enhancing workers' rights and their terms and conditions. I have questioned the minister on that many times. This is a good day. I know that Andy Kerr is determined to eradicate the two-tier work force and we should acknowledge his work on that.

This is an important day for progress on fair rights in employment. It is also important to acknowledge that the Scottish Trades Union Congress and the trade unions have worked with Andy Kerr on the matter. Although they would not agree on everything, I realise that they have played an important part in making the changes that we are making through what could be called, because we are taking reserved powers for the Scottish ministers, a reverse Sewel motion. Those powers are welcome.

At some future date, I would like clarification of what those powers will mean. I feel strongly that we could be stronger on pensions. I hope that the powers will allow the Scottish ministers to ensure that there will be no detriment to pensions in a transfer. That applies not only to transfers to the private sector; in the future, there will be cases of the private sector handing back contracts to local government. I know that there are powers to allow local government workers to remain in a pension scheme.

I hope that further work will be done in other areas of public service, such as the national health service, to apply the principles of harmonisation, equal pay and equal rights to ensure that workers' pay, conditions and pensions are never sacrificed for profit but are protected. I welcome what the minister has said and I welcome the motion.

#### 09:37

**Mr Kerr:** I thank members for their support. I particularly thank Pauline McNeill for her kind words on the work that the Executive has been doing. That work continues and we will seek to make further improvements as time goes on.

The motion offers us a chance to do something for the work force. I feel strongly about that and am pleased to be able to present such a Sewel motion to the Parliament.

We want to ensure that terms and conditions are protected. I assure Pauline McNeill that I will correspond with her on the detail of what is being agreed today, specifically on the guidance and the statutory underpinning of what has been said on TUPE, pensions and ensuring that work force terms and conditions are protected.

The motion is about powers that are important to the Parliament being exercised by Scottish ministers, not English ministers. I accept the points that have been made. Because of what Keith Harding and Iain Smith did not say, I presume that they too are on board and support the motion.

The occasion is an appropriate one for a Sewel motion. It enhances our relationship with the work force in the public sector. They are at the front line and deliver heroically for us.

I thank members for their general support on the matter.

### Proportional Representation (Local Government Elections) (Scotland) Bill: Stage 1

**The Presiding Officer (Sir David Steel):** The next item of business is a debate on motion S1M-3727, in the name of Tricia Marwick, on the general principles of the Proportional Representation (Local Government Elections) (Scotland) Bill.

#### 09:38

**Tricia Marwick (Mid Scotland and Fife) (SNP):** It is now seven months since the Proportional Representation (Local Government Elections) (Scotland) Bill was introduced and nearly four years since the McIntosh commission recommended proportional representation for local government elections. We are now within weeks of the parliamentary elections that will see the end of the coalition Government, which promised to make progress on PR as part of its partnership agreement.

I have some views on the success of that coalition. I did not expect that, by 2003, it would have made no progress at all on PR. As Donald Gorrie remarked in September 2000:

"If we don't get it"-

PR on the statute book by the council elections in 2003—

"I believe most of my colleagues and the party in general would decide that the coalition should stop."

Well, Donald Gorrie and his colleagues have the chance to vote for a bill that would put PR on the statute book by 2003—my bill.

All that the Liberals have to show after four years of coalition and partnership is a bit of paper, issued on Tuesday this week, that promises more discussions and consultations after the 2003 elections if there is another agreement between the Liberals and Labour. Of course, there is the little matter of an election to get through and I am sure that the voters will have a view on the record of the current coalition Government.

Donald Gorrie recognises that any Liberal Democrat commitment on PR has been sacrificed on the bonnets of the ministerial Mondeos. As long-standing Liberal Democrat Chick Brodie, who resigned recently, said—

**Robert Brown (Glasgow) (LD):** Will the member take an intervention?

**Tricia Marwick:** I will let the member speak in a minute, after I have talked about his ex-colleague Chick Brodie, who said:

**Robert Brown:** Given the attitude of the Conservatives and the official position of the Labour party, does Tricia Marwick think that there is a majority, in terms of the party positions in the chamber, for the reform that she seeks, with which—as she indicated—we agree in broad principle?

**Tricia Marwick:** I confirm for Robert Brown that it is not what I think that matters. I refer him to the Fairshare briefing—he has obviously not read it which says that 73 out of 129 MSPs in the chamber believe in PR for local government. There is a clear majority for PR in local government and there has been a clear majority from day one of the Parliament. Fairshare knows it, it knows what the names are and Robert Brown is simply not right. We will discover what kind of support there is for single transferable vote PR in local government at 5 o'clock tonight.

I will now explain what my bill will do and tell the chamber what some members of the Local Government Committee were prepared to do to manufacture concerns about the bill.

First, I will deal with the Liberal Democrat amendment. Yesterday, I said that the Liberal Democrats had been conned again on PR. Having seen the amendment that Iain Smith lodged for today, I now realise that that comment was much too generous. If the Liberal Democrats do not vote for the motion, which can put the PR bill on the statute book by March 2003, they are not simply stupid, they are unprincipled and they are hypocrites. On a television programme in December last year, Charles Kennedy said that all he wanted for Christmas was PR. His colleagues in this chamber have the chance to have PR by March 2003 but, instead, they will vote for a bit of paper.

I can hardly wait for Iain Smith to explain how he can vote for the general principles of the bill in the Local Government Committee and today move an amendment that rejects the general principles of the bill. On second thoughts, it would do us all a favour if Iain Smith spared us the self-serving, "gie's another job" type of speech that he usually makes.

Why are the Liberal Democrats voting against PR today? The answer I got from a Liberal Democrat MSP last night was, "We still favour STVPR, but we oppose the SNP." There we have it—the real reason is nothing to do with PR and nothing to do with the bill, and everything to do with the fact that this is a bill from a member of the Scottish National Party.

The arguments for STVPR are well rehearsed. All parties in the chamber will be both advantaged and disadvantaged by STVPR. What kind of system gives Labour in Midlothian 94 per cent of

<sup>&</sup>quot;The opportunity for Liberal Democrats to deliver proportional representation for local government is I believe lost."

the seats on 46 per cent of the vote, the SNP in Angus 72 per cent of the seats on 47 per cent of the vote or the Lib Dems in East Dunbartonshire 42 per cent of the seats on 27 per cent of the votes? As Mr Harding well knows, the Conservatives have 41 per cent of the seats on 27 per cent of the vote in Stirling. Whatever we call that system, it is neither fair nor democratic.

My member's bill was drafted privately because, despite support from the Greens, the Scottish Socialist Party and Dennis Canavan, it was denied non-Executive bill drafting time. None of the parties, including the Liberal Democrats, was prepared to support a motion on PR.

I thank Alyn Smith and Scott Martin for all their work. I also thank Andrew Mylne of the parliamentary staff, whose wise advice helped to prepare the bill for introduction.

My bill is simple. It has one aim and that is to enable STV for local government elections. When the bill was introduced in June, there was an opportunity for the 2003 elections to be held under PR. After all, it took only three months after enactment of PR for the Northern Ireland elections to be held. The Scotland Act 1998 was passed in November of that year and the Scottish Parliament elections were held in May 1999 using a proportional system. The 2003 elections could have been held under an STVPR system—what a wasted opportunity.

I turn now to the Local Government Committee's stage 1 report on the bill and the discussions that took place in public and private sessions. On the casting vote of the convener, the committee decided not to support the general principles of the bill. However, at paragraph 22 on page 4, the report claims that Tricia Marwick, Sandra White and Iain Smith supported the bill, and that Trish Godman, Sylvia Jackson, Richard Simpson and Keith Harding were opposed to it. That statement is not true. Keith Harding was not even at the meeting; it was John Young. John Young did not oppose the bill; he abstained. That left the committee tied at 3:3 and Trish Godman used her casting vote against the bill. Page 24 of the report gives the voting results.

The committee concluded that the consultation on the bill had not been adequate, despite the fact that representatives from Fairshare said in evidence that the principle of PR in local government had to be the most consulted on in local government history, that the issue had been "consulted to death" and that it was time for the Government to act.

The committee also concluded that the lack of prescription on ward sizes was a major flaw in my bill. In fact, it is a major strength. The flexibility of having up to eight members per electoral ward in an STV ward would allow rural and sparsely populated areas to have fewer members, which is precisely what members from rural councils such as Scottish Borders Council argued for in their evidence to the committee. In the PR system in the Scottish Parliament, Orkney and Shetland have separate MSPs so that account is taken of rurality and geographical differences. Not all constituencies have the same number of electors at present and, indeed, the Executive's draft bill also allows for different numbers of councillors in different wards.

Paragraph 79 of the stage 1 report says that the committee concluded by a majority that it was

"not content with the Policy Memorandum."

That conclusion was reached despite the fact that the bill is a member's bill and I was not required to produce a policy memorandum in the first place.

I have some sympathy with the view that the financial memorandum may be inadequate. The bill could enable the first STV elections on mainland Britain, and it is impossible for an individual member to quantify costs. However, if members were to approve the general principles of the bill, the Executive would be duty bound to work with me to work out costs before it lodged the financial resolution. As the Executive is apparently prepared to introduce PR, it is presumably prepared to meet the costs. If the Executive is prepared to meet the costs of its bill, it should be prepared to meet the costs of mine.

I turn to the most shameful manufactured opposition to a bill that I have experienced in the Parliament—paragraph 90 of the report. When the committee was considering its draft report, which concluded that too much power had been given to ministers to determine ward boundaries, the Subordinate Legislation Committee had already considered the matter and was satisfied with those powers. That committee had submitted its report to the convener two weeks before the Local Government Committee was to consider its own draft report.

The Subordinate Legislation Committee's report was withheld from the Local Government Committee on the instructions of the convener. It was finally distributed to the committee when I asked where it was. I have yet to get a satisfactory explanation of why a committee was asked to approve a report that was critical of the subordinate legislation powers in a bill without being given any explanation or indication that the Subordinate Legislation Committee's report was available and that it supported the measures I proposed.

**Bill Butler (Glasgow Anniesland) (Lab):** Will the member take an intervention?

The Presiding Officer: No, she is in her last minute.

**Tricia Marwick:** It is interesting to note that the Executive's draft proposals give exactly the same powers to ministers to prescribe the number of councillors per ward as my bill does.

As I said at the outset, my bill is an enabling bill. It allows Parliament to decide on the principles of PR and it allows the detail of wards and councillors to be determined following consultation. That is precisely the same mechanism that was applied by the Executive to the National Parks (Scotland) Bill.

The Fairshare briefing makes it clear, as I made clear to Robert Brown, that there is and always has been a clear majority in favour of PR in the Scottish Parliament. Every opinion poll ever taken in Scotland shows a large majority of supporters in every party for PR in local government.

I say to MSPs of all parties today that, if they believe in PRSTV, they must vote for it. Let us take the opportunity to get it on the statute book by March 2003. If members fail to do that, they will fail the people of Scotland.

#### I move,

That the Parliament agrees to the general principles of the Proportional Representation (Local Government Elections) (Scotland) Bill.

#### 09:50

**Iain Smith (North-East Fife) (LD):** Tricia Marwick spent four and a half minutes insulting the Liberal Democrats, two minutes on her own bill and four and a half minutes insulting her colleagues on the Local Government Committee. That hardly constitutes a speech in favour of a bill.

No one should have any doubt about the 100 per cent commitment of the Scottish Liberal Democrats to achieving proportional representation by single transferable vote for local government elections. The issue is how that can be achieved. The case for PR for local government is, in my view, irrefutable. It can never be right in a democracy that one party can gain 95 per cent of the seats with barely 50 per cent of the votes, or a majority of the seats with barely a third of the votes. Nor is it right that some parties with substantial support are left unrepresented.

Proportional representation is not about the interests of political parties in general or the interests of one political party. The Liberal Democrats, for example, have nothing to gain from PR for local government. In some areas, such as my constituency in North-East Fife, we have a great deal to lose. PR is about the interests of voters. It is about ensuring that every vote counts and that every voter has a fair chance of being represented by someone they choose.

Under a first-past-the-post system, most votes do not count.

Tricia Marwick: We know that.

**Iain Smith:** The case for PR was examined by McIntosh, by Kerley and in the white paper, "Renewing Local Democracy: The Next Steps." [MEMBERS: "And—"] In each instance, the case for PR was proven. [MEMBERS: "But—"] My commitment on behalf of my party—[Interruption.]

**The Presiding Officer:** Order. Tricia Marwick's speech was listened to reasonably respectfully, and I think that the same should apply to lain Smith's speech on the amendment.

lain Smith: My commitment, and that of my party, is to achieving a voting system for local government that is fair and makes votes count. We have not sold out and we have not been duped. Liberal Democrats have been working throughout this session of Parliament to make progress on electoral reform. Let us be clear about Without the Liberal Democrats in that. Government, there would have been no progress. There would have been no response to the McIntosh recommendations, no Kerley committee, no white paper on renewing local democracy and no local governance (Scotland) bill. That is the reality. Without us in Government, those things would not have happened.

I admit that the process has sometimes been slower than I would have wished, but we have made steady progress. Our goal is to ensure that the 2003 local elections are the last to be held under first past the post and that the 2007 local elections will be held using STV. We have a record of delivery. We delivered PR for this Parliament when the SNP was sitting on the sidelines saying that we had sold out and been duped.

# Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP) rose—

lain Smith: Fergus Ewing should sit down.

We delivered PR for European elections. In this Parliament, while the SNP has been sitting on the sidelines accusing us of having sold out and having been duped by Labour, we have delivered on free personal care, on the abolition of tuition fees and on freedom of information. The list goes on and on.

Unlike the SNP, the Liberal Democrats are not afraid of getting involved. We are not afraid of doing the hard work and we are not afraid of taking a risk to get what we want. By contrast, SNP members are interested only in criticising others and grabbing the headlines. Their party's priorities are set by whatever is on the front page of the last newspaper that they read.

#### Mrs Margaret Ewing (Moray) (SNP) rose-

Mr David Davidson (North-East Scotland) (Con) rose—

lain Smith: I shall give way to David Davidson.

**Mr David Davidson:** I am obliged to Mr Smith for giving way. Perhaps he could just save us a lot of time and tell us why the Liberal Democrats do not want to vote for the bill today?

**Iain Smith:** Is Mr Davidson voting for it? I shall ignore that pointless intervention and get back to the SNP.

I do not doubt for a second the SNP's commitment to STVPR, or that of Tricia Marwick. However, it is a strange coincidence that PR suddenly popped up to the top of the SNP's priority agenda only when there was media speculation about problems with the coalition and threats that it might break up.

Mrs Ewing: Will Mr Smith give way?

lain Smith: I ask members to cast their minds back to that time, when Jack McConnell became leader of the Labour party. On 22 November 2001—

**Mrs Ewing:** He will give way to the Conservatives but not to us.

**lain Smith:** I apologise. I did not see Mrs Ewing at the back of the chamber.

**Mrs Ewing:** I am glad that Mr Smith finally spotted me, because I am one of the people who has been consistently committed to PR. Donald Gorrie will confirm that, because he and I have been at various meetings on the issue over many years. Indeed, I attended a Liberal Democrat conference in Brighton on PR.

What I find difficult to comprehend today is why, when there is an opportunity to advance the cause of PR, the Liberal Democrats, who have always made PR part of their manifesto, are going to vote against a move for which there is wide support among the Scottish public.

The Presiding Officer: Mr Smith, you must wind up now.

**Iain Smith:** I have taken some interventions, Presiding Officer. I hope that you will allow me to complete some important points and answer the questions that have been raised.

On 22 November 2001, John Swinney said in this chamber:

"On my election as the First Minister we would usher in immediate legislation to ensure that the local elections in 2003 are held under a new system."—[*Official Report*, 22 November 2001; c 4160.]

Tricia Marwick claimed that the bill was on the table, but it took another seven months to appear. [MEMBERS: "It is here now."] The SNP is all talk and no delivery. Tricia Marwick claims—

**Mr Kenneth Gibson (Glasgow) (SNP):** Where is his party's bill?

lain Smith: Our bill is here.

**Tricia Marwick:** On a point of order, Presiding Officer. Can you confirm the status of the piece of paper that Iain Smith is waving about? Can you confirm that a bill is not a bill until it is introduced into the Parliament, and that the bit of paper that is claimed to be a bill is no such thing?

**The Presiding Officer:** It is a draft bill. On you go, Mr Smith.

**Iain Smith:** The bill has been published, as we promised it would be. Let us be clear about one thing. The big flaw in the SNP's argument is that it refuses to recognise the simple truth that there are 19 votes on the Conservative benches and 56 on the Labour benches against Tricia Marwick's bill today.

**Mr John Swinney (North Tayside) (SNP):** What is stopping you, then?

**Iain Smith:** There is therefore no majority in this Parliament for the bill. Perhaps SNP members could answer this question in their speeches. How would it advance the cause of PR in local government for this Parliament to vote against it today? To vote for the amendment is not to vote against PR but to ensure that we continue to make progress. The reason for my amendment is to prevent Parliament from voting against PR for local government.

It would be better, even at this stage, for Tricia Marwick to recognise her folly, withdraw her flawed bill and join us in the campaign to ensure that, in the next Parliament, PR for local government becomes a reality.

I move amendment S1M-3727.1, to leave out from "agrees" to end and insert:

"notes the Local Government Committee's Stage 1 Report on the Proportional Representation (Local Government Elections) (Scotland) Bill and that any change to the election system could not come into effect until the 2007 local government elections at the earliest; further notes the publication by the Scottish Executive of its *Local Governance (Scotland) Bill* document which fulfils the commitments made to make progress on electoral reform and deals with wider issues to encourage greater participation in local government, and, with regard to the Proportional Representation (Local Government Elections) (Scotland) Bill, therefore does not agree to the general principles of this particular Bill for the reason that its provisions demonstrably do not meet the extensive requirements for renewing local democracy."

#### 09:56

The Deputy Minister for Finance and Public Services (Peter Peacock): As the Parliament will be aware, the Executive's views on the bill are well known, and have been for some time. I set out the Executive's position in some detail in the evidence that I gave to the Local Government Committee during its stage 1 consideration of the bill. Therefore, it will come as no surprise to members to hear that we do not support the bill. Indeed, we do not see any need for it.

There are a number of reasons why we do not support the bill. As the Local Government Committee concluded in its report, the bill is quite clearly flawed. There is no indication of the timetable for the introduction of STV or of the processes to be put in place to allow the system to operate; nor is there any recognition of the administrative issues involved in putting the new system in place. As the committee concluded, there is no evidence of consultation having taken place with anyone, let alone the people who would be responsible for the implementation of the new electoral system.

Bruce Crawford (Mid Scotland and Fife) (SNP): Will Peter Peacock tell us whether, as a minister in the Labour-Liberal coalition, he is personally committed to the principle of PR for local government, given that, as vice-president of the Convention of Scottish Local Authorities, he committed himself to that principle on a number of occasions?

**Peter Peacock:** All will be revealed as I continue my speech on behalf of the Executive.

The fundamental principle of this Parliament is that propositions are consulted on fully and openly. In that regard, Tricia Marwick falls far short of the mark. As she herself said, the financial memorandum gives no indication of the likely financial or resource costs of introducing STV, although it is clear that the introduction of a new system would have resource implications for the Executive. Parliament needs to know those costs when it considers any bill.

In addition, the introduction of STV would mean that the Local Government Boundary Commission for Scotland would have to make recommendations on new electoral wards. The memorandum states that the Local Government Boundary Commission for Scotland is scheduled to conduct a review of arrangements in 2004, and that any additional expense will be minimal. However, even those basic, factual statements are inaccurate. The review scheduled for 2004 is an administrative one, not an electoral one. The review of electoral boundaries is scheduled to take place between 2006 and 2010. In fact, the Local Government Boundary Commission for Scotland would be required to draw up revised electoral boundaries and to consult before making recommendations ministers. Therefore. to additional funding would be required. Furthermore, the administrative and electoral reviews would both need to be rescheduled, and neither the memorandum nor the bill recognises those facts.

**Tricia Marwick:** Does not the minister recognise that, if electors vote in 2003 for another Liberal and Labour coalition—God forbid—or if a partnership is stitched together, and if that partnership is committed to PR in local government, the cost of Labour and the Liberals introducing PR for local government elections sometime after 2003 would be precisely the same as the cost of introducing PR under my bill at the moment? There were a lot of ifs in that question. If members of the coalition parties can support their own introduction of PR, why cannot they support mine?

**Peter Peacock:** My point is that the financial implications of any bill that is introduced should be attached when the Parliament considers it. Any bill that the Executive introduces in future will have that information attached to it.

As well as being flawed, the bill is fundamentally ill conceived. It seeks to deal with only one aspect of the renewing local democracy agenda. Instead of seeing local democracy in the round, the bill is narrowly focused on a single issue of electoral reform. In that sense, the bill is born of political opportunism. As Iain Smith indicated, the bill was born on the back of a press release, not on the foundation of good government. Its principal purpose was not to bring about improvements to Scottish democracy, but to seek to cause division between the coalition partners-something it has singularly failed to do. Its purpose was never to advance local democracy. If the bill had been a genuine attempt to advance local democracy, it would have been more complete, would have been introduced sooner, would have been the subject of detailed consultation and would have examined the costs involved up front. When the Executive introduces legislation, it spells out the costs at the time, so that Parliament can consider them as part of the package. We will do that for any legislation that affects the renewal of local democracy in future.

I said that we believe that the bill is unnecessary as we approach the last days of the parliamentary session. It is unnecessary because the change that it proposes cannot be implemented until 2007 at the earliest. There simply is not sufficient time to make such a change before the forthcoming elections on 1 May. Let me be clear that even if the bill were not flawed, it would not be practical to introduce a new electoral system in time for the elections on 1 May. There would have to be a review of electoral boundaries, and consultation on what is proposed. Consultation would have to take place with the people who administer elections. There would also have to be a significant amount of secondary legislation to give effect to the bill's provisions. It simply cannot be done.

The bill is also unnecessary because, as the Executive has made clear, it is already active on electoral reform in the context of the wider agenda of reinvigorating local democracy. We want to encourage a more active, more participative local democracy. We want a more diverse range of people to stand for election, and we want to create the conditions in which that can happen.

The coalition partners gave an undertaking to make progress on electoral reform. We have never considered the issue in isolation from other aspects of the agenda to renew local democracy. Indeed, I find it difficult to see how anyone who is reasonable about the matter could deal with it in isolation. It is difficult to see how anyone could separate the issue of how councillors are elected from other key issues such as who can stand for election, and how those elected are rewarded for the work that they do.

Bruce Crawford: Will the minister give way?

**Peter Peacock:** I cannot, as I am running out of time.

The Presiding Officer: In fact, you are in your last minute.

Peter Peacock: Thank you, Presiding Officer.

It is difficult to see how anyone can separate consideration of the electoral system from consideration of one of the key issues facing local government in Scotland: how do we encourage people from groups which are underrepresented on councils to get involved? We have, quite properly, taken time to consider the full range of issues that affect councillors, and we make no apology for that. In fact, the approach that the Executive has taken to the issue compares favourably with the approach taken in the bill.

It is important not to rush into significant constitutional change, and to see electoral reform in the wider context of renewing local democracy. consistently emphasised We have our commitment to making progress on electoral reform for local government. On 24 September we announced that we would publish a local governance bill before the end of this parliamentary session, which would embrace the wide range of issues discussed in the context of renewing local governance. We have done so, and fulfilled our commitment. The local governance (Scotland) bill was published on Tuesday this week, and will be available for consideration by the new Executive after the elections in May.

Unlike Tricia Marwick's bill, the local governance (Scotland) bill examines local governance in the round and is not narrowly focused on electoral reform. It covers other issues, such as the creation of a new remuneration system for councillors and the establishment of an independent remuneration committee to consider councillors' pay, and it makes a number of changes to make it easier for certain groups of people to stand for election as a councillor. Most important, the local governance (Scotland) bill reflects the outcome of consultation on the white paper.

We believe that the bill before us today is fundamentally opportunistic, badly motivated and ill conceived, and that, in any event, it cannot make any change to the local electoral system until 2007 at the earliest. Therefore, the Executive opposes the bill, which offers no advantage, and will support the amendment in Iain Smith's name.

**The Presiding Officer:** I now call Michael Russell. [*Interruption.*] Perhaps I should explain why I am calling Mike Russell now. Tricia Marwick spoke to the bill as its author; Mike Russell is speaking on behalf of the SNP, and so comes before the Conservatives.

#### 10:04

Michael Russell (South of Scotland) (SNP): Thank you very much, Presiding Officer. I begin by indicating the SNP's unanimous and overwhelming support for the bill. As Margaret Ewing rightly pointed out, fair votes in Scottish local government is one of the SNP's longstanding principles. We will stick by our principles in the matter and go with the 76 per cent of Labour voters, the 81 per cent of Conservative voters, the 88 per cent of Liberal Democrat voters and the 78 per cent of SNP voters who in the latest poll indicated that they want PR in local government. We are honest with the people who vote in Scotland; alas, all the other parties appear not to be so.

The minister's speech summed up well the reality of the situation. It would have been convincing had it not lacked one thing: the timeline for this issue and this debate. Let us remind ourselves of that timeline.

**Robert Brown:** Will the member give way?

**Michael Russell:** No, not yet. I know that Mr Brown is a keen enthusiast for PR and I hope that he will vote for the bill.

The McIntosh report was commissioned almost exactly five years ago. The commission reported in June 1999. Indeed, the very first full debate in this chamber after the Parliament took its powers was on the report. At that stage, the Kerley committee was set up. The McIntosh report concluded that it was time for an immediate and urgent study, with a view to legislation that should take effect in time to govern the next council elections. At that time, the next council elections were in 2002, not 2003. As a result, at the start of the Parliament, it was clear that the timetable for progress on PR was seen as something that should affect those elections.

No matter what Iain Smith says, the reality is that the Liberals have failed to achieve the policy within the time scale that they themselves promised at the start of the Parliament. Such a failure is significant, because the matter is not just about politics; as the minister rightly said, it is about renewing local democracy.

At the very heart of the issue is the relationship between the Parliament and local authorities. In that regard, I quote no less a source than Jim Wallace. In the House of Commons in June 1998, Mr Wallace very acutely said:

"Without proportional representation for local government, there is a serious danger that a Scottish Parliament elected by proportional representation will not treat local government, if it is still elected under a distorting first-past-the-post system, with the respect that it should receive."—[Official Report, House of Commons, 16 June 1998; Vol 314, c 211.]

In those circumstances, the root of the mismatch between Scottish local government and the Parliament lies in the Parliament's failure to help local government to reform. That is why the issue is urgent, and why it has to be resolved quickly instead of within the Liberal Democrats' bizarre time scales.

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** I know that the Liberal Democrats have a lot of power, but Mike Russell appears to be investing us with even more power than most people would accept we have. After all, we account for only 16 out of 129 MSPs. Does not he accept that, as of now, there is no parliamentary majority for the Proportional Representation (Local Government Elections) (Scotland) Bill, but a majority exists for the draft local governance (Scotland) bill?

**Michael Russell:** I know that the Liberal Democrat party is a party no longer of principle, but of pragmatism, but perhaps it should remember the Westminster maxim that the vote follows the voice. There are times when, if people believe in something strongly enough, they will vote for it. If, for as long as the Liberal Democrat party has existed, one of its abiding principles has been that PR is essential, I cannot understand how its members can fail to vote for it. If they do so, they are abandoning one of their key principles.

In the brief amount of time that I have left, I want to point out why the issue is absolutely vital in Scotland. I take as an example the situation in North Ayrshire, which is an area that I know well. I know that I have told this story before, but it is always worth repeating.

Andrew Wilson (Central Scotland) (SNP): Not again.

**Michael Russell:** Mr Wilson does not normally say that, but I will tell it again.

In North Ayrshire, the Labour party gets 47 per cent of the vote and 83 per cent of the seats. Such an enormous mismatch leads to internecine warfare in the Labour group, local people being unrepresented, communities crumbling, left housing deteriorating, vandalism rising and jobs disappearing. Meanwhile, the local Labour group argues about important matters such as who should go to which reception and—as Mrs Ullrich knows-who gets a place next to Councillor Jack Carson at the Delta bar. That is the level of debate that finds its way into the local newspapers, because the Labour party in North Ayrshire does not care about the voters. As long as that continues to be the case, the people will suffer. The people who indicated to Fairshare that they would support PR are suffering. Under those circumstances, the Proportional Representation (Local Government Elections) (Scotland) Bill is essential.

Labour has dragged its feet because the backwoodsmen are now in charge, and they hate democracy. The Liberals have walked away from principle. The opportunity exists today to do something different: to support PR in principle; to take the issue forward; and to be honest, not just to other members of the Parliament, and not just about the Labour councils that are misusing power, but to all the people I mentioned earlierthe 76 per cent of Labour voters, the 81 per cent of Conservative voters, the 88 per cent of Lib Dem voters and the 78 per cent of SNP voters. The vast majority of Scotland wants the bill. Not to vote for it through fear that people on another party's benches do not want it is to be dishonest to the Scottish voters, and members must not be that.

#### 10:11

**Mr Keith Harding (Mid Scotland and Fife) (Con):** The Scottish Conservatives, members will be surprised to learn, are opposed to the Proportional Representation (Local Government Elections) (Scotland) Bill. We believe that the current first-past-the-post electoral system should remain for local government elections. The introduction of STV for local government elections that the bill proposes would cause confusion, as Labour has already forced three different electoral systems on us at four levels of government.

In written evidence to the Local Government Committee, Professor Bill Miller from the University of Glasgow outlined:

"The standard work on electoral systems advises <u>against</u> changing the electoral system".

#### He went on to quote:

"Familiarity breeds stability. Political forces learn to live with the system and devise appropriate strategies." Changes to systems or the introduction of different systems at different levels of government would result in confusion for the electorate and for political parties. Despite all the evidence that we have been given today, there does not seem to be public support for such a change to the local government electoral system. The system of first past the post has been in operation for a considerable time, and there does not appear to be a substantial popular demand for change. Professor Bill Miller argues:

"In fact polling evidence suggests that the public would like proportional representation combined with efficient and decisive ... single-party government i.e. they like the abstract principle of proportionality but do not like its practical consequences."

**Dennis Canavan (Falkirk West):** If the 1999 elections to the Scottish Parliament had been carried out under a system of first past the post, the member would not be here. In fact, no Tory members would have been elected in 1999. Is it not rather unusual for a drowning person to throw away the lifeline?

**Mr Harding:** It is unusual for a political party to put the interests of the people before its own.

**Mr Gibson:** Say that with a straight face.

Mr Harding: Kenny Gibson should be quiet.

The bill is flawed. It received insufficient consultation in its formation and relies on evidence from previous inquiries, such as the Kerley report, which was in itself flawed, as it did not examine first past the post. The bill proposes that, because of the time constraints before the May elections, Scottish ministers should draw up the first set of ward boundaries and set the number of councillors to be elected in each area. Allowing politicians to make those decisions might result in gerrymandering or Tullymandering, as political parties favour themselves and arrange boundaries in such a way as to ensure that they gain the most advantageous position in the election.

The proposed STV system for local government elections has many inherent drawbacks. It would likely lead to permanent coalition most administrations for local government, resulting in politicians controlling agendas through secret meetings in smoke-filled rooms and in power being taken away from the electorate. The STV system would lead to disproportionate results, as parties that receive only small backing from a small minority of the electorate gain access to power. That is most obvious in the Scottish Parliament, where the fourth largest party currently enjoys coalition Government and has a leader who has been acting First Minister of Scotland twice.

STV would result in more hung councils and would give disproportionate power to those councillors who are most willing to trade their support for the larger parties in return for favours of either office or policy. Because of the need for multimember wards under the system, STV would break the direct link between elected representatives and wards. The retention of that link is vital, as it is only through that link that councils remain responsive to the needs of their local community and provide the effective representation of local needs that the electorate values.

**lain Smith:** Will the member give way on that point?

Mr Harding: No, thank you.

Such representation is best achieved through the direct election of all councillors on a first-pastthe-post basis at ward level.

The Scottish Conservatives support the current first-past-the-post system because it favours strong governance and clear accountability for parties that win an outright majority. It ensures that the electorate, not the politicians, choose the ruling administration. It gives a direct link between elected members and the people who elected them. The system is familiar to the public, and the votes are simple to cast and count. As Dennis Canavan implied, the introduction of PR would benefit our party in some councils, but we believe that first past the post is best for the electorate.

Far from promoting democracy, the SNP, through Tricia Marwick, has once again demonstrated that it is interested only in promoting its own selfish party-political interests. Proportional representation would only institutionalise power in the hands of politicians, with a permanent state of coalition and proportional cronyism. Sharing jobs and allowances among political cronies is not the answer to Scotland's problems. Only we, the Scottish Conservatives, are prepared to change that view on principle, not in the hope of winning more seats.

It is crunch time for the Liberal Democrats. Today, they have the opportunity to vote for one of their main policies. I recall Alex Neil talking about a shiver running round the Parliament. I hope that the Liberal Democrats have developed spines for it to run down. If not, they will be seen for what they are: lily-livered Liberals who, as usual, are selling their principles to save their ministerial Mondeos. Their supporters will not forgive or forget.

We agree with the Local Government Committee that the flaws in the bill are too severe for us to allow it to continue its parliamentary progress, and that the general principles of the bill should not be approved.

The Presiding Officer: We now come to the open debate. Although we started early, more

members now wish to speak than gave advance notice, so the time limit for speeches will be four minutes.

#### 10:17

Dr Sylvia Jackson (Stirling) (Lab): It would be easy to speak either for or against PR at local government level, but it is important to focus on Tricia Marwick's bill—on what the policy memorandum the Proportional says, on Representation (Local Government Elections) (Scotland) Bill itself, on the financial memorandum and on the explanatory notes. I am sorry to see that Tricia Marwick has now left the chamber.

Any bill has to meet certain criteria. It must be shown that adequate consultation has taken place; that the bill has adequately defined underlying principles; and that it is possible for the bill to be implemented—both in a financial sense and in order to meet its principles.

On the policy memorandum, the Executive argued to the Local Government Committee:

"neither the section on consultation nor the section on alternative approaches recognises the arguments put forward by opponents of STV, so it presents an unbalanced view."—[Official Report, Local Government Committee, 26 November 2002; c 3580.]

Michael Russell: I am interested in this "unbalanced view" of PR and of STVPR in particular. Of the 316 written responses to the Scottish Executive's own consultation, 252, or 80 per cent, were in support of STVPR, while a further 25, or 8 per cent, were still in favour of PR. Only 39 supported the status quo. Is not it sufficient that, according to the Scottish Executive's own consultation, there is overwhelming support for STVPR, or do we have to consult for ever?

**Dr Jackson:** No, we do not have to consult for ever, but we need to take a balanced view and know that that view is being gauged. It obviously was not.

The committee acknowledges that there has been significant consultation on PR in local government elections generally, but it was concerned about two particular aspects of consultation on the bill. First, there was no evidence of consultation with the Local Government Boundary Commission for Scotland. The minister has already outlined the significant issues about when the review would take place. The evidence on that was not clear. Secondly, there was no consultation with returning officers on the practical issues, including the financial considerations for local government that would arise from the bill's enactment. I think that Tricia Marwick admitted that the financial aspect of the bill has not been adequately addressed. For those reasons, the committee concluded that the consultation was inadequate.

I turn now to the underlying principles of the bill. The section of the policy memorandum on consultation contains the following sentence:

"McIntosh concluded that proportional representation was the best electoral method for local government, and that the system of PR chosen should be the one that best satisfies the following criteria: proportionality, the councillorward link, fair provision for independents, allowance for geographical diversity and a close fit between council wards and natural communities."

Those criteria are important principles when deciding which system of PR to choose. I will deal with just one of them: the councillor-ward link.

I disagree slightly with what Keith Harding said. One of the key issues that opponents of PR often raise is the importance of the councillor-ward link, which PR reduces. After taking considerable evidence on the issue, the Local Government Committee concluded that there was perhaps insufficient evidence to support the arguments of opponents of PR for the importance of the councillor-ward link. To some extent, that supports the SNP's position. Professor Bill Miller argued that the extent to which there is a councillor-ward link under any system is unclear.

My most serious reservations about the bill relate to its implementation. Professor Bill Miller outlined the phenomenon of Tullymandering—how a party in power can fiddle a system of PR. I do not have time to quote from him, but members may read the evidence that he submitted.

Michael Russell: What about North Ayrshire?

**Dr Jackson:** I do not have time to read out Professor Miller's evidence, as I am in the final minute of my speech.

The bill fails on three counts and should be stopped. We should support the broader, more comprehensive local governance (Scotland) bill.

#### 10:22

**Colin Campbell (West of Scotland) (SNP):** It is patently obvious that most people and most of the respondents to the Scottish Executive's consultation are in favour of proportional representation and STV.

I will dispose of Keith Harding's notion that the SNP is in this for itself. In Angus, we have the highest percentage of seats—72 per cent—from 47 per cent of the votes. That is not fair in anyone's book. Glasgow is the classic example. There, Labour has 94 per cent of the seats from 47 per cent of the votes. In Inverclyde, Labour has 55 per cent of the seats from 38 per cent of the votes.

We must remember that we are trying to engage the public in the democratic electoral process. All the people whose votes went into the pot but who got nothing back are well on the way to becoming disillusioned. That issue must be grasped. We must engage people and get them involved in the democratic process. We should support PR in principle, sooner rather than later.

**Mr Duncan McNeil (Greenock and Inverciyde)** (Lab): I want to pursue the issue of voter participation. Why is it expected that, despite proportional representation, the turnout for the next Scottish parliamentary election may be below 50 per cent?

**Colin Campbell:** I might attribute that to the abysmal performance of the Scottish Executive and to the fact that we have a national Government that spins on spin and takes little account of what the people think, especially in the current international situation.

I remind the Liberals of their manifesto for the 1999 election. It stated that they would

"Break up unaccountable one-party fieldoms by introducing fair votes for local elections, based on the Single Transferable Vote in multi-member wards."

However, they will not do it in this session.

The Liberal Democrats' unwillingness to support the bill is driven by Labour's major divisions. They are locked into a coalition that they cannot leave, and Labour is grievously split on the matter of proportional representation. I remind Peter Peacock, who suffered temporary amnesia when Bruce Crawford asked him where he stood on PR, of his position. He said:

"For the first time, people in the Highlands and Islands who have voted Labour all their lives have people representing their interests directly in the Parliament."

Peter Peacock was elected to the Parliament—as I was—because of PR.

**Bill Butler:** Will the member give way?

**Colin Campbell:** Yes. I have a quotation from Bill Butler, too.

**Bill Butler:** I always accept advertising—from whatever quarter. Does the member concede that independent councillors in the Convention of Scottish Local Authorities, as well as Labour councillors, vehemently oppose PR, because of the nature of STV?

**Colin Campbell:** I am prepared to concede that there are differences of opinion here, there and all over the place. However, primarily those differences are locked into the party that holds most of the power.

I quote Robin Cook—not something that I do very frequently. He stated:

"I have always felt uncomfortable at the fact that we asked people to vote Labour where they often had little chance of getting Labour representation." Then we come to the nub of the matter. We are told:

"Labour party activists are increasingly hostile to PR at every level. The experience in Scotland has shown us that PR leads to chaos and instability."

I am not chaotic or unstable. The quotation continues:

"I think there is a growing reality that it would be quite acceptable for Labour to drop its commitment to a referendum in the next manifesto. If not, it could be quite easily kicked into the long grass."

Jimmy Hood has stated:

"We must defend Scottish local government, defend democracy and, more importantly, defend the Labour Party".

Helen Eadie has stated:

"If PR goes ahead, Labour will never again form a majority government in either Westminster or local government in Scotland."

The nub of the matter is that the Labour party is split. If Liberal Democrats have any bottle and believe in the principle of PR, they should vote for it today. The time is right—the time is now. Liberal Democrat members should allow themselves to be seen as people of principle, instead of buckling to their Labour partners.

#### 10:26

John Young (West of Scotland) (Con): An old Glasgow councillor used to say, "Let's cut the crap." That is what should be said this morning—if the word "crap" is acceptable. If not, I will say, "Let's go through the mist and clear it away."

Why is the SNP following this line today? SNP members are saying, "If we can't win, let's change the rules." Alternatively, does the SNP have secret ambitions to replace the Liberals in the coalition with Labour? That is not impossible.

What about the Liberals? If they cannot be voted into power, they are prepared to join that rag-tag team of closet socialists who today call themselves Labour. That is the Liberals' 100 per cent dedication—a share in power at any price.

Tricia Marwick mentioned the Local Government Committee meeting at which I abstained.

Stewart Stevenson (Banff and Buchan) (SNP): Will the member give way?

**John Young:** I will take an intervention from the member later.

In the seconds before the division to which Tricia Marwick referred, I realised that the vote would be tied at 3-3. I wanted to see whether Trish Godman, the Labour convener of the committee, would use her casting vote to support the coalition deal and PR, thereby satisfying the Liberals. Of course, she did not—she voted for the status quo and made it plain that she was not happy with me for abstaining. She wanted me to do Labour's dirty work.

PR has been tried in Scotland and dumped twice. Before 1929, Scottish educational boards were elected by PR, but the system was then dumped. Members of Parliament for the university seats in Scotland were also elected by PR, but that was dumped in 1951. Commenting on PR, a former Italian Prime Minister stated that one could not bounce a ping-pong ball in the Italian Parliament without hitting at least 16 ex-Prime Ministers and that PR was responsible for a lack of stability.

In Glasgow, I served as councillor for a multimember ward, which was represented by three councillors. A local election was held every year. Today that is not feasible.

Why are the Liberals so keen on PR? Because they want more seats. In Glasgow a quarter of a century ago, the Liberals had only one seat. How many seats do they have in Glasgow today? Only one. That is how far they have progressed in a quarter of a century. The one councillor elected a quarter of a century ago was Robert Brown.

The Tories stick to their principles. We will not grovel about for a miserable handout of PR votes in order to be a coalition party.

The Liberal party produced giants such as Gladstone and Lloyd George. Wherever they are now, they must weep to see the Liberals prostituting their beliefs.

What do we have this morning? The Liberals are doing somersaults. The SNP knows that it cannot increase the number of local government seats that it holds without PR. This debate is not about democracy; it is about power.

**Stewart Stevenson:** Does the member recognise that in the parliamentary constituency that I represent the SNP is over-represented substantially, as compared with the vote? I support PR as a matter of principle, unlike the turncoats on the Liberal Democrat benches.

John Young: I always thought that Stewart Stevenson was a man of principle. This morning he has confirmed that—in the eyes of some, at least.

Only the Tories stick to their beliefs, at some sacrifice. It would be in our interests to support PR, but we have principles. Keith Harding said that the bill was flawed and he is absolutely right. We do not believe that rules should be changed for political advantage. We accept the democratic system, unlike many in the Parliament. 10:30

Mr John McAllion (Dundee East) (Lab): It always amuses me to hear Tories claiming that they stick to their principles even to the point of self-sacrifice. If they are committed to the firstpast-the-post system and opposed to any form of proportional representation, why do they not stand only in the constituency element of the elections to the Scottish Parliament, which is fought under the first-past-the-post system? That would ensure that they did not have to be tainted by putting their names on the regional lists. However, I suspect that, in May, almost every Tory in the chamber will have put their names on to the lists with the hope of being elected under a system of PR. They should not talk about self-sacrifice when any one of them who gets back into the Parliament will do so by hanging on the coat tails of a system of PR. The Tories should face up to that reality.

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

**Mr McAllion:** I will give way to Phil Gallie, a man who I am sure will not stand on the list.

**Phil Gallie:** The Conservatives will always accept the democratically arrived-at situation. We are obliged to face up to the existence of PR. We would benefit from having PR in local government, but we have decided to stand against it. Our opposition to Mr McAllion's flawed ideas would not preclude us from standing for election to local authorities under a PR system, if such a system were to be put in place.

**Mr McAllion:** Phil Gallie is able to make that point in this chamber only because of what he calls my flawed ideas on PR.

Like Margaret Ewing, who spoke earlier, I have a long record of consistent support for PR, not only for local government but for the Scottish Parliament and the Westminster Parliament. I remember speaking in favour of PR at Liberal Democrat conferences and at SNP conferences. In fact, I appeared with Margaret Ewing at an SNP conference in Inverness—I caused a bit of a stir when I walked in the door because the delegates thought that I was there for another reason, which, obviously, I was not.

There is support for PR across all the parties. I am not alone in my party in my support for PR. I have spoken in support of PR at fringe meetings at Labour party conferences, along with the Deputy Minister for Finance and Public Services. I know that he is a principled supporter of PR, as are many of my Labour colleagues in the Scottish Parliament. Indeed, I was surprised to find out how many Labour MSPs support PR and want it to be used in local government and Westminster elections. Despite the fact that the Labour party's submission to the stage 1 report said that it was in favour of retaining the first-past-the-post system for local government elections, that is not the view of everyone in the Labour party. I remember when the Scottish Labour party conference passed a resolution saying that the first-past-the-post system had failed the Scottish people and that we had to have electoral reform and implement new systems of PR in order better to serve the Scottish people.

**Bill Butler:** Will the member give way?

**Mr McAllion:** As someone who does not believe what Scottish Labour is saying now, I will give way to Bill Butler, a man who did not believe what Scottish Labour said back then.

**Bill Butler:** I remember the history of the process in the party that John McAllion is talking about. When the party overwhelmingly supports the retention of the first-past-the-post system in March, will he accept that decision as I had to accept the decision that he mentioned?

Mr McAllion: Bill Butler never accepted the previous decision. He has consistently argued and fought for the first-past-the-post system and I respect his position just as I expect people in the Labour party to respect mine. I am not going to change my views because other people in the party do not agree with me. There are people in the party-even in local government-who want PR for local government elections and who believe, as I do, that such a move would be in the Labour party's interests. Colin Campbell quoted Jimmy Hood saying that, first and foremost, we must defend the Labour party's interests. I suggest that, if the Labour party's interests are not the same as those of the Scottish people, the Labour party is in trouble. We have to understand that and remember that the Scottish people want the system to be changed.

I do not like the way in which the SNP is arguing its case this morning. Tricia Marwick spent most of her opening speech attacking the Liberal Democrats as unprincipled hypocrites. When Iain Smith said that they were principled supporters of PR, he was met with howls of derision from the SNP. I remind the SNP that the Parliament uses a form of PR in its elections. If PR is ever to be introduced in local government elections, there will have to be a cross-party consensus, an essential part of which will be formed by the Liberal Democrats.

It makes no sense for supporters of PR to be hitting each other with sticks and calling each other sell-out merchants. If we supporters of PR do not stick together, the first-past-the-post supporters in all the other parties will make sure that we never get PR introduced for local government elections. We must not split the support for PR in the Parliament. If 73 MSPs are in favour of PR for local government elections, let us try to get a vote on that principle. We should not use this debate as an opportunity to get electoral advantage.

**Tricia Marwick:** Mr McAllion has said that there is cross-party support for PR in local government elections and that 73 MSPs are in favour of the idea. That is a majority. If all members who believe in PR vote for the bill, we can have PR for local government elections by 2003. That is the goal. How will Mr McAllion vote today?

**Mr McAllion:** This week, the House of Commons got itself into a mess over House of Lords reforms, as it was unable to get a majority in favour of any option. We are in danger of going down a similar road and making ourselves a laughing stock if the majority of MSPs who are in favour of PR for local government elections do not vote for it. People will ask why they elected us in the first place if we do not vote for what we believe in. That is why I will be voting for PR tonight.

The Deputy Presiding Officer (Mr George Reid): If Mike Rumbles keeps his remarks tight, there might be time for another Liberal Democrat speaker later.

#### 10:36

**Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD):** John McAllion's comments were most appropriate. We have to build a consensus for PR across the chamber, but the way in which the SNP has framed its remarks has not helped that process. The SNP well knows that, if there were a whipped vote on Tricia Marwick's bill, the bill would fall. The last thing that I want to do, as a principled supporter of PR, is to have a situation in which the Scottish Parliament rejects PR for local government. By accepting the amendment that has been lodged by lain Smith, we will be able to vote for the establishment of PR for local government elections in the future.

Years ago, a television advertisement asked whether the viewer could tell the difference between margarine and butter. We have two bills before us today: Tricia Marwick's bill, which is printed on two sides of a piece of paper, and a draft bill published by the Scottish Executive.

**Tricia Marwick:** On a point of order, Presiding Officer. The member has yet again referred to the Executive's bit of paper as a bill. I ask you to confirm that it is not a bill and will not be a bill until it is introduced to the Parliament.

**The Deputy Presiding Officer:** That is the position. We have a document.

**Mr Rumbles:** I said that it was a draft bill. Tricia Marwick obviously did not hear me properly.

Tricia Marwick's bill is priced at £1.10, but, if anyone bought it, it would be daylight robbery.

**Phil Gallie:** On a point of order, Presiding Officer. I know that my hearing is faulty, but I was sitting right beside Mr Rumbles and I distinctly heard him say that there were two bills before the Parliament. He did not say "draft bill".

**Mr Rumbles:** Phil Gallie seems to hear what he wants to hear. I repeat, we have two bills before us: Tricia Marwick's bill and the Scottish Executive's draft bill. Please listen to what I am saying.

I do not wish to denigrate Tricia Marwick's bill, as it has served a purpose, in that it has spurred on the Executive to introduce a draft bill. I am committed to PR, as is every Liberal Democrat member of the Scottish Parliament. It does not help the situation to misrepresent the Liberal Democrat position. The SNP knows perfectly well that the important thing is that we get a PR bill into the next session of Parliament and approve it before the 2007 local government elections. If, as a result of the votes of the Scottish people on 1 May 2003, the Liberal Democrats take part in coalition negotiations, PR for local government will be a fundamental point. We will be looking for the draft bill to be introduced to the Parliament. That will be our position, take it or leave it. We will not be involved in a coalition unless that condition is met

#### 10:39

Bill Butler (Glasgow Anniesland) (Lab): It is customary to congratulate a member who introduces non-Executive bill for the а consideration of the chamber and I have no acknowledging problem in formally Tricia Marwick's doggedness and tenacity-I readily place on record my recognition of those attributes. However, they are characteristics of the bill's and author should be separated from consideration of the bill's possible merits. Unhappily, search as we might, the bill seems to be devoid of merit-in its present form, it is highly flawed. In my brief but, I hope, helpful contribution, I will examine a few areas in which a more rigorous approach might have produced a more considered, and more considerable, bill.

Let us turn first to the glaring inadequacies of the consultation process. As Tricia Marwick admitted to the Local Government Committee, she has carried out no specific consultation on her bill's proposals or on its practical implications. For example, no evidence was presented to the Local Government Committee to indicate that the Local Government Boundary Commission for Scotland or the returning officers had been consulted on the practical implications of the bill's proposals. **Tricia Marwick:** Does the member understand the concept of an enabling bill? An enabling bill allows the principles to be approved. The Proportional Representation (Local Government Elections) (Scotland) Bill uses exactly the same mechanism as the one that the Executive used in the National Parks (Scotland) Act 2000. The consultation on ward boundaries and all the other issues comes after the bill is passed.

**Bill Butler:** I am afraid that it is Tricia Marwick who does not understand. It is her bill that is under inspection by the Parliament. It is not for me to support her bill and to avoid mentioning the obvious flaws in it.

I will deal with another couple of those flaws. There has been no consultation on the number of councillors per ward. One would have thought that that practical issue would have been considered. There has been no consultation on the powers that the bill seeks to give Scottish ministers to determine ward boundaries or the number of councillors in each ward if the first election is held before the Local Government Boundarv Commission has made recommendations. No part of the so-called consultation sought alternative approaches or contrary views.

The member has made the elementary error of presuming that a forceful restatement of her position, and that of her party, amounts to a detailed and coherent examination of the specific reform that she proposes. However, it does not; it amounts only to the regurgitation of a belief, rather than to a consultation that examines the bill's practicability.

**Iain Smith:** Will the member give way?

**Bill Butler:** I will give way to my coalition colleague.

**lain Smith:** I wonder whether, for the avoidance of doubt, Mr Butler could make it clear to the Parliament what would happen if my amendment to the motion fell. Would the Labour party vote for Tricia Marwick's bill?

**Bill Butler:** The answer is no. I hope that that is helpful to the member.

I could focus on other major defects in the bill, such as the real possibility that it would result in Tullymandering, to which Professor Bill Miller referred in his evidence. I could draw attention to the inadequacy of the bill's financial memorandum, which claims that the costs of implementation would be minimal. The Deputy Minister for Finance and Public Services has dealt with that issue satisfactorily. However, I mention those examples simply to illustrate the bill's more glaring imperfections.

I commend the Executive's amendment to the motion, which makes special mention of the

recently published local governance (Scotland) bill. That document represents a modern approach to the challenge of renewing and supporting local government. It not only deals with electoral systems, but considers positive changes, such as proper remuneration for councillors and a possible reduction in the age at which people may stand for election as councillors.

The draft bill provides a reasonably welldesigned and up-to-date vehicle for the renewal of local government. It is a prototype that bears further examination. Tricia Marwick's clapped-out old banger of a bill does not; it would not run properly and it deserves to make no further progress.

**The Deputy Presiding Officer:** That leaves time for three speeches of three minutes each.

#### 10:44

**Dennis Canavan (Falkirk West):** I welcome the opportunity to express my support in principle for Tricia Marwick's bill. It is sometimes difficult for politicians or political parties to make an objective judgment on electoral systems, because most political parties have a vested interest in one system or another. The criterion on which we should judge electoral systems should not be party advantage or what is best for us; it should be what is best for the people.

Although no electoral system is perfect, first past the post is the worst of all possible worlds. The winner takes all and the resultant triumphalism can lead to a one-party state. It can also lead to a party with less than half the votes winning a massive majority of seats—that applies to the Labour party's representation in the House of Commons and it applied when the Tory party was in power. As a result, Margaret Thatcher and Tony Blair have treated Parliament as a mere rubber stamp. It is difficult for the House of Commons to bring such elected dictatorships to account.

A similar situation sometimes arises in local government. The losers are the people, as the ruling group is not sufficiently accountable to the people as a whole, especially if it consists of representatives of only one party and that party received the support of less than half the electorate.

Johann Lamont (Glasgow Pollok) (Lab): Where is the accountability to the electorate in relation to the members who were elected to the Scottish Parliament on the list system and have been sacked by their party before the electorate have had the opportunity to give a verdict? Does the member agree that there are flaws in all systems and that we must identify which flaws we can live with?

#### Dennis Canavan: I am coming to that point.

First past the post does not serve the people well and should be replaced by PR. If we believe in real democracy, it is difficult, if not impossible, to argue against the principle that a party's share of the seats in any council or Parliament should be roughly the same as that party's share of the vote.

If we want to move towards PR, we must consider which system of PR would be suitable. We do not have time in today's debate to examine the merits of every PR system. The two favourite systems seem to be the single transferable vote system and the additional member system.

Although the additional member system is certainly better than first past the post, it has big disadvantages. That brings me to the point that Johann Lamont raised. The experience of the Scottish Parliament has revealed the disadvantages of the additional member system. Constituency MSPs were elected under the firstpast-the-post system, whereas regional MSPs were elected from party lists. As a result, there is sometimes rivalry, jealousy or even downright hostility between the constituency members and the regional members. Such enmity is not in the best interests of the people whom we were elected to serve.

The additional member system also gives too much power to the party bosses or a small clique of party activists to determine who is on the party list and the ranking on that list. Why not give the people the right to decide who is number 1, who is number 2 and who is number 3? That is what the single transferable vote does and that is why I think that STV is a better option. It gives more power to the people rather than to political parties and it ensures that all members are elected under the same system rather than under a two-tier system. It also retains a strong link between the elected members and the people whom they represent.

For all those reasons, I support STV for local government elections as well as for parliamentary elections. I am pleased to give my support in principle to Tricia Marwick's bill.

#### 10:48

Helen Eadie (Dunfermline East) (Lab): I remind members of the Labour party and of the Scottish Liberal Democrats that when Donald Dewar—bless his soul—was alive, he reminded us that the agreement that we signed up to was about electoral reform in general. It did not focus on any one part of the programme.

Thanks to our partnership, we have made good progress on electoral reform across Scotland. We have moved to a situation in which the postal vote means that any member of the public in Scotland can go to the polls. That represents a major and radical step. We have ensured total accessibility for the public, as disabled people can now get to the polling stations. We are considering pilot schemes that would allow voting to take place in new locations such as supermarkets. By focusing on electoral reform, the partnership has made those developments possible.

Much has been said about Tullymandering—the issue that Professor Bill Miller brought to the attention of the Local Government Committee when he gave evidence. He said that a serious weakness of Tricia Marwick's bill was the fact that it might result in Tullymandering. I ask members to look at Professor Miller's written evidence in more detail:

"PR systems can be fiddled by adjusting the number of seats per constituency. (A famous example is the Irish 'Tullymander'.) A PR system becomes more proportionate as the number of seats per constituency increases – up to maximum proportionality when the entire country is treated as one constituency containing all the seats. Thus the larger parties in the Czech Parliament recently agreed to have more constituencies (and fewer seats per constituency) which would benefit them at the expense of the smaller parties. Conversely a full-country constituency containing all the seats (and without a percentage 'threshold') is notorious for giving representation – and thus a voice – to extremists."

**Robert Brown:** Does Helen Eadie regard the situation in Glasgow City Council as being democratic in any sense of the word that she understands?

#### Helen Eadie: Let me finish my quote:

"Professor Curtice recommended a moderate choice of 8 seats per constituency – roughly equivalent to a ten percent threshold. The Bill's proposals go beyond the Irish example (between 5 and 3 seats per constituency) and have constituencies ranging from 5 seats (somewhat proportional) down to a mere 2 seats (scarcely proportional – almost majoritarian)."

Tricia Marwick's agenda is political manipulation rather than, as she claimed, fairness and accessibility for the voters. Her hidden agenda is to get more control for her party rather than for the people of this country.

#### 10:51

**Donald Gorrie (Central Scotland) (LD):** As people may have noticed, I do not have a ministerial Mondeo and I have shown that I am prepared to vote against the Executive if I think that it is seriously wrong on an important issue. I am totally committed to PR for all levels of government, so it might help our SNP and Tory colleagues, who are busy impugning our good faith, if I explain why I will not support the bill.

Tricia Marwick quoted at me my over-optimistic forecast from two and a half years ago, but many

of us make forecasts that are over-optimistic. I thought that the crunch time for deciding on PR for local government would come towards the latter part of this session. However, as Mike Rumbles said, it is clear that the crunch will come at the election, when each party will fight for or against PR according to its manifesto. If there is no majority party, the crunch will come after the election, when negotiations take place.

The fact is that we will get PR for local government only with the votes-not just the moral support-of either the Labour party or the Tory party. The Tory party is in the unique position that its MSPs think that the Parliament would be better without them-I know of no other political body that would maintain such a belief-so our task has been to persuade the Labour party. As John McAllion said, we have made some progress in persuading individuals, but it is quite clear that the maiority Labour members-especially of councillors, for obvious reasons-are against PR. However, we have made progress to the extent of having a draft bill, which sets out a system of STV, on which we can vote after the election. We have made progress.

Rightly or wrongly, the Liberal Democrats' view is that progress towards achieving PR—which is what we are totally committed to—would not be promoted if the Executive parties were to split on a straight vote for or against a proposal for PR. The amendment—flawed though it is because of the stupid standing orders that we seem to have—at least indicates a way forward. We are not as lilylivered as we are made out to be. We have the guts to vote in an unpopular way to try to achieve our long-term objectives.

The SNP has given two strong commitments today. The first is to elections using STV, which I support. The second is to embarrass the Liberal Democrats. That may be good fun and very easy, but it honestly does not help.

**The Deputy Presiding Officer:** We have had a good discussion. The closing speeches should be tight and keep to the appropriate times. Members should address the arguments and not rerun the debate. I call Robert Brown for the Liberal Democrats, who has three minutes.

#### 10:54

**Robert Brown (Glasgow) (LD):** I pay tribute to Dennis Canavan for his well laid out and tight speech in support of what we seek to achieve. I confess that I was struck by the thought that his speech was in stark contrast to the rather petty ranting with which Tricia Marwick introduced the debate. When will the SNP learn that the chamber is not to be treated as an audience for rants and personalised attacks on the principles of other members? This is a consensual chamber, where people require to be persuaded of the merits of a case.

Today's debate is not about principles; it is about tactics. No one doubts the Liberal Democrats' principles on PR or our commitment to reforming the undemocratic system of election—

Mr Gibson: We do.

**Robert Brown:** Some say that they do, but no one really doubts our commitment. Indeed, no one doubts the principles of the SNP on PR. I would not dream of impugning the views that Tricia Marwick and others take. The difference between us is one of arithmetic. The party that cannot add up its economic and financial figures for its case for independence claims that 16 plus 33 plus 5 which is 54—is greater than 55 plus 19, which is 74. Bill Butler made it clear what the position of the Labour party would be in the event of the Liberal Democrat amendment being defeated.

Anyone with an ounce of sense and political nous knows that Parliament cannot introduce PR for local government without the backing of the Labour party. Everyone also knows that PR will happen in the next parliamentary session and that its prospects are best aided by the return of more Liberal Democrats. It is no secret that many of our Labour colleagues recognise that.

I pay tribute to the good faith of Labour colleagues on PR. Although it is unlikely that the Parliament would have been elected using PR without the Liberal Democrats, it is also the case that that would not have happened without the willingness of Donald Dewar, Henry McLeish, Jack McConnell and many others to engage in the Scottish Constitutional Convention. In the convention, they negotiated and delivered what was best for Scotland, rather than what was best for the Labour party. The outcome might be said to be against the Labour party's short-term interests. That was a major act of statesmanship.

**Johann Lamont:** Will the member take an intervention?

**Robert Brown:** I am afraid that I do not have time, as I have only three minutes.

Such statesmanship was emulated neither by the SNP nor by the Tories, whose boycotting of the convention lost them the opportunity to help to shape the future of Scotland.

Tricia Marwick's bill is in fact an expensive press release. I am not prepared to give the enemies of PR the satisfaction of seeing the chamber vote against PR today. The Executive bill will deliver PR for local government after the next election. When that happens, the SNP bill will be seen for the self-serving tat that it is. 10:57

**Mr David Davidson (North-East Scotland) (Con):** I found it interesting that Donald Gorrie is so keen to maintain the Tory presence in the Parliament. We thank him very much for that and hope that that comes out in the next election.

I want to comment on two or three points that have been made today. Tricia Marwick opened the debate with the simple statement that, despite their pledges, the coalition parties have made no progress towards PR in this Parliament. That is a fact. Another fact that I do not dispute is lain Smith's guarantee that the Liberal Democrats are 100 per cent committed to PR. The issue seems to boil down to whose bill will be adopted and how that will spin out. To as dispassionate an observer on the subject as me, that seems to be the crux of the matter—at least, that is how it comes across.

I heard a little hint but no real argument from members on the Liberal Democrat benches on why they could not support the principle of PR today. That did not come out clearly.

**Iain Smith:** Will the member give way?

**Mr Davidson:** I will give way after I have made my point.

The SNP did not make a good job of describing all the nuances attached to the Proportional Representation (Local Government Elections) (Scotland) Bill. The bill is very simplistic and Tory members think that it is quite flawed. However, what people outside will focus on at the end of today's debate is the inconsistencies in the Liberal approach. The issue seems to be whose ball we should play with. That is the sort of pettiness that has crept into the debate and it has produced a nasty edge.

There have been some good speeches, but before I discuss them, I give way to Iain Smith.

**Iain Smith:** The reason why David Davidson has not heard the Liberal Democrats say anything today about why we are against the principle of PR is because we are not against it. We will support the principle of PR today. The way to achieve PR is through the Liberal Democrat and Labour Executive's approach in the local governance (Scotland) bill.

**Mr Davidson:** I thank the member for that explanation.

The speeches from Dennis Canavan and Bill Butler moved the debate on because they were clear and said precisely what they were looking for.

My colleagues Keith Harding and John Young made it clear that we do not believe that PR for local government should be introduced at this time. Local government is a different animal from 14869

the Parliament. People are dissatisfied with the parliamentary election process; we have heard that again this morning. We certainly do not support the bill, but that has nothing to do with whether it is flawed. We are simply against the principle at this time.

Mr Rumbles: Will the member give way?

Mr Davidson: I believe that I am in my final minute.

**The Deputy Presiding Officer:** I am afraid that we are tight for time.

**Mr Davidson:** In simple terms, we do not want to lose the link between councillors and the people they represent. Accountability is the name of the game. PR confuses accountability in the parliamentary system, as Dennis Canavan highlighted.

If we want strong local government, there must be direct linkage and accountability so that what councils do or do not do can be seen and so that they can be held to account. When there are mixed messages in local government, people get confused. We will not support the bill. At the same time, we are surprised that the Liberals cannot bring themselves to do so.

#### 11:01

**Mr Kenneth Gibson (Glasgow) (SNP):** I am pleased to speak in the debate, particularly because I wrote the SNP's submission to the McIntosh commission five years ago. I also moved that STV be SNP policy for local government and all other elections.

I remind Robert Brown, who said that the bill is self-serving tat, and Helen Eadie, who said that the bill is purely about self-interest in the SNP, that the SNP is trying to obtain a majority of seats so that we can have a referendum on independence. In a first-past-the-post system, the SNP would clearly achieve a majority with 37 or 38 per cent of the vote. In a PR system we would need close to 50 per cent of the vote. We do not support the bill in order to further the aims of our party. At local government level, while we might gain some seats in some parts of the country, we would lose seats in others. We would be likely to see a quadruple alliance of new Labour, Conservatives, Liberal Democrats and independents-as exists in Perth and Kinross—ganging up against the SNP.

We are in favour of PR because it is in the interests of the voters, as Dennis Canavan and John McAllion said. At the previous Scottish local government elections, 59 wards had no contest—people had no choice in those wards.

**Johann Lamont:** Will the member take an intervention?

#### Mr Gibson: In a second.

The Conservative party contested less than half the wards in Scotland and the Liberals contested barely more than one third. The Liberals did not put up a single candidate in any of the 92 Ayrshire wards—their party is not a national party in Scotland. We want to give the voters a choice, but even Labour contested only three-quarters of the seats and the SNP only five out of six.

In huge swathes of Scotland, people did not have a choice. In Stewart Stevenson's constituency, five SNP councillors were elected unopposed. I ask those who say that they are against PR if they seriously think that Labour and Conservative voters should not have had a choice in those elections. PR would have given them that choice and would attract a better quality of person to stand for local government.

A lot of nonsense has been spoken about ward links, which Bill Butler did not mention but Sylvia Jackson did. In 1992, Bill Butler contested the Blairdardie ward in Anniesland; in 1995 he contested Greenfield in Baillieston; and in 1999 he contested Tollcross in Shettleston. Around Glasgow—and in other local authorities—there is a series of musical chairs: when people are deselected in one part of the city, they move elsewhere.

Let me move on to the Liberals. What a pitiful, shameful and embarrassing contribution they have given us. The bill is about principles, but the Liberals are basically saying, "We might not actually win the vote so maybe we should just sit on our hands." If we all thought that about every debate, there would only have been one or two divisions in the chamber. The SNP would say, "We are going to lose this vote; we'll not bother turning up today."

Karen Gillon (Clydesdale) (Lab): The SNP does that all the time.

**Mr Gibson:** Be quiet for a second. For God's sake, let me speak.

That is a fig leaf and the Liberals should be utterly ashamed of themselves. They have pulled a rabbit out of a hat with the draft bill that they produced today and I repeat that, really, they should be ashamed of themselves.

I say to Labour colleagues that what goes around comes around. Yes, traditionally, the Labour party might have had the majority of seats—that is certainly true of some parts of Scotland. However, things are not always going to be like that. In the past few months, Labour has lost overall control in Aberdeen, Fife and Renfrewshire, and it lost Falkirk 18 months ago.

A few years from now, when we have an SNP Executive, the Labour members might be the ones

who are squealing for PR if they do not deliver on Tricia Marwick's bill. I ask all colleagues to give the voters a choice, to support PR in local government, and to support the principles of the bill.

#### 11:05

**Peter Peacock:** As we would expect in such a debate, many points of deep principle underlie the comments of colleagues across the chamber, because people have strongly-held views. However, nothing that has been said encourages me to change my views on Tricia Marwick's bill.

From what has been said today, it is clear that Tricia Marwick's approach to the bill is fundamentally flawed. Sylvia Jackson, Bill Butler, lain Smith, Mike Rumbles and Robert Brown all gave astute analyses of the bill and showed why it is flawed. As Robert Brown said, and as I tried to indicate in my opening remarks, the bill is more a very expensive press release or SNP stunt than a genuine commitment to change local democracy.

The bill is flawed because it deals with only one aspect of the renewing local democracy agenda. Helen Eadie pointed to several areas where we have already made progress and tried to widen the scope for people to take part in local democratic exercises. Our approach is to consider local democracy in the round, not just a single aspect of it.

**Phil Gallie:** The minister has talked about democracy and said that PR will attract greater interest from the electorate. If that is true, will he explain why only 24.3 per cent of people in Scotland turned out for the one election that we have had under PR—the last European election?

**Peter Peacock:** Some people argue that PR would make a difference to turnout, but that is by no means the only issue. The main example of how we can change electoral behaviour came from a recent by-election in Stirling. As Helen Eadie pointed out, we brought in new provisions that allowed people to vote by post and the turnout in that local authority by-election rose to 62 per cent. That is the progress that we want to make and it illustrates the point that we cannot consider just one aspect of renewing local democracy—we have to consider all the issues and how they interlink. That is why we do not support the bill and, as I indicated in my opening remarks, the bill fails that test.

The Local Government Committee report concluded that the bill is clearly flawed. There is no indication of a timetable for introducing the bill's provisions and no indication of the process that would have to be put in place if the new system is to become operational. There is no recognition of the administrative issues involved in putting such a system in place. As committee members and others have said, there is no evidence that anyone—let alone the people who would be responsible for the implementation of a new electoral system—was consulted. The introduction of STV would mean that the boundary commission would have to make recommendations on new electoral wards, which would be time-consuming. The financial memorandum's comments on the boundary commission are flawed and inaccurate.

As I, and many other members, have said, the bill is unnecessary because the Executive is already active on electoral reform issues. Unlike Tricia Marwick, we have taken a sensible and measured approach to those issues and considered local government in the round—we have not looked for a quick win on one issue.

The local governance (Scotland) bill sets electoral reform alongside several key governance issues, including remuneration for councillors and how we can encourage a wider range of people to stand for election. Those are important issues for local government in Scotland and for our communities, and they should be considered together. Concern for renewing local democracy is not just about the electoral system but about ensuring that communities interact with their local authority and have an effective and representative voice. That is vital if we are to ensure that local government reflects the needs and diversity of communities throughout Scotland.

Unlike Tricia Marwick, we have consulted widely and effectively on the Executive's proposals in the draft bill. We have considered local governance in the round rather than taking a narrow view of one particular issue. The issues affect people who take local decisions about local priorities and vital local public services, such as education, social work, housing and transport. They are big issues for local government in Scotland and for our communities. They impact on one another and must be considered together. It is not right to consider the electoral system in isolation, as Tricia Marwick has sought to do.

We believe that the bill is fundamentally opportunistic, badly motivated and ill conceived. In any event, it would not make any changes to the electoral system until 2007 at the earliest. The Executive opposes the bill because it offers no advantages, and we will support lain Smith's amendment.

#### 11:09

**Tricia Marwick:** In years to come, the Liberal Democrats will look back on this day and feel ashamed. We have the only policy that the Liberal Democrats have ever espoused—PR for local government—and they are taking the opportunity

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to vote against it. Folk such as Chic Brodie, who is a hero of the Liberal Democrat movement—he is the guy who was lauded for moving aside to allow Roy Jenkins to stand in Hillhead—are resigning from the Liberal Democrats because they believe that the party has sold out and lost the place on PR for local government. When a long-standing activist of the stature of Chic Brodie says that, the crowd who are in here allegedly representing Liberal Democrat voters ought to be ashamed. The fact that they protest when I say that they should feel ashamed shows that they have abandoned any vestige of their principles.

Mike Russell mentioned the timeline. It is important that, in the concluding part of the debate, we are reminded of the timeline for PR for local government in the Scottish Parliament. The partnership document said that immediate progress would be made on PR. In July 1999, the McIntosh commission report was issued and we debated it in this chamber. McIntosh said that there should be PR for local government, but he did not specify the form. Then another consultation was set up. The Kerley working group reported in June 2000 that the system of PR that would best meet the criteria set down by McIntosh, including maintaining the councillor-ward link, was PRSTV. The Executive's response was to set up a working party, which was established in August 2000. The working party met only three times between August 2000 and February 2001. That was the kind of progress that was being made. The motion on my bill was lodged in November 2001. In June 2002 my bill, which, as I have already said, was drafted privately, was introduced in the Scottish Parliament.

What did the Executive do in June 2002? It announced yet another consultation and, over the summer months, it consulted yet again. In September 2002, it announced that it would introduce a local governance bill. When did that bill appear? On the very day that my bill was being considered by the Local Government Committee. Those were exactly the same tactics that Labour and the Liberal Democrats used with Alex Neil's Public Appointments (Parliamentary Approval) (Scotland) Bill.

#### Robert Brown: Will the member give way?

Tricia Marwick: No, I will not give way. I have only seven minutes. Robert Brown has had his say—he should sit down, because he has said enough.

The next time the local governance bill was mentioned was two days before today's debate. That shows the timeline that we are dealing with, and it shows that the Liberal Democrats have achieved nothing on PR in this Parliament, apart from a bit of paper. Poor Iain Smith even moved an amendment at the Local Government Committee so that the paper would be referred to as a bill rather than a draft bill.

Mr Rumbles: Will the member give way?

Tricia Marwick: I will not give way.

That is the extent of the desperation of the Liberal Democrats in pretending that they have made progress on PR.

Bill Butler's contribution was a Bill Butler contribution, but it would have been a more honest contribution if he had used his argument and his time to oppose PR, rather than to make the spurious argument that the bill could not be supported because it was flawed in some way. If it was 100 per cent the most wonderful bill on PR, he still would not have supported it. That would have been an honest position.

lain Smith: Will the member give way?

Tricia Marwick: Sit down. We have had enough of lain Smith.

Helen Eadie quoted Professor Bill Miller, the socalled independent person who gave evidence to the Local Government Committee.

Karen Gillon: Will the member give way?

Tricia Marwick: Sit down.

Bill Miller has been opposed to PR for as long as I can remember.

Bill Butler: Will the member give way?

#### Tricia Marwick: No.

In particular, Helen Eadie quoted Bill Miller's evidence that my bill proposes a minimum of two and a maximum of five councillors. In fact, that is not set down in my bill at all. Bill Miller was forced to admit in evidence that he had merely skimmed through the bill and that that proposal came from the Kerley report, not from my bill. That shows the quality of the evidence that the Local Government Committee heard.

Bill Butler: Will the member give way?

Tricia Marwick: No, I will not give way.

**Iain Smith:** Will the member give way?

Tricia Marwick: Okay.

lain Smith: In my opening speech I asked Tricia Marwick to answer a couple of questions. I should ask them again. First, does she think that it serves the interests of PR for local government if the Parliament today votes against it—we have heard from Bill Butler and Keith Harding that it will—and if my amendment is not agreed to? Secondly, how will PR be implemented in the next Parliament if the ministers in the next Government do not support it? They will be required to implement it, and if they do not implement it, nothing will happen. Tricia Marwick's bill will not deliver PR for local government.

**Tricia Marwick:** I will tell Iain Smith how PR will be introduced in the next Parliament: the SNP Executive will introduce it—no ifs, no buts and no partnerships.

A majority of MSPs—73 out of 129—believe in PR for local government. All it needs is for those who believe in PR to vote for PR. John McAllion believes in PR, and he will vote for PR, but the party that claims to support PR for local government is voting against it. That is disgraceful and shameful.

### Organic Farming Targets (Scotland) Bill: Stage 1

The Deputy Presiding Officer (Mr Murray Tosh): The next item of business is a debate on motion S1M-3856, in the name of Robin Harper, on the general principles of the Organic Farming Targets (Scotland) Bill. I invite those members who wish to speak in the debate to press their request-to-speak buttons now. I call Robin Harper to speak to and move the motion. Mr Harper, you have 10 minutes. We will have to be tight on timings in the debate.

#### 11:18

**Robin Harper (Lothians) (Green):** It is with great pleasure that I invite the Parliament to approve the general principles of the Organic Farming Targets (Scotland) Bill. This small but beautiful bill could make a considerable contribution to organic farming in Scotland and to a healthy future for our economy and environment. It would create many jobs, produce healthy food, reduce pesticide input, restore soil fertility and encourage an abundance of wildlife.

When I first lodged a proposal for a bill in February 2000—more than three years ago—I was enormously encouraged by the cross-party response. Thirty-eight members signed up, and had it not been for the cut-off time of a month, it might have gathered even more signatures. Certainly, it was the most-subscribed-to proposal for a member's bill in the Parliament until the high hedges outgrew us, so to speak.

I wish to express my gratitude to all those who had an input to the bill. I thank the Rural Development Committee, its clerks and its convener Alex Fergusson for the constructive way in which they addressed stage 1. The committee took evidence from a wide range of interests; not all were supportive, although I hasten to add that the great majority were. I also thank the dozen witnesses who gave evidence in person and the 33 people and organisations that submitted written evidence. Thanks are also due to the Transport and the Environment Committee and, most important, to the non-Executive bills unit, particularly David Cullum and Rodger Evans, who assisted greatly.

The impetus for the bill derived from a packed meeting, which took place in the committee chambers over three years ago, with more than 70 stakeholders from conventional and organic farming interests throughout Scotland. The steering group for the bill subsequently assembled and then undertook an extensive written public consultation in early 2001. The proposal was modified as a result of that consultation. The bill, which was finally introduced on 30 September 2002, is short and straightforward. According to its long title—the word "long" is a misnomer in this case—the bill requires the Scottish ministers to set organic farming targets, to produce a plan for achieving those targets and to report annually to the Scottish Parliament on progress.

I will give members a flavour of the range of support for the bill outside the Parliament. Those who consider the bill a good thing include the Scottish Wildlife Trust, Asda, the Transport and General Workers Union Scotland, the Scottish Agricultural College, the Socialist Environment and Resources Association Scotland, Sainsbury's, Friends of the Earth Scotland, Unison, the Scottish Society for the Prevention of Cruelty to Animals, the Soil Association, RSPB Scotland, the Cooperative Group and the Crofters Commission. A further 71 organisations and, as I am sure that members know from their in-trays and inboxes, hundreds of individuals support the bill. Perhaps I could add Mr McConnell to that list, as I understand from no less an authority than the august Sunday Herald that our First Minister is an enthusiast for all things organic.

Paragraph 34 of the Rural Development Committee's stage 1 report on the bill quotes a written submission from the Highlands and Islands Organic Association that nicely captures the ethos of organic farming and the essence of my bill. The quotation might also provide a sense that my bill is not merely about targets and action plans—it is much more than that. The submission said:

"Organic food production is not just about less chemicals and more manure, it is about a new relationship between farmers, working with consumers and other local organisations to put the 'culture' back into agriculture. Statutory targets are the important headline that will make this happen, and farmers are the people who will make it work."

I suggest that public debate has moved on since the 1980s and 1990s and that the question whether organic farming is desirable has been replaced by the question of how organic production can be increased sustainably. My bill seeks to address that.

I welcome the Rural Development Committee's statement that its members want a vigorous organic sector that is supported fairly. I welcome the committee's conviction that targets should be set for increasing organic production and that those targets should form part of an action plan, which must be produced to stimulate an increase.

However, I was a little disappointed by the committee's scepticism about including targets in the bill. I will elaborate on my approach and why I took it. The principle of setting targets is important because it provides a tangible, quantifiable and

useful approach. To put it simply, targets are things to aim for. The target is our destination; the action plan is the means of getting there—the map. It would not be sensible to have one without the other.

Wales has set a 10 per cent target for 2005. England has set an organic import substitution target for 2010. Targets have also been set in Europe. Countries such as Sweden and Denmark deploy targets in a legislative framework. The use of targets in UK legislation is not new. I refer members to statutes on school standards, national policing, utilities and local government and I even refer them to one of my favourite statutes—the Environment Act 1995. All those statutes use targets.

**Pauline McNeill (Glasgow Kelvin) (Lab):** I recognise Robin Harper's work and I am genuinely listening to him. He knows that I have supported what he is doing. It would help if he explained how statutory targets and non-statutory targets can be enforced differently.

#### Robin Harper: My speech will cover that.

The nature and size of the targets in the bill troubled the Rural Development Committee. I told the committee that I would be prepared to consider the matter further if necessary. I am more than happy to repeat the offer to revisit the matter at stage 2 and to refine the bill by amendment.

The bill is not only about targets. Of equal importance are the requirements that the next three Executives should consult on and produce a plan of action that sets out how they intend to meet the targets and that they should report to the Parliament each year for the next 10 years on progress that has been made. The bill requires that long-term, strategic approach, which would encourage confidence in the industry, ensure consistency in policy and help to make things happen locally and nationally.

**Michael Russell (South of Scotland) (SNP):** All of us have seen the courteous letters that were exchanged between Robin Harper and the Minister for Environment and Rural Development. I have difficulty in understanding why the Executive cannot work with and help the member to amend and develop his bill. In that way, the bill could be passed and could achieve the desired results. Robin Harper and the Executive seem to have the same aims. Even at this stage, is he prepared to adopt that co-operative approach? If so, the document that the Executive released this week could enhance what he is trying to do.

**Robin Harper:** Mike Russell virtually took the words out of my mouth. He evinced the same concerns as I have and enunciated the way forward that the Executive could have accepted some time ago but has still not accepted. I hope that it does that before 5 o'clock.

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Through the approach that I described, the bill could start to bring organic farming into the main stream of our economy, to ensure that Scotland is not left behind the rest of the UK, where action plans have been put in place, and to give the market, processors and farmers the confidence to invest.

I have been asked how a target for something that the Executive cannot control could be imposed on the Executive. My response will begin to answer Pauline McNeill's question. Of course the Executive cannot control production, but it can and should encourage it. It cannot by fiat make farmers convert to organic farming—that is not the bill's intention—any more than it can make people consume organic products. However, the Executive can encourage organic farming. It has as many powers at its disposal as has any Government that has gone down the route that I propose.

In his letter to me and fellow MSPs this morning, Ross Finnie said that it was not right to set statutory targets that were binding on the Executive over activities that the Executive could not control. I reiterate to the minister that no target in the bill is binding on ministers. If targets are not reached, there is no penalty other than being shamed before Parliament during the 10-year period for not doing enough. The bill binds ministers not to achieve targets but to take action towards the achievement of targets.

Any target—whether statutory or non-statutory can be aspirational only. That is how the bill was drafted by the non-Executive bills unit, in accordance with our policy, and that is its meaning. It will be a tragedy for the organic sector if the minister does not understand that point and the bill falls as a result. If that is the main reason for the minister's opposition to the bill, I ask him carefully to consider it in the hours before decision time. MSPs must be advised of the bill's true implications before they vote on it.

It is clear from the Swedish organic sector that increasing organic production helps market development. More production leads to more stable availability, and availability is significant. Availability encourages new marketing initiatives, as people see a good product with good continuity of supply and realise that they could market it. Processing industries then dare to invest in expansion, and increasing production also reduces the disadvantage of small volumes in the distribution chain.

I will have to skip some of my speech because of the time limit on speeches.

The Deputy Presiding Officer: You are over time.

**Robin Harper:** I am pleased that, two days ago, the Executive published the "Organic Action Plan"

with targets. The uncharitable might view that as an attempt to head off the bill and to placate MSPs who want to vote for it this evening. I could see the plan as a further move towards the constructive politics that was shown by the success of last week's unamended motion on land value taxation.

The Executive's plan is far from perfect. It contains a commitment to consider a range of options for supporting the organic sector, but it is weak. However, Scotland has an opportunity today to build on the Executive's first steps if members support the general principles of the bill, and that is what I ask them to do. Only a secure, 10-year framework with the Parliament's backing will facilitate stability and investment in the organic sector, which will enable it to make progress.

I move,

That the Parliament agrees to the general principles of the Organic Farming Targets (Scotland) Bill.

#### 11:29

The Minister for Environment and Rural Development (Ross Finnie): I welcome the debate on how best to support sustainable development in the Scottish organic sector. I make it clear that the Executive does not regard the subject for debate to be whether people are for or against organic farming or whether they are for or against giving organic farming support or succour.

It is regrettable that the debate is on the rather narrower issue of the appropriate or inappropriate use of legislation and statutory powers and targets as the best way of achieving aims that I think are supported by a majority of members all round the chamber, if not unanimously.

I welcome Robin Harper's very constructive letter of last night. I recognise where he is trying to get to. Given the time scale, I sought to respond to his letter as quickly as I could, although I recognise that my response was not the one that he was looking for.

Regrettably-and separately from any commitment to organic development-the Executive does not support the bill. Along with the Rural Development Committee and the huge majority of people who contributed to its deliberations, we support-as everyone has heard-the development of a sustainable organic sector in Scotland. It was interesting, however, to note the voices who told the Rural Development Committee that setting statutory targets was not necessarily the way to promote sustainable development.

The Rural Development Committee did not support the bill's approach of setting statutory targets. There are two fundamental reasons why neither the Executive nor, I suspect, the Rural Development Committee supported that approach. First, we do not believe that it is right to set statutory targets, no matter how loosely they are framed, unless they will have some effect. There seems to be no point in passing legislation through the Parliament if it is just to provide general guidance. If it is not to be more than general guidance, why commit it to statute? Why confuse the purpose of a statutory resource?

Whatever encouragement and support we give to the development of the Scottish organic sector, the rate of conversion of land to organic status will be fundamentally determined by whether farmers believe that they can make a profit from that market. It is simply bad lawmaking to make the Scottish Executive statutorily responsible for targets that are not within its control. The argument applies no matter what level of statutory targets is set.

Karen Gillon (Clydesdale) (Lab): I accept the point that the minister makes, but will he accept that another important argument is about affordability? Does he accept that the Executive will never increase the uptake of organic produce by people who simply cannot afford to buy it until the Executive takes a lead in encouraging organic produce to be more affordable to those who wish to buy it? That can be done only if there is more production so that people are more able to access the product.

**Ross Finnie:** With all due respect, I am not arguing against that. I wholly support that view. I merely said that it is wrong to suggest that the Executive can set some sort of legislative framework to achieve that.

Robin Harper kindly alluded to a number of areas in which the Executive has set targets. Members should look at the list: every one of those targets relates to a publicly controlled body over which we have levers. We can influence how the targets can be achieved because we have the levers to do so.

Secondly, we do not believe that the attainment of the targets that are set out in Robin Harper's bill is necessarily the best way forward. We have to work with the various fragments and segments of the industry and, if we were to set an arbitrary target in legislation, we could promote the wrong segment of the organic industry, which could result in a mismatch between production and demand. It is not for the Executive to second-guess the market.

However, I would rather not spend my limited time this morning saying what we do not support. I would much rather spend the remainder of my time saying what we do support. I want to say what the Executive will do, in collaboration with the industry, to help to deliver what I believe is also Robin Harper's vision of a prosperous and successful organic sector.

Earlier this week, I published the "Organic Action Plan", which sets out the Executive's aspirational targets for the organic sector and actions to attain those aspirations. The plan was framed in collaboration with a wide range of those who are active in the sector.

We believe that the Scottish organic sector has the potential to displace the dominance of imported organic products on our shelves. The Executive and the industry want to see Scottish organic products meet at least 70 per cent of the market demand for those products that can be sourced from Scotland. We want to see a doubling of the organically farmed area of good-quality agricultural land in Scotland.

**Michael Russell:** I want to raise a point with the minister that I raised in my intervention on Robin Harper. It is very difficult for private members to introduce bills. Despite the help of the non-Executive bills unit, it is a long tortuous process. When members' bills come to the chamber, ministers tend to say that the bills are badly drafted or that they are not going to achieve their targets.

Would it not have been possible for the Executive to have supported Robin Harper in the development of the bill so that the bill could have reflected the work not only of the leader of the Scottish Green Party but of the Executive and the whole chamber? Why was a publication sprung on us this week? Was it to take the wind out of Robin Harper's sails?

**The Deputy Presiding Officer:** Mr Russell, your question was rather long-winded.

**Ross Finnie:** I think that I got the essential point.

The fundamental issue is that the Executive works with stakeholders to produce all sorts of plans. Our agricultural strategy, for example, was drawn up largely by stakeholders. We did not, however, commit it to statute, although many people in the industry look for more statutory support. The debate today is not an argument between Robin Harper and me about the need for greater commitment and development of the organic industry.

I do not believe that Parliament should set statutory frameworks to do that. The industry has to decide what it will do, although it is clear that Government has a role to play. I hope that the "Organic Action Plan" and other documents in which we have set out the Executive's strategic framework show the sense of leadership and direction that is necessary from the Executive. Ultimately, however, it is the market that has to decide how much, where, when and what segment of organic farming to promote—the individual farmer has to take that view.

The great problem that we have in Scotland is that, over time, we have to wean the rest of farming in Scotland off subsidy and direction. It is entirely inconsistent to say that we should have greater statutory control when the general agreement across the whole of the industry is that that is not the right direction to take. The standards that are contained in the action plan are the ones that I want to set and achieve.

The action plan sets out important ways in which the Executive can better support the organic sector's attainment of those aspirations. As I announced, we will consult on a package of measures that will include better payment rates for organic conversion. We will also consult on support for the capital costs that are associated with organic conversion and the various ways in which we can offer continuing support for the environmental benefits of organic farming after the initial conversion period.

On the marketing side, the action plan includes prioritisation of organic projects for grant assistance and support for the development of Scottish organic branding. We are commissioning ambitious research to help the development of the organic sector. We have accepted the challenge in the bill for the Executive to report annually on the delivery of its action plan and we will use that opportunity to make sure that, year by year, we support the organic sector as effectively as possible.

In conclusion, I want to reiterate that, in conjunction with the industry, the Executive is wholly committed to promoting, developing and assisting a sustainable organic sector in Scotland. The Executive is also committed to achieving a doubling of the organically farmed area and to Scottish products meeting at least 70 per cent of the market demand for organic products.

Having set those principles in place, I reiterate that we are opposed to the concept that some loose targeted arrangement should be enshrined in statute. Even in the words of Robin Harper, it would appear that to do so would have no effect, would be unenforceable and would not add up to anything worthy of the name of legislation. On those narrow grounds alone, I am opposed to the bill.

#### 11:38

Bruce Crawford (Mid Scotland and Fife) (SNP): First, I congratulate Robin Harper on producing a bill that has already had a considerable impact on the Executive's approach to the organic farming sector, as we have seen with the publication this week of its "Organic Action Plan".

Few can doubt the value of organic farming to the environment. After all, organic farming is an ecological production system that promotes and enhances biodiversity and relies on minimal offfarm inputs from chemical—often synthetic pesticides and fertilisers. Organic farming can help to keep our air, soil and water as well as our food supply free of potentially toxic chemicals.

It is obvious that less evidence is available as to the benefits for human health. Can anyone doubt, however, that using fewer synthetic chemicals and antibiotics and replacing them with naturally derived wastes and products can be anything but good for the health of the nation?

If we are agreed that organic farming is good for the environment and for human health, the question arises how best to grow the sector while ensuring that the consumer and the market are in sync. Crucially, how can we ensure that farmers are in a position to convert to organic farming with a reasonable degree of certainty about future income and profit levels? Obviously, the coming reform of the common agricultural policy could prove a distinct advantage if things are played right in that respect. However, as the minister said, most farmers will make a judgment on whether to convert to organic farming by considering the bottom line on the balance sheet. There may be a marked increase in the amount of land in organic production only when the incentives and market conditions are in place from which the majority of hard-headed farmers can see financial benefits.

On the bill's specific requirements, the setting of the arbitrary target of 20 per cent has caused most concern—I think that Robin Harper recognises that. To introduce targets arbitrarily without appropriate alteration to funding mechanisms and policy levers could cause much more damage rather than produce the benefits that good targets might have been expected to deliver. A representative of the Scottish Organic Producers Association told the committee:

"From the outset, we in SOPA have been supportive of the bill and many concepts in it. However, if I put on my practical farming hat and think about the setting of targets, two words spring to mind: 'commercial' and 'suicide'."— [Official Report, Rural Development Committee, 3 December 2002; c 3862.]

**Robin Harper:** Will the member take an intervention?

**Bruce Crawford:** I will do so, but I first want to say something to qualify what I have just said. It would be preferable for targets to be introduced through, for example, an affirmative statutory instrument procedure, and there is no reason why the bill could not be amended to achieve that. That would be a reasonable position for the Executive to take, given the offers that Robin Harper has already made in that respect.

**Robin Harper:** Does the member accept that the SOPA representative later conceded that he was speaking for himself rather than for SOPA when he said what the member quoted?

**Bruce Crawford:** That is true—I accept that entirely. I do not think that we should not have targets or that there cannot be targets, but the issue is how to achieve them and how to ensure that they are in balance with the other programmes. I have mentioned a weakness of the bill, but with amendments at stage 2, the bill could be made eminently workable.

Whether there is a targets approach or an action plan produced by the Executive in a panic in response to Robin Harper's bill, things will come to nothing unless we learn from the experiences of our European Community partners. Countries such as Austria and Denmark have led the way in converting to organic farming. Long ago, they recognised that targets, action plans and incentives on their own would not result in the changes that are required. They recognised that a Government-backed statutory national organic food-labelling scheme was also required to give consumers confidence about quality and assured sourcing of products. Such a scheme is required for Scottish products, in particular for those that are sold close to their markets. That would give a big boost to organics. It is a pity that such a policy lever is not available to the Executive under the devolution settlement.

More important, real commitment is required from supermarkets and large food chains towards intensive advertising campaigns that are simultaneously linked to price reductions for affordability-that was the key in Denmark in 1993. The largest retail group reached an agreement with the organic producers to reduce prices and simultaneously increase the marketing of organic produce. Within 18 months, organic produce could be found on the shelves in 95 per cent of food retail outlets. The same was done in Austria. Unless such an approach is taken in Scotland, we will not progress matters.

I want to say something to the minister.

**The Deputy Presiding Officer:** Please close, Mr Crawford.

**Bruce Crawford:** I will be brief. In Aberdeen, the First Minister told us that, where it was possible and achievable, he would discuss with members introducing members' bills how to find consensus and ways forward. I implore the minister to reconsider the Executive's position. The bill can be amended so that it works and Robin Harper will have done Scotland's organic farming sector a real service. I ask the minister to be reasonable, to think about what I have said before 5 o'clock and to change his position.

The Deputy Presiding Officer: I am afraid that there is no scope for members to overrun their time limits in the way that Bruce Crawford has done. Members should stick closely to the time that they have been allotted from now on, or members will be frozen from the open debate. Alex Fergusson has five minutes.

#### 11:44

Alex Fergusson (South of Scotland) (Con): I will preface my speech as the rural affairs spokesman for the Scottish Conservatives with some sentences as convener of the Rural Development Committee. First, I echo Bruce Crawford and congratulate Robin Harper on having successfully shepherded his bill to this stage—it has already had a significant effect. Secondly, I thank our long-suffering and hardworking clerking team, who as ever have made the work of committee members much easier. I am sure that all members of the committee would like to record their thanks, too.

I congratulate Robin Harper on his achievement, as the Scottish Conservatives have been categorical from the outset in saying that a debate on the organic sector has been long overdue. I remember when Robin Harper first approached me about the bill. I was instinctively supportive, simply on the grounds that the industry desperately needed the debate so that existing and prospective organic producers would know exactly where they stood. Gathering evidence for the committee report has allowed us to generate some of the debate, although I do not believe that it has yet ended—I will return to that point later.

Passions are easily aroused about organic farming. Proponents and advocates of organic farming hail organic produce and say that it has great health benefits and that the production system is beneficial to the environment and animal welfare. Others are less generous. During the Linking Environment and Farming—LEAF presentation, which I hosted last week, an adviser to that organisation, who described himself as an active environmentalist rather than environmental activist, said that if he had his way, he would forcibly prevent his children from eating organic produce on health grounds alone. Another person said that the only difference in treating an animal with chemicals or antibiotics was that, if the animal was organic, permission had to be requested first.

We cannot therefore pretend that there is universal agreement on the environmental, health and animal welfare benefits of organic production. However, few people would dispute that it meets

many of the criteria that are set out in the Executive's document "A Forward Strategy for Agriculture"-the Scottish Executive acknowledges that fact in its introduction to the action plan that was conveniently published two days ago. I will say one thing about the Scottish Executive: it can certainly get a document published when it needs to. I wish that it would show a similar urgency in publishing the findings of the short-life action group on ME, which John McAllion and I are keen to see. We know that the report was signed off before Christmas and has not yet been published. I accept that I am digressing, Presiding Officer.

We have always stated that our preference for the way forward for the organic sector is a robust and focused action plan that is agreed by stakeholders, and I welcome the publication of the plan. The Conservative party and I have never believed that legislative targets are the correct way forward for a sector that can and should be market led. That view was reinforced by the evidence to the committee from the past chairman of SOPA, to which Bruce Crawford drew attention.

**Robin Harper:** Does the member accept that conventional farming is not market led and that it exists on subsidies? Why should organic farming not receive similar support?

Alex Fergusson: I will come to that matter. Mr Harper is well aware that there is a separate organic aid scheme.

The evidence that the past chairman of SOPA gave us and letters that I have received clearly show that the organic sector itself is not totally convinced about the arguments for legislative targets. I remain opposed to them.

I return to the need for further debate. In evidence to the committee, David Finlay of Gatehouse of Fleet, who is the producer of the excellent Cream O'Galloway ice cream stated:

"Money is being paid out of the public purse that gives non-organic competitors an unfair advantage. Professor Jules Pretty considered that matter and said that £130 to £140 per hectare of additional public money is made available to allow non-organic farmers to put their products on the shelf at a cheaper price. I have been in correspondence about the matter. If there are two farmers in the same area with the same type of stock and one is an organic farmer and the other is a non-organic farmer, the organic farmer will receive between £50 and £80 per hectare less in public support."

That addresses one point. He continued:

"If we took away all the subsidies and made the polluter pay, we would all be on an equal footing and we could compete."—[*Official Report, Rural Development Committee*, 10 December 2002; c 3908.]

That is why I contend that the debate is incomplete and deserves to continue. We need to investigate whether the Executive is doing all that it can to achieve the level playing field to which Mr Finlay and, indeed, Karen Gillon referred. A continuing debate on the bill could help to achieve that and I will not seek to shorten that debate by opposing the bill at this stage.

#### 11:49

**Mr Alasdair Morrison (Western Isles) (Lab):** We are not debating the merits of organic farming; we are debating the general principles of a bill in Robin Harper's name. I intimate that I will not support Robin Harper in his laudable intentions.

The Labour party is committed to growth in organic farming and the setting of challenging targets, but the bill is not the best means of achieving that objective.

I welcome the opportunity to debate this important issue and I welcome the publication of the "Organic Action Plan" and the detail that Ross Finnie outlined. The plan represents a meaningful way forward and, thankfully, brings Scotland into line with England and Wales, where Margaret Beckett published an action plan last July.

**Bruce Crawford:** Does Alasdair Morrison agree that the action plan does not bring us entirely into line with England and Wales, because in Wales targets have been set for organics? Would it not be possible to set statutory targets through a statutory instrument at a later date, as long as the targets are set alongside the proper policy levers and incentives?

**Mr Morrison:** I find it perplexing that the targets within a bill entitled the Organic Farming Targets (Scotland) Bill would not be statutory or binding, as Robin Harper said. What Margaret Beckett did in England and Wales was correct and what Ross Finnie has done in Scotland this week is correct.

We must grapple with many issues in relation to the production of food, but the setting of unachievable and meaningless targets is not the way forward. Mr Harper is willing to negotiate on the target, but it is not in the Executive's gift to guarantee that a given level of land will be in organic production. We should instead consider meaningful ways to increase consumption and production.

#### Robin Harper rose—

**Mr Morrison:** I would like Mr Harper to let me continue. We should consider where the considerable amount of money that is spent supporting farming is deployed. Could that money be better deployed? As someone who is a crofter and represents a crofting constituency, I say that it could be better deployed.

Co-operation and partnership between all parts of the organic food chain are required to realise our shared aspiration. This morning, I spoke to

Angus MacDonald, who is a crofter from North Uist who produces organic potatoes and organic beef. He has read Mr Harper's bill and the accompanying documents and he does not support the bill. He recognises the sentiments behind the bill, but he says that it is meaningless and not what he, as an organic producer, is looking for. Angus MacDonald and crofters from other Hebridean islands-and mainland farmerswant assistance to help them to convert and to meet adaptation costs, which are minimal, so that can return to non-intensive crofting they techniques that have safeguarded our environment for many generations and continue to help to maintain our pristine environment.

Those crofters and farmers need support to produce organic products and to ensure not only that the products reach the market but that the market is sufficiently developed so that the fruits of their labours are bought. In an intervention, Karen Gillon made an important point about affordability, and Angus MacDonald said that affordability is the key. They want access to the mass markets.

Angus MacKay (Edinburgh South) (Lab): I am glad that Mr Morrison made the point that affordability has been mentioned several times in the debate. Many of us support the principles behind the bill and want there to be increased organic production and an increased range of organic products. However, in Scotland, where there is a high level of heart disease and cancer, the primary challenge is for people to eat more fruit and vegetables-full stop. Many of us are troubled by the fact that neither the bill nor perhaps even the minister's targets seem to address the fundamental point, which is the affordability of better-quality food for everyone. In a sector that is supported thoroughly by subsidy, the subsidy should be used effectively so that everyone has access to these products.

**Mr Morrison:** Angus MacKay is correct. Affordability is key and the health issues that he mentions are very important.

I will briefly address issues that the Rural Development Committee discussed. The committee was broadly sympathetic to the aims of the bill. We all share the aspiration of a vigorous and fairly supported organic sector in Scotland but, given the uncertainty about whether the removal of a specific target in the bill as published would be consistent with the general principles of the bill, the committee chose not to make a recommendation to the Parliament.

The intentions behind the bill are commendable but, as I said, there are many issues to do with the politics of food production and what we do as a country—Angus MacKay touched on one important issue. The bill is flawed. The best way forward to achieve the intended outcomes of the bill is to ensure that the action plan is implemented in full. As Mr Harper said, the bill would have no effect. It is unenforceable and we should not waste the time of the Parliament by debating it any further.

#### 11:55

Irene McGugan (North-East Scotland) (SNP): My personal enthusiasm for organic food and farming goes back a long way; my support for the bill today is not tokenistic. I have been a consistent advocate within the SNP for organic farming, I was an original member of Robin Harper's steering group and, not least, I am a consumer. I participate in an organic vegetable box scheme, so I regularly receive leafy greens with regulation slugs included. My husband complains that there is often more meat in the vegetable box than he sees in a butcher's shop.

I am in the scheme because, like many consumers, my real frustration in recent years has been that it is possible to get fresh organic produce in the supermarkets, but not local, fresh organic produce. That should be possible in many cases, especially in the north-east, where we are renowned for the quality of our farm products. Taking action to develop the sector so that we become much less dependent on imports is long overdue. In my view, pushing up the ratio of organic land from 7 per cent to 20 per cent of the total over the next 10 years seems eminently appropriate.

It should be noted that as recently as last month a MORI poll of more than 1,000 adults confirmed that most Scots—68 per cent—want more organic farming and 64 per cent of those interviewed believe that the Scottish Executive should set targets to achieve that. I am sure that many members have, like myself, received lots of emails and letters that confirm that view.

I note Robin Harper's flexibility on having targets in the bill, but it is the case that most European Union member states have set targets for conversion. Those states include Sweden, France, Denmark, the Netherlands, Ireland, Germany, Austria and Finland. How do they manage it? Even where targets have not been set, they are seen as an important part of a longer-term strategy.

The Welsh Assembly has been mentioned. It approved a target of a 10 per cent conversion of farmland by 2005. European agriculture ministers, including the UK minister, have signed up to and committed themselves to the development of a European action plan, with a target of 20 per cent by 2010.

I remind Ross Finnie and his colleagues that in April of this year the Liberal Democrats passed a

resolution in favour of an organic action plan, which included "an ambitious minimum target". Charles Kennedy said that he wants to see 30 per cent of farmland converted to organic by 2010.

Like other members, I am pleased that the Executive now has an action plan, which has real potential. One disappointment, however, is that I understand that the organic aid scheme is to be discretionary and not mandatory; a lot remains to be seen in terms of implementation. What I and many others want to ensure is the implementation, by whatever means, of a secure and robust framework for the development of organic farming in Scotland over the next decade. Financial and technical support needs to be there for farmers to convert with confidence. There must be much more meaningful support for organic farmers; they face a series of practical and financial difficulties when they seek to convert to organic and in maintaining organic status.

George Lyon (Argyll and Bute) (LD): Will the member give way?

**The Deputy Presiding Officer:** No. Irene McGugan is in her last minute.

**Irene McGugan:** We must ensure that support for our farmers is at the very least equivalent to the support offered elsewhere.

Another factor to take into account is the ongoing concern about the safety of food and its nutritional value. Fruit and vegetables are good for us and part of the healthy eating campaign is that we should eat more of them. I am a vegetarian and fruit and vegetables form a large part of my diet, but I am concerned by the latest figures on pesticide residues. The figures are a cause for concern; a third of all food on sale in the UK is alleged to be contaminated—much of that is fruit and vegetables. I am inclined to the view that we do not know what is the safe level for the use of many of those chemicals—if there is one. That health risk is eliminated in organic produce.

The bill is good news for the agriculture industry as it provides direction, a focus on quality produce and a firm basis for sustainable growth. It will deliver benefits for biodiversity, the landscape and animal welfare. It will reduce pollution in the environment and it will be good news for the health of our people. What more could we ask? Please support the bill.

#### 11:59

Pauline McNeill (Glasgow Kelvin) (Lab): I supported the principles of Robin Harper's bill from the start and I still do. For me, the question is straightforward: should we strengthen our powers to enforce the targets or does the organic action plan have the same effect? The test is whether the Executive has the will to make things happen. Parliament should take a hard line in asking the Executive how it intends to achieve its aims. We are entitled to reassurances from the minister that he means what he says.

My interest in the subject relates to consumer choice, transparency in food production and affordability. Labour takes the politics of food seriously. There should be a right to information about how the food in shops and supermarkets is produced and a choice of vegetables from various farming methods. Food labelling must be easy to understand and should not conceal the contents of food or confuse the consumer in any way. As Karen Gillon, Alasdair Morrison and Angus MacKay have said, the issue is also about affordability, affordability, affordability.

Scotland has serious health and poverty problems and organic targets might seem to be a million miles away from the social justice policies to which the Parliament is committed. However, families with moderate incomes who write to me on the issue demand that the Parliament should take seriously its responsibilities on providing choice and protecting the environment.

I congratulate Robin Harper on encouraging ministers to produce the organic action plan without him, the plan would not have been produced. I urge ministers to say how soon they will consult on improved payments for organic conversion and how quickly such a system could be implemented.

Organic farming is not only about farming without chemicals, it is also about the environment and encouraging natural systems. However, the assertion that organic produce is healthier is not generally supported in the evidence—the Food Standards Agency states that there is no proven case that organic produce is healthier. However, the essential point is that, whether or not organic food is healthier, the consumer should have the right to choose, although I believe that it is healthier.

**Robin Harper:** Does the member concede that there is mounting evidence that some organic vegetables are of higher quality than conventionally farmed vegetables?

**Pauline McNeill:** I have no difficulty with that. I simply point out what the Food Standards Agency said. The boom in sales of organic produce in supermarkets demonstrates that consumers think that it is healthier.

There is further work to be done in defining standards. The UK has two bodies that are free to define standards—provided that they at least meet European standards—which leads to confusion with labelling. We must sort that out. The Parliament often takes measures that are achievable and realisable, but that do not require legislation; for example, we did that with education targets. I am in two minds about the bill. I am worried that if its targets are not binding or legally enforceable, we might pass a law that has no effect.

I reiterate that the test that we should take into account at decision time is whether the Executive has demonstrated that it has the will to realise the action plan. I will base my vote at 5 o'clock on that test.

#### 12:03

Alex Johnstone (North-East Scotland) (Con): I congratulate Robin Harper on forcing organic farming and related issues up the Parliament's agenda. Although I am not a signatory to the bill, I was a signatory to the original proposal because I felt that it was important that organic farming should be at the top of the Parliament's agenda. I sincerely believe that, were it not for Robin Harper, the organic action plan that was published in the past few days would not be with us and we would not have an alternative route to consider.

It will be difficult for me to support the bill because I genuinely believe that organic farming must take its place among a range of strategies that are designed to support the economic production of quality food in Scotland. Given the economic pressures that the Scottish farming industry faces, its survival will be based on premium marketing strategies. Organic farming belongs at the top of the tree of such strategies, but that leads to a dichotomy, because if we are to consider premiums to secure incomes for farmers, a higher return from the marketplace will be required to justify the change in production.

That brings me to the issue of affordability, which Karen Gillon and others have raised. To achieve affordability we must consider the capability of Scotland and other places in Europe to produce organic products. If organic vegetables are to be available in large quantities, perhaps they should not be grown in Scotland because it is not the ideal place to grow them—the Dutch polders would be more appropriate. Conversely, Scotland is the ideal place to produce organic meat because we can produce organic beef and lamb on the hills with very little need for conversion. All that is required is support for the people who finish livestock on lower land to allow them to continue to treat the product organically.

**Bruce Crawford:** As Alex Johnstone is a farmer, I seek his view on the fact that some of the subsidy that is paid to organic farmers ends up in the supermarkets' pockets as a result of the additional costs that are paid for organic food. We

must consider that if we are to achieve affordability.

Alex Johnstone: That is one of the issues that, I hope, the Scottish Parliament and the Executive will consider.

I have one or two points to make to try to balance the argument. We all know that the organic farming industry has been one of the growth areas in UK and Scottish agriculture in recent years. Many people believe that, by using organic products, they do a service to the environment. I steadfastly defend their right to think that, but I must make it clear that organic farmers and those who choose to support them by purchasing their products are not superior in their judgment to the majority, who might hold differing opinions. Those who produce or consume organic products by choice are comparable to those who make similar choices for ethical or religious reasons.

I will not support any measure that introduces targets above and beyond those that the marketplace can support; neither will I support any legislation that would make organic farmers preeminent over the majority of farmers, who continue to behave ethically and responsibly within more traditional production methods. I sincerely support many of Robin Harper's points, but I cannot support the bill.

#### 12:08

Rhona Brankin (Midlothian) (Lab): congratulate Robin Harper on his Organic Farming Targets (Scotland) Bill and Ross Finnie on his organic action plan. There is not much difference between the policy objectives of the Executive's plan and those of Robin Harper's bill, but the important point is that the organic action plan has the potential to go further than the bill. I welcome the Executive's target that locally-grown organic produce should meet 70 per cent of the demand for organic food. Given the huge growth in demand in the UK for organic produce, it is simply not good enough for us to continue to import 65 per cent of such produce. I also welcome the target that the area of arable land under organic production should be doubled-from 15 per cent to 30 per cent-by 2007.

The action plan goes further than the bill in supporting targets, in proposing new payments for organic conversion, in supporting better marketing—including the important development of Scottish organic branding—in supporting research into the sector and in supporting the development of organic standards that are appropriate to Scottish circumstances. For example, perhaps lambs that are born to ewes that have been wintered on non-organic land before being mated should gain organic status. That we contribute our unique Scottish farming perspective to developing new UK standards is essential.

The debate is important. Few topics—perhaps none—are more important than the quality of the food that we eat, which has implications for all other aspects of policy. The treatment of animals is also important for any civilised society.

I am passionate about organic food production. My constituency has many high-quality organic food producers, such as Damhead Holdings. We have producers of organic milk, and an excellent company called Simply Organic, which was started by Christine Manson and Belinda Mitchell. Simply Organic is expanding rapidly and is now supplying Sainsbury's supermarkets with its excellent organic food.

The huge increase in organic consumption is good for the Midlothian economy. It is also good for the Scottish economy. Most important, organic food is good for our health. However, the unenforceable targets in Robin Harper's bill do not go far enough. The action plan goes further, but I want an assurance from the minister that the action plan is just the beginning of the process. I want an assurance that the action plan is a call to action, not an end in itself.

#### 12:11

George Lyon (Argyll and Bute) (LD): I have always believed that organic production has an important role to play in Scottish agriculture and that there are real opportunities for Scotland to grab a larger share of a growing market. That is an important point. The growing market allows us to capitalise on organic production. Market-driven opportunities must lead to the growth of the organic Scottish production sector. The Government's role is to support that growth and to ensure that the proper mechanisms are put in place to support the opportunity to grow Scotland's market share.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): Does George Lyon agree that the Government has a role in growing the market, particularly in relation to any steps that can be taken on public purchase? A number of Labour members have mentioned affordability. I am sure that they hold those issues in common with other members. We can grow the market and we should look for measures to do that to ensure access to organic produce.

**George Lyon:** I was going to come to that. Affordability is the key issue that confronts the organic sector. A fundamental economic fact of life is that, if I as a farmer convert to organic production, my output decreases substantially—by somewhere between 30 per cent and 50 per cent, depending on what I produce. As a result, I need a higher price to sustain the farming enterprise. If the market will not return that extra premium, the state must. If we are to tackle the affordability gap seriously, the market or the state must deliver the extra return.

**Robin Harper:** Does George Lyon concede that the longer that someone farms organically, the higher the productivity of their land? As time progresses, organic farming usually gets to the point at which the farmer ends up no more than 10 per cent to 20 per cent below conventional production levels.

**George Lyon:** That is a pretty optimistic theory. I challenge it in the light of farming practice.

Closing the affordability gap is essential in the growth of the market. There have been false dawns in the growth of the organic sector in the United Kingdom. There was huge growth in the organic sector in the late 1980s on the back of a substantial economic boom. Thanks to John Major and Norman Lamont, that all came unstuck in 1992 and organic produce virtually disappeared from supermarket shelves. In fact, co-operative supermarkets were the only ones that stocked organic products after 1992-93. The organic sector has begun to grow again only on the back of the sustained growth of the past several years.

We must consider the merits of the bill against that background of fluctuating demand. The Liberal Democrats wish organic production in Scotland to grow. We want Scottish products to be substituted for imported products. We wish Scotland's share of the UK market to grow over the coming years. We wish more value to be added in Scotland—that is an extremely important point—and we wish to see a strong, Scottish organic label. We also want some of the major structural weaknesses of the organic sector to be addressed. Some of that has already been done through the action plan.

The question before members is simply whether enshrining a 20 per cent target in legislation is the right way to address the growth of the organic sector. I do not think so. In his contribution, Robin Harper destroyed the argument for the bill. When he was asked the question, he freely admitted that there were no sanctions in the bill and that it does not bind the ministers to the targets for which the bill legislates. The question then arises as to why he is proposing legislation that does not meet either of those objectives.

#### Robin Harper rose-

**The Deputy Presiding Officer:** The member is almost finished. In fact, the member is finished. That is a bonus three seconds for me, not that the rest of it is all that easy.

### 12:15

Sarah Boyack (Edinburgh Central) (Lab): We have had an excellent debate and everyone, regardless of party, has agreed that we want to support the organic movement in Scotland. We want more organic food to be produced, and critically, we want it to be affordable.

This week brought the publication of the action plan. Labour party members strongly welcome the plan. We have campaigned for it throughout the first Parliament—I lodged a motion for debate last year and I was pleased at the amount of support it got.

However, the biggest conversion to organic that we have had is the minister, Ross Finnie. I remember asking a series of questions of Ross about when we would get an action plan, and the strongest answer I ever got on the record was that the agriculture and environment working group report had a useful passage on organic farming. I give the minister credit for bringing together an organic action plan.

Robin Harper's bill has concentrated the mind wonderfully. It has given those of us on the Labour back benches the impetus to push Ross Finnie. I am glad that he has introduced an excellent action plan. Robin Harper should be given credit for helping us get to such a pressure point in Parliament. We all know how the pressure points work; today is one of them.

I agree absolutely with Rhona Brankin that the critical test will be what happens next with the action plan, which goes beyond what Robin Harper has put in his bill. The challenge is to deliver on the action plan.

We need aspirational targets that will change in future. Let us consider what has happened with renewables in Parliament. We began with a modest aspirational target and we now have a challenging aspirational target. That has given leadership and confidence to the industry. We want the same for organics. Scotland must catch up with the rest of the UK.

In an otherwise measured speech from Bruce Crawford, he made a ludicrous assertion that the devolution settlement might contribute to the failure of organics in Scotland. That must be the most ludicrous assertion that we have heard today.

A 70 per cent target for organic production in Scotland to meet the demand is an excellent target and one that we should all support.

Pauline McNeill made a passionate speech in support of accurate labelling for consumers. We need more research into organic production. We need support for local farmers' markets and we need retailing initiatives. However, the biggest issue in the action plan that we must tackle is financial support. Robin Harper's bill would not deliver that. That is where the Labour party wants to add something to the debate.

The action plan promises consultation and financial support. The Labour party is absolutely clear—we need radically to change environmental support through the agri-environment budget, which is the lowest in Europe; that is not good enough. We must have a radical shift in the midterm review of the common agricultural policy. That is an issue for the Scottish Parliament elections. The process of getting there must be inclusive. We have our annual report to Parliament. One of the first debates we need in the new Parliament is on progress on the organic action plan.

I pledge our support for the action plan. The Labour party will not be supporting Robin Harper's bill, but all credit to him for getting us to this point today.

### 12:19

Mr Jamie McGrigor (Highlands and Islands) (Con): I welcome the chance that Robin Harper has given us to debate organic farming.

Recently, farming has been in a dreadful state and organic farming appears to be a growth sector that produces benefits. For example, organic farming uses less energy, it is good for biodiversity, it is good for wildlife—especially bird life—it is good for species and rich vegetation and more labour is employed on organic farms.

I disagree with Angus MacKay, who said that organic food is better quality. There is no factual evidence to support that. Although I agree with Robin Harper that the Government should help organic and environmentally friendly farmers and producers, I do not believe that a target of making 20 per cent of Scottish land organic is the way to go about it.

Peter Stewart of the National Farmers Union of Scotland said:

"If I were struggling to find the premium that I require and a mechanism to market what I produce in an orderly manner, the thought of having to produce an entire further tranche—without the policy being thoroughly thought through—would probably mean that I would give up organic production tomorrow."—[Official Report, Rural Development Committee, 3 December 2002; c 3884.]

Store lambs and store calves raised in the Scottish hills are just as organic as the wild red deer that roam the same terrain. However, many hill farmers winter young breeding stock on better land elsewhere—that is accepted practice for sheep and cattle—and those wintering areas would also have to be organic to comply with the rules. If an organic hill store producer finished their lambs on better grass in an arable area that was not organically certified, those animals would lose their status.

**Angus MacKay:** Given Jamie McGrigor's view on the difference between organically farmed food and non-organically farmed food, does he share the same view with regard to fish-farmed fish and natural fish?

**The Deputy Presiding Officer:** You have one minute left, Mr McGrigor.

**Mr McGrigor:** I just do not have time to talk about that now. We can talk about it later.

Winter feed also has to be bought in, and that would have to come from organic areas. All those factors greatly increase the overheads of the average hill farmer, so a way must be found of linking producers and finishers together. Otherwise, much of the value of the organic aid scheme will be lost.

Government support should be not for land targets, but for targets that improve the profitability and sustainability of organic farming. We recently had a debate on recycling. Having talked to councillors in the Highlands, I was left with the words, "No targets without markets," literally ringing in my ears. The organic sector is the same. Last Saturday, I visited the Edinburgh farmers' market in Castle Terrace and viewed the many stalls selling excellent produce, much of which was organic. That was very encouraging. Organic farming is a good niche sector and should be encouraged, but we must link the environment and farming. I support organic farming as part of the Scottish agricultural sector.

# 12:22

**Nora Radcliffe (Gordon) (LD):** I commend Robin Harper's work on the bill, which has opened up a much wider debate than there would otherwise have been on the potential commercial, environmental and health benefits that organic farming presents. I would like to see a lot more organic food produced and consumed in Scotland, for a variety of reasons, and with some caveats some of both have been articulated in the chamber today.

People often have wholly unrealistic expectations of what laws can do, and we will not get more organic by passing a law that says that it will happen. Robin Harper copied to all MSPs his letter to Ross Finnie. What I take from that letter is that Robin Harper is prepared to concede that the statutory target in the bill is, in essence, meaningless, but that he still wants legislation almost as a letter of comfort to the organic sector that there will be continuing Executive support through successive Administrations. I honestly do not believe that such a law will deliver what its backers think it will. Putting a reasoned argument to a Scottish Parliament that is set up to be responsive will achieve the objectives that they want.

Robin Harper has a small but beautiful bill. I prefer the bigger, better and more beautiful action plan. Government can help to promote and encourage, and it should and will do so, and it can set targets and measure progress. I am with the NFUS, which believes that Scotland needs an organic action plan to tackle factors that are currently stifling the development of the sector in this country. The NFUS welcomes the publication of the Executive's organic action plan and believes that that is the right way to proceed with development of the sector. The NFUS does not, however, support the setting of arbitrary targets for production as proposed by the bill.

# 12:24

Stewart Stevenson (Banff and Buchan) (SNP): I am minded to look at the bill's policy memorandum, which states:

"The long-term aim of the Bill is that there should be more organic food produced and consumed in Scotland".

I am happy to represent a party with clear green credentials. My colleagues in the European Parliament are allied with the Greens there.

We find ourselves in a rather interesting position today, because we shall be supporting Robin Harper's bill despite, in many respects, his best efforts in committee. We support organic farming, and we want to see the expansion of organic food production. We shall therefore support the bill on its general principles because, as Alex Fergusson said, the debate should continue.

We believe that growth of organic production is sustainable only when there is growth in demand. We must see a growth in demand if we are to succeed.

# George Lyon rose-

**Stewart Stevenson:** I do not have time to give way.

Robin Harper is making things difficult for those who want to support him. He said that supporting the general principles of the bill would not commit the Executive to a 20 per cent target for organic farming and that targets are merely advisory. Does Robin Harper mean to say that next time I pass a 30 miles per hour speed limit, I should merely take the advice to drive at no more than 30 miles per hour?

We have to see targets, and we expect that the Executive will introduce them in due course.

Without the target, the bill in many ways would be reduced to a wish list, but at least at stage 2 we would have the opportunity to introduce something to it that would be of value. The organic action plan, produced by the Executive, is welcome after such a long period. I welcome the fact that we will see a fair reflection of the costs of organic conversion and a reasonable incentive provided. It is disappointing that that will happen only after further consultation.

We need smart targets to develop organic expansion in areas where production is particularly low at the moment. Scotland consumes twice as much organics as it produces, so there is a key opportunity. However, we need a level playing field in the UK and Europe.

Some Labour members, in particular Alasdair Morrison, have been telling people in e-mails that they will be backing the bill—I have just received a note about that. I call on him and others to back the bill and allow the debate to continue. We shall be doing so at 5 o'clock.

#### 12:27

**Robin Harper:** I ask Alasdair Morrison to consider the fact that, of the representations that we received from organic farmers, those who were in favour of the bill outnumbered those who were against it by about 90 to one. I hope that his reelection to Parliament does not depend on what he said to the one crofter whom he quoted in his speech.

I thank all the members who have spoken in this extremely good debate. I am sorry, but in eight minutes I will not be able to reply to all the points that have been raised; I will, however, deal with the most important ones. I also thank my assistant and the bill's architect, Mark Ruskell, who has been working on the bill for more than three and a half years. He deserves as much, if not more, praise as I do.

First, I must address yet again the issue of targets. Sometimes I feel that I am beating my head against a brick wall on the subject. It seems that people are unwilling to understand this point. I never said that targets were meaningless. If statutorv non-statutorv targets or are have meaningless-as members several suggested-why do we bother setting them at all? Of course, there is a perfectly good reason for doing so: setting targets is a way of measuring progress and provides something to aim for. Those who do not meet such targets can then be held responsible in the Parliament. After all, the fact that the Executive is accountable to the Parliament simply asserts the Parliament's primacy. A responsibility chain exists; if it did not, why would we ever set targets? I simply want to set targets in this bill in the same way that targets are set in so much other legislation and policy.

However, I would be more than willing at stage 2 to continue the discussion on the nature of such targets. We know that 85 per cent of the land in conversion is rough grazing; only 15 per cent of it is improved and arable grassland. An overall target of 20 per cent might be a little unsophisticated. I would even be prepared to go so far as to encourage the Executive to consider what amendments it would like to make so as to give maximum encouragement to the organic sector.

Sarah Boyack said that what happens next is critical, and that we need aspirational targets. She said that my bill would not achieve as much as the Executive is already doing. The bill requires the plan to include minimum targets; it does not rule out additional areas. The bill is a start; it is not the end of everything. It is an enabling bill.

The purpose of the debate is not to stray into the detail that will be dealt with at stage 2, but either to approve or to knock back the principle that we should have targeted action plans for organic farming for the next 10 years, backed up by a simple legislative framework. Whether the targets should be contained in the action plan that the bill provides for can be discussed at stage 2.

Every approach to developing organic farming that has been adopted in Europe has consisted of a balance of market pull forces and Government push forces. The bill is about the Government assisting the market so that it can pull effectively. If the Parliament has concerns that the bill as introduced is set too far towards Government push rather than market pull, members should lodge amendments at stage 2 to reflect their concerns.

We do not know what the future holds for any of us beyond 1 May this year, and we do not know what the colours of the next three Executives might be. If parties agree with the setting of targets as part of an action plan to develop the organic sector, they should have no qualms about supporting the bill today, and they should ensure that neither they nor their opponents let organic farming slip quietly off the agenda, back to where it was three and a half years ago.

**Sarah Boyack:** I very much agree with Robin Harper's point about the need for continued longterm support across the parties, but does he acknowledge that one of the key objectives of the bill—to have an annual debate in the Parliament will in fact be achieved through the annual report that is provided for in Ross Finnie's action plan?

**Robin Harper:** How can I disagree with that? My point is that, under the bill, successive Executives would be required over the next 10 years to come back to the Parliament with their yearly plans. What Ross Finnie proposes is a fouryear plan—it could end in four years. What I propose is a 10-year plan. I suggest to all members, including Mr Finnie and other members of the Executive, that only that level of support will give the organic sector and the market forces in particular—the pull side—the kind of confidence that will allow for the level of investment that will produce the results that we would like to achieve.

I challenge the Parliament to support the bill in the spirit of the constructive politics that emerged during the Scottish Green Party debate last Thursday, spurred on by the First Minister's call for such politics to take root in the Parliament.

I see that I have time to take a quick look at some further points. I thank everybody who has spoken in favour of the bill, particularly Irene McGugan. I thank members for their kind words on what they hope the bill will achieve. The praise was muted, however, by members saying that they would not support the bill.

The Executive says that it is setting a target of Scottish organic products meeting 70 per cent of demand, and that it is setting a target to double the amount of arable and improved grassland. That sounds great, but it will mean only an increase from about 1 per cent to about 2 per cent of the total area of farm land in Scotland. The amount in conversion at the moment is tiny in relation to everything else, so members should not be too impressed by the use of the word "double".

Angus MacKay raised the issue of affordability. The Executive's action plan will help to make organic produce more affordable. The bill would be even more effective in the long term in ensuring greater production. Even conventionally produced food is often sold at higher prices in markets in deprived areas than it is in the big supermarkets.

At stage 2, the Executive could lodge an amendment to remove the 20 per cent target from the bill and to insert any targets that it likes in an action plan. However, we should keep the statutory action plan. Members should not throw the baby out with the bath water, but should approve the principles of the bill so that it can be considered further and improved at stage 2. If the Executive does not support the principles of the bill, it will undermine completely the credibility of its new-found enthusiasm for organic farming.

I urge the Parliament to support the general principles of the Organic Farming Targets (Scotland) Bill.

# **Business Motion**

### 12:36

The Deputy Presiding Officer (Mr Murray Tosh): The next item of business is consideration of business motion S1M-3854, in the name of Patricia Ferguson, on behalf of the Parliamentary Bureau, which sets out a business programme.

### Motion moved,

That the Parliament agrees-

(a) the following programme of business-

Wednesday 12 February 2003

•	-	
9:30 am	Time for Reflection	
followed by	Parliamentary Bureau Motions	
followed by	Scottish National Party Debate on Education	
followed by	Scottish National Party Debate on Scottish Economic Growth	
followed by	Members' Business – debate on the subject of S1M-3715 Robin Harper: Theatre in Scotland	
2:30 pm	Parliamentary Bureau Motions	
followed by	Stage 3 of Protection of Children (Scotland) Bill	
followed by	Executive Debate on Fisheries	
followed by	Parliamentary Bureau Motions	
7:00 pm	Decision Time	
Thursday 13 February	-	
9:30 am	Justice 2 Committee Debate on its 4 <sup>th</sup> Report 2003: Report on the Crown Office and Procurator Fiscal Service Inquiry	
followed by	Enterprise and Lifelong Learning Committee Debate on its 1 <sup>st</sup> Report 2003: Report on the Future of Tourism in Scotland	
followed by,		
no later than 1:00 pm	Business Motion	
2:30 pm	Question Time	
3:10 pm	st Minister's Question Time	
3:30 pm	Stage 3 of the Budget (Scotland) (No.4) Bill	
followed by	Stage 1 Motion on Salmon and Freshwater Fisheries (Consolidation) (Scotland) Bill	
followed by	Parliamentary Bureau Motions	
5:00 pm	Decision Time	
followed by	Members' Business - debate on the subject of S1M-3774 Robert Brown: Lead Pipes in Drinking Water Supplies	

Wednesday 19 February 2003

9:30 am Time for Reflection

followed by	Parliamentary Bureau Motions	
followed by	Stage 3 of Building (Scotland) Bill	
followed by	Stage 3 of Criminal Justice (Scotland) Bill	
followed by	Members' Business	
2:30 pm	Continuation of Stage 3 of Criminal Justice (Scotland) Bill	
followed by	Parliamentary Bureau Motions	
7:00 pm	Decision Time	
Thursday 20 February 2003		
9:30 am	Parliamentary Bureau Motions	
followed by	Continuation of Stage 3 of Criminal Justice (Scotland) Bill	
followed by	Business Motion	
2:30 pm	Question Time	
3:10 pm	rst Minister's Question Time	
3:30 pm	Continuation of Stage 3 of Criminal Justice (Scotland) Bill	
followed by	Parliamentary Bureau Motions	
5:00 pm	Decision Time	
followed by	Members' Business	

and (b) that the Justice 2 Committee reports to the Justice 1 Committee by 24 February 2003 on the draft Advice and Assistance (Financial Conditions) (Scotland) Regulations 2003, the draft Advice and Assistance (Assistance by Way of Representation) (Scotland) Regulations 2003, the draft Civil Legal Aid (Financial Conditions) (Scotland) Regulations 2003 and the Civil Legal Aid (Scotland) Amendment Regulations 2003 (SSI 2003/49).—[Euan Robson.]

Motion agreed to.

12:36

Meeting suspended until 14:30.

14:30

On resuming—

# **Question Time**

# SCOTTISH EXECUTIVE

# Young Offenders

**1. Paul Martin (Glasgow Springburn) (Lab):** To ask the Scottish Executive what progress it is making in speeding up the processes of hearings to deal with young offenders. (S1O-6375)

The Minister for Education and Young People (Cathy Jamieson): Since 1999, the average time between offence referral and hearing disposal has been reduced from 141 days to 123 days. The national standards for youth justice aim to reduce, by 2006, the time between offence referral and hearing disposal to an average of 80 days. Fasttrack hearings pilots have now commenced with the aim of speeding up the process for persistent young offenders and of ensuring that they are placed in appropriate programmes.

**Paul Martin:** Does the minister agree that the fast-track hearings should be piloted in Glasgow, given the higher volume of youth offenders there? That volume would allow us to fine tune the process so that the programme could be rolled out to other parts of Scotland. Will she consider adding Glasgow as a further pilot area for fast-track children's hearings?

Cathy Jamieson: I know that Paul Martin has pursued this issue vigorously on behalf of his constituents. We decided to pilot the fast-track hearings in an urban area, in a mixed urban and rural area and in a rural area, because we genuinely want to learn lessons from each type of setting. Dundee, the three Ayrshire authorities and East Lothian and the Borders were, therefore, chosen. We considered which areas were most ready to pick up the work that needed to be done on the basis of their local youth strategy teams, their local youth justice teams and the use that the authorities had made of the resources that were already available. I will not give a commitment to introduce an additional pilot scheme in Glasgow. but I emphasise the fact that each local authority area will be required to meet the youth justice standards by 2006.

**Bill Aitken (Glasgow) (Con):** Will the minister concede that the point that was made by Mr Martin has considerable merit? Will she also concede that, until children's hearings are given appropriate and realistic powers of disposal, the fast-track system will be, in effect, a fast track to nowhere?

Cathy Jamieson: No. I do not agree with Bill Aitken. On several occasions, he has asked me similar questions and I have given him the answer that I give him now. The children's hearings system has a range of disposals available to it. We have provided significant additional resources through the youth crime prevention fund, from which, through the voluntary sector and local authorities, various initiatives have benefited. We have also allocated intensive community support money, which has provided additional places for persistent young offenders who are most at risk. I believe that the children's hearings system can do more with the disposals that are already available to it. However, that is not to say that we will not reconsider the matter in the future.

# Firefighters' Dispute

**2. Dennis Canavan (Falkirk West):** To ask the Scottish Executive what action it is taking to facilitate a solution to the firefighters' dispute. (S1O-6384)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): It is very encouraging that agreement has been reached on the resumption of talks next week between the employers and the Fire Brigades Union under the auspices of the Advisory, Conciliation and Arbitration Service. We all want those talks to result in a settlement that is fair for the firefighters and for the public.

**Dennis Canavan:** Will the minister make it clear that the Scottish Executive will make additional resources available for a fair pay settlement, so that meaningful negotiations can take place? Will he clarify the Executive's position on John Prescott's threat to impose a settlement by emergency legislation? Is the Scottish Executive opposed in principle to such a suggestion, or is it simply saying that there is not sufficient time for such legislation to be passed before the Parliament is dissolved at the end of next month?

**Mr Wallace:** I gave a clear indication of the Executive's view when I made a statement to the Parliament last week. It is important to recognise that, since then, the Deputy Prime Minister, John Prescott, has said that, if negotiations between the parties were to get under way, it would not be necessary immediately to address at Westminster the kind of reserved powers that he spoke about in his statement last week.

There has been an issue about the funding of a possible interim pay gap. We would be prepared to consider that it might be necessary to provide a small amount of transitional funding over the next two years in order to achieve savings in the years beyond. That would be subject to a satisfactory pay agreement and adequate provision for implementing and auditing the modernisation process.

It is important to recognise that the Executive has increased the grant-aided expenditure for the fire service from £187 million in 2000-01 to £238 million in the next financial year—an increase of 25 per cent. With regard to capital, there has been an increase from £15.6 million to £24 million over the same period—an increase of 53 per cent. That is the work of an Executive that is committed to the fire service in Scotland.

Alex Neil (Central Scotland) (SNP): We would all welcome an end to the dispute on a mutually agreed basis. However, from the answer that the minister has just given, I ask that two points be clarified. First, if the dispute is resolved, will that mean that there is no intention to pass the legislation that the Deputy Prime Minister indicated that he wanted? Secondly, if the dispute is not resolved in the immediate future, what is the cutoff date by which a resolution must be reached before the Government abandons any idea of emergency legislation?

**Mr Wallace:** The member's colleagues in Westminster should perhaps address that question to the Deputy Prime Minister. It is not for me to make statements of intent as to what legislation might or might not be introduced at Westminster. I indicated last week that, because of the nature of the legislative process in the Scottish Parliament, consultation and consideration must precede any legislation that is made here.

**Mr Tom McCabe (Hamilton South) (Lab):** Will the minister provide an assurance that discussions on the recent consultation document on the future of the fire service in Scotland will involve all stakeholders, especially local government and the fire service union?

**Mr Wallace:** I confirm for Mr McCabe that, in the preparation of that document, there was considerable consultation. I am also happy to give an assurance that we intend to have discussions with stakeholders, including the Convention of Scottish Local Authorities and the unions through the Scottish Trades Union Congress. Arrangements are in hand to have a meeting as soon as possible.

# **Forestry (Transportation)**

**3.** Alex Fergusson (South of Scotland) (Con): To ask the Scottish Executive what progress was made on the issue of transportation of timber at the meeting on 8 January 2003 between it, the Convention of Scottish Local Authorities' rural affairs committee and representatives of the forestry industry. (S10-6403)

The Deputy Minister for Environment and Rural Development (Allan Wilson): I had a very positive meeting with representatives of the forestry industry and COSLA on 8 January to discuss the transportation of timber. The industry and COSLA put forward a proposal to establish a strategic timber transport fund. Although we have no financial provisions for such a fund, I have asked the Forestry Commission to help COSLA and the forestry industry to work up the idea and to undertake a cost-benefit analysis through the timber transport forum steering group.

Alex Fergusson: I am grateful to the minister for that update on the meeting that was instigated following my members' business debate in Aberdeen. Will he assure me that, following that meeting, he will no longer accept the position whereby a local authority can effectively cut off a mature forest from the market by placing closure orders—either temporary or permanent—on a road or a bridge, thus rendering a 40-year investment of public and private money virtually useless?

Allan Wilson: Abandonment of forest is clearly a possibility in some remote areas while timber prices are so low. The member's party shares responsibility for the current state of affairs because, when it was in government, it treated the planting of trees as a tax-avoidance measure and the wrong trees were planted in the wrong places. We now have to pick up the cost of that folly. I assure the member that I am working with the industry and COSLA to ensure that we get the product to market and that we maximise the value of that product to the industry and to the local communities.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): The rail industry represents a suitable way in which to extract timber. Is the minister aware that a working time directive will be introduced in the rail haulage industry on 1 August 2003, which is 19 months ahead of its introduction in the road haulage industry? How does he think that that will affect the competitiveness of the rail industry in tendering for timber extraction work?

Allan Wilson: The SNP would obviously support the working time directive, as the Labour party does, because the directive helps to regulate employees' hours and can help to secure safety in our transport systems. I do not know what impact it might have on timber extraction, but I will look into the matter that Alasdair Morgan raises and get back to him.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): The minister will be aware that in parts of central Sutherland in my constituency there are stands of timber that will probably never be removed because of the state of the roads. He will also be aware that, in years gone by, the Scottish Office had a scheme, worth about £2 million per annum in an area such as the Highlands, to do up those roads. Does he agree that it would be a positive move if the Scottish Executive were to discuss with suitable local authorities the reintroduction of such a scheme?

Allan Wilson: The purpose of our discussions with the industry and with COSLA about establishing the strategic timber transport fund would be to do precisely that. In the early stages of the development of such a fund, it is important to understand what the fund would be for, if it were to materialise. Increasing industry competitiveness and securing long-term benefit for investment would be two of the key criteria for ensuring that the moneys in that fund, if they became available, were put to best use.

### Vulnerable Families (Support)

**4. Sarah Boyack (Edinburgh Central) (Lab):** To ask the Scottish Executive what action it is taking to improve the support available to vulnerable families. (S1O-6404)

The Minister for Education and Young People (Cathy Jamieson): We are expanding and improving support to vulnerable families. By 2006, at least 15,000 vulnerable children under five will have an integrated package of health, care and education support to meet their needs. The Scottish budget has secured additional funding to support sure start Scotland, the child care strategy and the changing children's services fund.

**Sarah Boyack:** I welcome the minister's commitment to practical support. In providing more resources to local authorities and the voluntary sector, will she ensure that resources and qualified staff are available to deliver those desperately needed services for vulnerable families? Will she redouble the efforts that she is already making to encourage more young people into social work and into the caring professions as their first career choice?

**Cathy Jamieson:** I am happy to give Sarah Boyack that reassurance. She will note that I recently launched a further initiative connected with plans to recruit and retain social work staff. We are also giving local authorities financial support to ensure that they can train a whole range of people who will be working with children and vulnerable families.

#### Victims Strategy

**5.** Dr Richard Simpson (Ochil) (Lab): To ask the Scottish Executive what progress it is making with the victims strategy. (S10-6374)

The Deputy First Minister and Minister for Justice (Mr Jim Wallace): A report on the progress on the Scottish strategy for victims was published yesterday.

Dr Simpson: Now that the Executive has made such strong moves to support victims its main

plank in changing the justice system, will the minister ensure that the support provided by police, fiscals, sheriff courts and High Court victim services will be fully integrated, along with the development of further victim-based reparation and mediation services?

**Mr Wallace:** I can certainly give Richard Simpson the assurance that he seeks. It is important that more attention should be paid to the victim in the criminal justice system. For too long, the victim was a person pushed to the sidelines. It is important to provide victims with support and information and to allow them to participate more. The victim should be given a much more prominent place in our criminal justice system.

Richard Simpson properly mentions the various agencies that are involved. I add to that list Victim Support Scotland, which has played an important part in the development of the victims strategy and will play an important part in implementing it.

Lord James Douglas-Hamilton (Lothians) (Con): Does the Deputy First Minister accept that victims come in many different forms? In the light of this morning's news, will he tell us whether, in addition to liaison between the police services of Northern Ireland and Scotland, there was any prior contact between the Northern Irish and Scottish Administrations before the arrival of the family, supporters and friends of Johnny Adair?

**Mr Wallace:** There was no specific contact between the Northern Ireland Office and the Scottish Executive prior to the events to which Lord James Douglas-Hamilton refers.

### Food Supplements (EC Directives)

6. John Farquhar Munro (Ross, Skye and Inverness West) (LD): To ask the Scottish Executive what consultations it has had with the European Union regarding planned European Community directives restricting food supplements. (S1O-6391)

The Minister for Health and Community Care (Malcolm Chisholm): The Food Standards Agency has represented the United Kingdom in negotiations on the EU directive on food supplements, which came into force on 12 July 2002. The Food Standards Agency Scotland is currently consulting with stakeholders on the implementation of the directive into domestic legislation. The FSA has negotiated hard in Europe and will continue to press for maximum limits for individual vitamins and minerals in food supplements to be based on thorough, scientific risk assessment.

John Farquhar Munro: It is claimed that the directives have little to do with health and more to do with the powers of the pharmaceutical giants, which see the health and food supplements

industry as a threat to long-term profitability. Will the minister assure me that he will raise the matter with UK and EU officials so that the Scottish people can retain the right to choose supplements and alternative therapies? He should bear in mind the possibility that people who are denied access to self-medication could turn to expensive NHS drugs, which would have cost implications.

**Malcolm Chisholm:** The reality is that the EU directive now exists. The UK, through the Food Standards Agency, argued harder than any other member state to ensure that the interests of consumers were protected, but that is in the past. The issue is how to implement the directive. On the permitted list of sources for vitamins and minerals, we shall take and use the maximum derogation for which the FSA argued. There is no question of any products being outlawed in the immediate future.

Helen Eadie (Dunfermline East) (Lab): The minister may be aware that I have been appointed as the European Committee's reporter on the issue, which was the subject of a petition to the Parliament. Will he ensure that maximum consultation is had with the FSA on the regulations, as that would be the greatest service to users of supplements throughout Scotland? At a meeting in the city chambers last week, people were concerned about the matter.

**Malcolm Chisholm:** I am certainly keen to hear people's representations, but I have explained the context. We have a directive to implement and we will do so by using the maximum derogation, for which we successfully argued. There are still issues to be resolved on the maximum limits, but I described in my first answer the principles that will be followed in giving our views on that.

Mary Scanlon (Highlands and Islands) (Con): Given that the research base for the directive is not known and that food supplements on sale work very well, will not further regulation on such products simply encourage more people to buy lower-quality products over the internet? In the long run, that will have the opposite of the intended effect.

**Malcolm Chisholm:** Again, Mary Scanlon is arguing against the directive per se. There is no point in going down that route because we have a directive to implement. We must use the derogation that we have secured and argue on issues such as the maximum limits, which have not yet been resolved. That is certainly what we intend to do.

#### Recycling

7. Robin Harper (Lothians) (Green): To ask the Scottish Executive whether it plans to meet representatives of voluntary and community recycling businesses to discuss proposed changes in their funding. (S1O-6370)

The Minister for Environment and Rural Development (Ross Finnie): My officials have recently met a range of organisations with an interest in the landfill tax credit scheme in order to inform the design of the interim funding scheme, which I announced on Monday, to assist projects currently funded via landfill tax credits.

**Robin Harper:** It is being claimed that the mess caused by the sudden changes in funding of category C projects under the landfill tax credit scheme is the result of a history of unforeseen consequences. Does the minister agree that that claim takes the biscuit? Hundreds of voluntary organisations are currently in despair and despondency. Will the minister guarantee that, over the next year, not one job in Scotland will be lost as a result of what has been monumental incompetence on the part of Chancellor Gordon Brown's office?

**Ross Finnie:** I think that I can guarantee that the Scottish Executive has taken the matter seriously and has received a wide range of representations. I hope that a whole range of organisations throughout Scotland are not deeply depressed, as indeed they might have been at the announcement that the landfill tax credit scheme was to come to an end. However, on Monday, we announced the interim support, which is designed to be in place over the whole of the next year. In that way, we will not only be able to give interim support to many organisations that provide a valuable service, but have adequate time in which to find out what the longer-term plan might be.

Bruce Crawford (Mid Scotland and Fife) (SNP): Does the minister agree that the disappointing figures on recycling rates that Audit Scotland announced this week are a sad indictment of the failure of the Liberal-Labour Executive to move Scotland off the bottom of the recycling league? Does he agree that it is disappointing that there has been delay after delay in the production of a national waste plan? Can he tell us today whether the national waste plan when it is finally produced—will contain a commitment to the kerbside collection of materials for recycling in all areas of Scotland?

**Ross Finnie:** I do not agree that the figures are an indictment of the Executive. The figures prove exactly what the Executive has been saying for some time. It is because Scotland's record on recycling is disgraceful that the Executive has embarked on putting together a national waste strategy, the purpose of which is to reverse the trend that Audit Scotland identified.

The only reason for any delay is that the Executive has not adopted a top-down approach

in preparing the national waste strategy. Instead, we have worked with all local authorities in Scotland, dividing them among 11 area waste plans. It has taken the authorities this amount of time to put those plans together. The Executive, the Scottish Environment Protection Agency and local authorities are bringing all those area waste plans together into a national waste strategy. In 2005-06, the strategy should take us forward from the current abysmal total to 25 per cent recycling and composting of waste, towards a target of 50 per cent in 2020 or 2030. That seems to be a positive reaction by the Executive in tackling head on a problem of which Scotland should be ashamed.

Jackie Baillie (Dumbarton) (Lab): I warmly minister's announcement welcome the of transitional assistance for social economy organisations that operate in the recycling sector. One of them, Greenlight Environmental Ltdwhich employs 110 people in my constituency and conducts a number of major projects in recycling and environmental work and training-relies heavily on the landfill tax credit. Will the minister provide further details of the scheme? In particular, will he describe the support that is to be provided and will he say how quickly such support can be put in place?

Ross Finnie: Our discussions with various organisations indicated that, in the interim period, there would be a shortfall of about £3 million to £4 million among all such organisations. As I made clear in my announcement, that finance is to be put in place simultaneously with the cessation of the landfill tax credit from 1 April. As I indicated to Robin Harper, we are making funds available to cover the year. There will clearly be a number of difficulties to overcome in dealing with the various organisations concerned. Much of the work is done through Entrust, which is helpful, but we must devise a proper, long-term successor. We recognise the huge and valuable role that such organisations play in waste gathering throughout Scotland.

John Scott (Ayr) (Con): The minister has let me know that the national waste plan will be launched outwith Parliament on 24 February. Will he make a statement to Parliament about the plan before or after revealing it to the world at large?

**Ross Finnie:** Even Mr John Scott is now indulging in the trade of pieces of information—I am not even sure where he got his information. I do not normally make that kind of announcement on such matters—I see you glowering at me, Presiding Officer. Normally, matters that should be advised to the chamber are advised to the chamber first. I am not at all clear where Mr Scott got his information. **The Presiding Officer (Sir David Steel):** I never glower—that is just my normal look.

John Scott: On a point of information.

**The Presiding Officer:** That is not a point of order; I think that you are having an argument with the minister.

John Scott: On a point of order, then.

The Presiding Officer: Go on.

**John Scott:** The information was given in response to a written question.

#### **Gypsies and Travellers**

8. Maureen Macmillan (Highlands and Islands) (Lab): To ask the Scottish Executive what measures it is taking to ensure equal treatment of Gypsies and Travellers in the public services. (S1O-6376)

The Minister for Social Justice (Ms Margaret Curran): The Executive is committed to the fair and equal treatment of Gypsies and Travellers in Scotland. We have supported a number of groups and projects to promote equality for Scotland's Gypsy Traveller community. Gypsy Travellers' specific needs are also recognised in the Scottish Executive's race equality scheme.

**Maureen Macmillan:** The minister will be aware that Gypsy Travellers have been subject to discrimination in housing, education, health and employment by communities in Scotland for many years, and that Gypsy Travellers are not covered by the Race Relations Act 1976. Will the minister assure me that Gypsy Travellers are being included in all the projects and initiatives that the Executive is instigating to address racism and equality issues and that they are being consulted on the appropriateness of those initiatives to their circumstances?

Ms Curran: I can give the member the assurance that she seeks. Gypsy Traveller needs are included in all our equality work. As I indicated in my previous answer, as part of the race equality scheme, we intend to progress work relating to Gypsy Travellers. Last week, Cathy Jamieson issued guidance on supporting the needs of Gypsy Traveller children in schools, to ensure that education practice reflects those. Recently we extended the regulatory concerns of Communities Scotland to ensure that pitches fall within that framework. There is clear evidence that the Executive is recognising the needs of Gypsy Travellers and the discrimination that they have faced in the past. We are making determined efforts to tackle the problem.

Mrs Lyndsay McIntosh (Central Scotland) (Con): Is the minister aware that concerns are being expressed in North Lanarkshire about the reduction in the number of sites that will be available to Gypsy Travellers? Can she respond positively to those concerns?

**Ms Curran:** As I have just said, the work of Communities Scotland is significant in that regard. Last year, we asked Communities Scotland to consider the provision of sites throughout Scotland and to develop appropriate regulation. Through Communities Scotland, we will consider not only the existence of sites, but the standard of a number of sites about which we are concerned. We are in discussion with the Convention of Scottish Local Authorities and all key authorities to ensure that that work is progressed. I would be happy to examine the situation in North Lanarkshire.

#### Social Workers (Recruitment)

**9. Scott Barrie (Dunfermline West) (Lab):** To ask the Scottish Executive what progress it has made in recruiting additional social workers. (S10-6371)

The Minister for Education and Young People (Cathy Jamieson): The national recruitment and awareness campaign has had a significant impact. There has been an increase in the number of calls to the Scottish Social Services Council and to the Jobseeker Direct helpline. On 27 January, I announced unprecedented investment in social work education. The additional £2 million to meet the costs of student practice placements, the fast-track scheme for graduates, the return-to-practice programme and the scheme to repay up to £9,000 of student loans will all assist in recruiting and retaining social workers.

Scott Barrie: I welcome the initiatives that the minister has outlined. Given the importance of practice placements in academic courses for the training of social workers, will the minister assure me that adequate financial assistance will be provided both to students who undertake a social work placement and to those who offer such placements?

**Cathy Jamieson:** As I indicated in my previous answer, we have made available an additional £2 million to meet the costs of student practice placements. Some of that money will be allocated to the higher education institutions, to ensure that there is a range of quality practice placements and to help students to meet travel costs. However, I have also made it clear that I expect people who work at the front line to support and supervise practice placements to receive some reward for doing that.

# Teachers (Suspension)

**10. Phil Gallie (South of Scotland) (Con):** To ask the Scottish Executive what representations

have been made by teachers unions urging the ending of automatic suspension of teachers following misconduct allegations. (S1O-6364)

The Minister for Education and Young People (Cathy Jamieson): None.

**Phil Gallie:** I will never believe *Scotland on Sunday* again.

Will the minister indicate what guidelines exist for determining how teachers who are accused by pupils of misconduct are dealt with? Is it current practice that automatic suspension follows such accusations? If so, how many teachers have been suspended over recent years and reinstated without criminal charges being brought?

**Cathy Jamieson:** I understood that Mr Gallie's intention was to ask what representations have been received from teachers unions, rather than what representations have been made. There is a slight difference between those two questions. Mr Gallie can probably believe *Scotland on Sunday* when he reads it in future—I am aware of the comments that Ronnie Smith has made on the issue.

The member should be aware that in November last year the Scottish negotiating committee for teachers agreed a revised disciplinary framework for teachers, which sets out a clear structure for investigations into complaints that are received about a teacher. That does not mean that suspension will be automatic. It is for local authorities to consider best practice. In certain circumstances, there is scope to move a teacher. There is no indication that a teacher will always be suspended if an accusation is made against them. Each case should be investigated on its merits.

### Gaelic-medium Education

**11. Mr Kenneth Macintosh (Eastwood) (Lab):** To ask the Scottish Executive how many pupils receive Gaelic-medium education at pre-school, primary and secondary levels. (S1O-6395)

The Minister for Tourism, Culture and Sport (Mike Watson): In the academic year 2002-03, local authority Gaelic-medium education numbers showed 361 pre-school pupils and 1,925 primary school pupils. In addition to that, 997 secondary pupils study Gaelic as fluent speakers. Of that number, 375 study two or more subjects through the medium of Gaelic.

**Mr Macintosh:** Does the minister agree that we need to make progress across a range of Gaelic policies, including the welcome but littletrumpteted initiative by Lewis Macdonald on road signs up the west coast of Scotland? Does he further agree that support for Gaelic-medium education is crucial if we are to reverse the almost terminal decline in Gaelic and that, to that end, we need to train more Gaelic-medium teachers and support those who are already in place?

**Mike Watson:** I agree with Mr Macintosh. The survival of Gaelic language and culture is utterly dependent on the number of young people who learn the language, which is utterly dependent on the number of teachers who teach the language. That is why the bulk of the resources that we have at our disposal go into providing teacher training. This year, 25 primary school Gaelic-medium teachers and four secondary school Gaelic-medium teachers will emerge from the system. Because we recognise that more are required, I have asked the Scottish Higher Education Funding Council to discuss with me ways of increasing the provision.

**Murdo Fraser (Mid Scotland and Fife) (Con):** Does the minister recognise that there is frustration among the Gaelic-speaking community at the fact that some local authorities are failing to meet demand for Gaelic-medium education? Does he agree that the solution is to empower parents and give them the right, subject to sufficient demand, to set up state-funded schools to provide Gaelic-medium education?

**Mike Watson:** I do not agree with Murdo Fraser. Local authorities have the power to apply for the specific grant that is available if they want to establish a Gaelic-medium education unit or extend those that exist. That is the way forward.

If there are gaps in the provision of Gaelicmedium teachers, I would want to consider the matter, as I would not want those gaps to remain. However, by and large, the demand from parents for their children to be educated in the medium of Gaelic is being met.

Roseanna Cunningham (Perth) (SNP): The minister's reply to Kenneth Macintosh was interesting. The minister will be aware of the difficulties that are being faced by Perth and Kinross Council in attracting a teacher for the Gaelic-medium unit in my constituency. In effect, the unit has been without a teacher since September. The children are being integrated into English-language classes, they are no longer taught together and, at most, they get one or two hours of Gaelic tuition a week. That is Gaelicmedium education in name only. Do other units in Scotland face that problem? What practical steps can the minister take to help to resolve the situation that is developing in my constituency, where, for the want of one teacher, Gaelic-medium teaching has disappeared?

**Mike Watson:** I am aware of the specific problem that Roseanna Cunningham refers to and I regret that it has occurred. However, such occurrences are rare and I am not aware of any others. The answer to the general problem is the

answer that I gave Murdo Fraser. We must increase the number of Gaelic-medium teachers and ensure that they are placed around the country where they are needed. Of course, at the end of the day, it is up to teachers to decide which jobs they want to apply for, but, given the increasing number of teachers who are being trained in Gaelic-medium education, the sort of incident that Roseanna Cunningham has described should be extremely rare and I would like it to be eliminated completely.

# Young Offenders

**12.** Mr Keith Raffan (Mid Scotland and Fife) (LD): To ask the Scottish Executive what action it is taking to change the balance between spending on prosecuting young offenders and on providing services to tackle youth offending. (S1O-6405)

**The Deputy Minister for Justice (Hugh Henry):** The Scottish Executive accepts the need to ensure that there is an appropriate balance between spending on process and spending on the provision of services to tackle youth offending.

Over the past 10 years, the Executive has invested significantly in services to support the increased range of community disposals available to courts. Further investment in community programmes for young offenders is planned as part of our 10 action points for youth crime.

**Mr Raffan:** Does the minister agree that, currently, we have the balance the wrong way round? We are spending £90 million on services and programmes to tackle young offending but £150 million on prosecuting young offenders. Does he agree that additional resources need to be invested in community-based programmes rather than in custodial sentences and residential schools that are five times as expensive but have proved to be largely ineffective in breaking the cycle of reoffending?

**Hugh Henry:** In the past three years, spending on community justice services has risen by more than 50 per cent, and in the five years to 2005-06, the budget will increase by nearly 100 per cent.

We also need to recognise that the process to which Keith Raffan refers can cover important activities, such as crime prevention, crime detection and the prosecution of individuals through courts. He makes a valid point about the need to deal with young people appropriately. Secure places in residential schools should be made available where there is a need for them. Equally, we should consider effective alternatives for those who can benefit from other forms of disposal, not just for reasons of cost but for social reasons. We are doing that and we are providing the necessary investment.

Johann Lamont (Glasgow Pollok) (Lab): I urge the minister not to reinforce a false division.

The fact that we are prosecuting young offenders does not mean that we are failing to support services to tackle youth offending. Does the minister agree that taking such behaviour seriously and listening to our vulnerable communities sends out a strong message not just to young offenders, but to those young people who surround them and who are impressed by them? It sends out the message that there are consequences to intimidating and bullying local communities. Such a strong message will stop youngsters on the fringes of problematic behaviour going down that road.

**Hugh Henry:** I understand Johann Lamont's sentiments. Many communities across Scotland are plagued by unacceptable behaviour from a minority—I stress that word—of young people who cause a disproportionately large problem in local communities. She is right: we need to send out to those young people the message that they will be dealt with appropriately and severely if they persist in causing problems in communities. I hope that that will act as a deterrent to the youngsters around those who behave unacceptably.

We also need to recognise that there are other ways of assisting and supporting young people who are engaged in bad behaviour. It is a question of ensuring that the right disposals and the right measures are available at the most appropriate time. Although we will be firm—we will tackle youth crime and bad behaviour—we will also seek to address some of the underlying problems.

#### Fishing Industry (Compensation)

**13.** Alex Johnstone (North-East Scotland) (Con): To ask the Scottish Executive what assurances it can give that any compensation to the fishing industry will be extended to include small businesses such as fish vans, fish shops and small-scale processors in areas such as Arbroath. (S1O-6366)

The Minister for Environment and Rural Development (Ross Finnie): We hope that the recently announced financial package will bring benefits to all who depend on sustainable fisheries: the fishermen, the processors, ancillary businesses and the fishing communities.

Alex Johnstone: Does the minister acknowledge that the problem associated with likely fluctuations in the supply of fresh haddock will have a specific impact on the economy of Arbroath, which is dependent on that supply? Will he take the opportunity to congratulate Bob Spink on the work that was reported on Radio Scotland this morning, which, it is hoped, will lead to the protection of the Arbroath smokie name and to a limit on the manufacture of smokies to within five miles of Arbroath town hall? **Ross Finnie:** I am happy to acknowledge the work that Bob Spink has done to attempt to secure

the future of the Arbroath smokie.

I have already answered the other point. In assessing the impact on all processors, we recognise that a number of small processors will find the new situation particularly difficult. On the production of smokies, the percentage of imported haddock has increased to 60 per cent in recent years to meet a fall in supply.

I repeat the first answer that I gave. The intention is that, through the range of measures that we have announced, we should be able to support even the smallest part of the affected sector.

**Mr** Andrew Welsh (Angus) (SNP): Does the minister agree that sustainability is the goal of any central Government compensation package and that such packages must apply to the whole industry, offshore and onshore? Will he confirm that the figure of £50 million applies to the offshore industries and will he tell us what additional central Government money is available to the onshore ancillary industries? If no such money is available, I ask him to be honest, to admit that fact and to do something about it.

**Ross Finnie:** The Executive has announced a substantial package of support for the industry. In relation to the onshore industries, the enterprise networks are already engaged in examining the areas that might be most affected by the changes in the fishing regulations. I am quite satisfied that the Executive has taken seriously the wide range of industries that will be impacted by the cuts and that we are putting in place measures to deal with those cuts.

Mr Jamie McGrigor (Highlands and Islands) (Con): Does the minister realise that it is taking fishermen from Scotland's north coast up to 10 hours to steam through the areas that are closed to fishing due to the cod spawning box? Does he realise that the rush to beat the 15-days-at-sea scheme is therefore putting vessels and crews at risk?

**The Presiding Officer:** I am sorry, but Jamie McGrigor's question is not in order, as it is not related to the question in the business bulletin.

# **First Minister's Question Time**

# SCOTTISH EXECUTIVE

# Cabinet (Meetings)

**1.** Mr John Swinney (North Tayside) (SNP): To ask the First Minister what issues will be discussed at the next meeting of the Scottish Executive's Cabinet. (S1F-2471)

The First Minister (Mr Jack McConnell): Next week, the Cabinet will, as ever, discuss a range of important issues.

**Mr Swinney:** Will the First Minister support an inquiry by the Auditor General for Scotland into profiteering in all current private finance initiative contracts?

**The First Minister:** Audit Scotland's recent publication on education public-private partnerships showed that, on the whole in Scotland, those partnerships are producing good contracts and good outcomes. It also showed that the way in which those contracts are carried out is improving all the time, and that that will lead to significant further improvements in the longer term. That kind of evidence is very useful for us and is used by local authorities and the Executive all the time.

**Mr Swinney:** Let me give the First Minister some other evidence that concerns me greatly about the contracts to which he has just referred. The Amey group, which has put its stake in the Edinburgh and Glasgow schools PFI contracts up for sale, has revealed a profit margin on those projects of a staggering 31 per cent over 12 months. That means that, for every £100 of taxpayers' money spent on those schools contracts, £31 has gone to profiteering right away.

The First Minister and I both agree that profit is a good thing—[MEMBERS: "Oh!"]. There is a but. Surely the First Minister believes that profiteering at the expense of school pupils is unacceptable. I ask for a second time: will the First Minister support an inquiry into profiteering in PFI contracts?

The First Minister: Mr Swinney cannot have it both ways. He and his finance spokesperson cannot wander round the boardrooms of Scotland claiming to be strongly in favour of private enterprise and a dynamic Scottish economy and also come to the chamber, week after week, to criticise private companies that are currently delivering school buildings, hospitals and other physical improvements in our infrastructure. Those improvements are making a real difference to pupils, patients and road users as well as many others across Scotland. We will continue to support public-private partnerships, not only because they deliver value for money but because they deliver on time and to a high specification. Those partnerships are delivering the schools, hospitals and other public services that Scotland needs for the 21<sup>st</sup> century.

**Mr Swinney:** The First Minister's position is crystal clear. He believes that 30 per cent of the money that he allocates to build new schools should go right out the door and, instead of being spent on school pupils, should be spent on profiteering by private contractors in PFI contracts. Will he take this last opportunity in this question time to commit himself to an independent inquiry into those contracts, to guarantee that such a disgraceful waste of taxpayers' money is brought to an end and that we build new schools that benefit the pupils rather than the private contractors?

**The First Minister:** Audit Scotland has recently carried out an investigation of public-private partnerships in Scotland. That investigation resolved not only that we should continue to use those contracts and learn from them but that they were a benefit to schools and to Scotland.

We see a clear division in the chamber. We know that the Scottish National Party would cancel the schools contracts that we are currently funding. We will talk about the issues for the election on 1 May. When we say that there will be 300 new or refurbished schools in Scotland in the second session of the Parliament, we mean it. We will go ahead with those contracts and will not cancel them. Scottish voters, pupils and parents will enjoy the benefits.

Karen Whitefield (Airdrie and Shotts) (Lab): Will the First Minister join me and express his sympathies to my constituents who were told that, following the closure of the Boots Company factory in Airdrie, they will lose their jobs? Will he assure my constituents that every effort will be made by the Scottish Executive and Scottish Enterprise to encourage Boots to reverse its decision? If that proves to be impossible, will he assure me that every possible support will be offered to ensure that employees receive a fair redundancy package and are assisted in their efforts to find alternative employment?

**The First Minister:** I share Karen Whitefield's disappointment at the decision and anger at the way in which it was announced and handled. When the Boots Company was offered assistance in coming to decisions about its strategy for the future of its United Kingdom factories at the end of last year, it should have taken that assistance rather than conducting discussions in private and taking a decision without any input from Government at any level, in Scotland or elsewhere.

When lain Gray meets representatives of Boots tomorrow, it will be to express those views and to do what we can to secure further consideration of that particular decision. If that is not possible, we will do what we can to secure a future for the Airdrie work force, who desperately need those jobs or alternatives.

# Secretary of State for Scotland (Meetings)

**2. David McLetchie (Lothians) (Con):** To ask the First Minister when he last met the Secretary of State for Scotland and what issues were discussed. (S1F-2488)

The First Minister (Mr Jack McConnell): I met the Secretary of State for Scotland on Monday night and we discussed a range of important issues. We plan to meet again next week.

**David McLetchie:** I thank the First Minister for that answer. I am sure that, at their next meeting, they will discuss the matter raised by Karen Whitefield in relation to the job losses in Airdrie, which will be of concern to the secretary of state as well as to the rest of us.

When we consider the broader picture, the results announced by the Scottish Executive yesterday indicated that last year the Scottish economy grew by the staggering total of 0.1 per cent. Since Labour came to power at Westminster, the Chancellor of the Exchequer has heaped additional burdens of tax and red tape on businesses to the tune of £15 billion per year, including a £5 billion per year raid on our pension funds with disastrous effects, and a forthcoming tax on jobs in Scotland with the hike in national insurance contributions.

To compound that, the First Minister himself abolished the uniform business rate, putting Scottish businesses at a competitive disadvantage. Is it not about time that he admitted that that policy was a disastrous mistake and set about cutting the burden of taxes, rates and red tape on Scottish businesses, large and small?

The First Minister: I have two points to make. although Scotland's growth rate is First. disappointing and has been so for some time, it is important that the centre of our economic strategy should be to secure a higher growth rate for Scotland in the future. I believe that that will be built on the stability of the United Kingdom economy and on our planned investment in education and skills, transport, communications infrastructure, promoting Scottish exports abroad and supporting an entrepreneurial culture in Scotland. I believe that that is the way forward for Scotland and that it will grow our economy at a faster rate in the future.

Secondly, I do not believe that we should talk Scotland down. As the Minister for Enterprise and

Lifelong Learning pointed out yesterday, if the figures for the electronics industry are taken out of last year's growth calculation, it will be seen that Scottish growth was at a higher rate than that of the rest of the United Kingdom. That is a good thing for the Scottish economy. I hope that Mr McLetchie will agree that we should not be talking Scotland down.

**David McLetchie:** I never talk Scotland down. However, to say that the situation is fine if we strip out the figures for the electronics sector is quite ridiculous. It is like saying that if we do not count burglaries then the crime rate is down. That is a classic case of spin-doctoring nonsense.

economic approach of the Labour The Government at Westminster and the First Minister's Administration in Scotland is coming apart at the seams. I tell the First Minister not just to take advice from the Scottish Conservatives but to look at what our major business organisations-CBI Scotland, the Institute of Directors, the Federation of Small Businesses and the Scottish Chambers of Commerce-have been saving in the manifestos that they have published in the past month. Those organisations all say that we should be cutting business rates significantly, reducing the burden of regulation and red tape, and increasing investment in our transport system to make up for Labour's five years of neglect and delay. If the First Minister will not listen to us on these issues, will he at least listen to Scotland's businesses community and do what it is asking?

The First Minister: Mr McLetchie's first point trivialises the situation. We all know that there has been a serious downturn in the international economy in relation to electronics and, in particular, there has been a shift in the electronics industry from developed countries such as ours to elsewhere. The other 94 per cent of the Scottish economy is in a stronger condition than the economy elsewhere in the United Kingdom, and that is a positive thing for Scotland. David McLetchie should not encourage those who wish to create a separate Scotland by encouraging their myths on this subject.

It is important to recognise the strength and stability of the Scottish economy as part of the UK economy. Just today, interest rates in Scotland have been reduced to 3.75 per cent, which is their lowest level since the mid-1950s. We have inflation in Scotland at its lowest level for decades. Unemployment in Scotland is below 100,000 for the first time since 1975. All those Tory years when inflation was going through the roof, when interest rates were at 15 per cent, and when unemployment reached 3 million across the UK are now behind us. We no longer have boom and bust; we have a strong, stable economy, and in Scotland we can grow from that basis.

# Learning Environment

**3. Scott Barrie (Dunfermline West) (Lab):** To ask the First Minister what measures are being taken to modernise the learning environment. (S1F-2484)

The First Minister (Mr Jack McConnell): Since 1999, more than 100 Scottish schools have been rebuilt or modernised. The estate strategy announced on Monday will include more than 300 new school buildings in the next few years.

**Scott Barrie:** I thank the First Minister for that response, and whole-heartedly welcome the announcement this week of additional investment in our school estate. Does he agree that such investment is long overdue, and that the extra finance allocated to my local authority in Fife, for example, will go a long way to ensuring that primary schools that were built in the 19<sup>th</sup> century are fit for the 21<sup>st</sup> century?

**The First Minister:** Yes, clearly. The other fact that it is important to stress from this week's announcement is that while we believe that public-private partnerships and the rebuilding of those schools are vital for Scotland, we also believe that mainstream funding for the maintenance of schools and the basic repairs that are required is an essential part of our public expenditure in Scotland. That is why a package of more than £100 million was announced this week, which will make a real difference to parents and pupils throughout Scotland.

#### Roads (Maintenance)

4. Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): To ask the First Minister what review will be undertaken of the maintenance of trunk and local roads during the recent severe weather conditions. (S1F-2482)

The First Minister (Mr Jack McConnell): The winter maintenance arrangements and the performance of the companies involved are regularly reviewed and publicly reported and, where necessary, enforcement action is taken.

Mr Rumbles: The First Minister will be aware that my constituency of West Aberdeenshire and Kincardine was the worst affected last week, with 6.000 drivers stranded in a 12-mile tailback on the A90 south of Stonehaven. Does he share the concerns of many of my constituents who feel that the standard of the gritting and clearing operations the A90 has fallen markedly since on Aberdeenshire Council stopped undertaking the work?

The First Minister: If any fault for what happened last week lies with those who are responsible for the contracts, that matter will be picked up and acted on, but I must say that following firm enforcement action this time last year, at the early stages of the contracts, those who are responsible for the contracts acted on the matters that were raised with them and significantly improved their performance. We are serious about reviewing performance and acting on that, and we will do so again if that is required.

**Rhona Brankin (Midlothian) (Lab):** Is the First Minister aware that a cyclist was killed last week on a particularly dangerous stretch of the A68 trunk road in Dalkeith in my constituency? Can he assure me that his Minister for Enterprise, Transport and Lifelong Learning will look urgently at increasing safety measures on that particularly dangerous stretch of trunk road?

**The First Minister:** I was not aware of that incident, but I would be happy to discuss it with Rhona Brankin following questions.

**David Mundell (South of Scotland) (Con):** Does the First Minister agree that to the travelling public it is irrelevant who carries out the gritting, because the issue is the effectiveness of the gritting? Is he satisfied that the current contractual arrangements allow sufficient proactive gritting, rather than waiting for accidents to happen or ice to form?

**The First Minister:** I sympathise with Mr Mundell on the situation in which he found himself over the past week. As I said to Mike Rumbles, it is important that where incidents occur and where there is any concern about the local performance of the companies involved, those concerns are reported. If enforcement action is required to improve the work that is carried out and ensure that contractual standards are met, that action will be taken.

# **Common Agricultural Policy (Review)**

**5. Richard Lochhead (North-East Scotland) (SNP):** To ask the First Minister how the Scottish Executive intends to respond to the European Commission's proposals on the mid-term review of the common agricultural policy. (S1F-2472)

**The First Minister (Mr Jack McConnell):** We support the reform of the common agricultural policy, but we have serious concerns about some of the proposed details. We are preparing our response in consultation with the industry and with United Kingdom Government departments.

**Richard Lochhead:** Is the First Minister aware that the decoupling and modulation elements of the proposals could severely disadvantage Scotland, our beef sector and the general level of Scottish agricultural support? Will he speak to the Prime Minister, Tony Blair, to ensure that we learn the lessons from the fisheries debacle in December? Our farming communities are extremely nervous that the UK Government will sell them down the river in a similar situation to that which was faced in December's fisheries talks. Will the First Minister speak to the Prime Minister to ensure that that does not happen in the talks later this month and over the next few months?

**The First Minister:** I share many of the concerns that have been expressed. We are acting on those concerns in consultation with the industry and with UK Government departments. Ross Finnie will continue those discussions at UK and European levels. I am happy to take up the challenge that Mr Lochhead sets me and I will set a challenge back: when Mr Finnie goes to Europe to conduct negotiations, I will be grateful if Mr Lochhead promises not to go there to undermine him.

**Irene Oldfather (Cunninghame South) (Lab):** Is the First Minister aware that the present European Union sugar price is  $\in$ 630 per tonne and that the world market price is  $\in$ 180 per tonne? As sugar is a key component in the manufacture of antibiotics, on which 600 jobs in my constituency depend, will he give an assurance that he will do all that he can to bring about a change in the EU sugar regime?

**The First Minister:** I am happy to take up Irene Oldfather's point, which is not one that I have discussed in the past few hours with Mr Finnie or anybody else. I hope only that my reduced sugar intake since January, as part of the healthy eating campaign, is not affecting jobs in her constituency.

#### **National Theatre Company**

6. Mr Brian Monteith (Mid Scotland and Fife) (Con): To ask the First Minister what plans the Scottish Executive has for the funding of a national theatre company. (S1F-2474)

The First Minister (Mr Jack McConnell): We remain committed to a national theatre for Scotland, but our immediate priority is support for local theatres, so that a national theatre has a base on which to build.

**Mr Monteith:** I am immensely disappointed by the First Minister's response. In the past few weeks, the Executive's relationship with the Scottish Arts Council has been shot to pieces, the Executive's plan for a national theatre company has been shot to pieces by the allocation of funding that was earmarked for it to regional theatres and, as a result, the Executive's cultural strategy has been shot to pieces. Does he agree that, as a consequence of those actions, the Minister for Tourism, Culture and Sport is a lame duck?

**The First Minister:** I disagree. The correct decision was made. When the costs of running our regional and local theatres rose dramatically in the

past year, it was right and proper to allocate the funding that would have gone to the national theatre to those theatres, to ensure that they could maintain their performance record.

Contrary to what some individuals might have said in the press in the past month, others agree with that point of view and agree strongly with the Minister for Tourism, Culture and Sport. In *The Herald* on 22 October 2001, somebody said that

"To establish a national theatre at a time when existing theatre companies are under financial threat and being forced to retrench, or indeed close down, would be a foolish waste of money."

That was not said by Mr Monteith—I give him credit for that. It was said by Mike Russell.

# Local Government Finance (Scotland) Order 2003 (SSI 2003/42)

**The Deputy Presiding Officer (Mr Murray Tosh):** We move to the debate on motion S1M-3807, in the name of Andy Kerr, on the Local Government Finance (Scotland) Order 2003.

#### 15:30

The Minister for Finance and Public Services (Mr Andy Kerr): The order that we are asking Parliament to approve this afternoon is of real significance to all Scottish councils and, indeed, to all council tax payers. The Local Government Finance (Scotland) Order 2003 provides the grant support for Scottish councils' revenue expenditure in 2003-04.

Revenue grant to local government accounts for a third of the total assigned budget. The order will distribute more than £7 billion of grant to local government, which is an increase of more than £500 million on the current year. Those resources provide tangible evidence of our commitment to improvement of public services for the people of Scotland.

The order commits substantial additional resources to deliver better public services including, for example: better teaching for our school children; more support for children and families who are experiencing poverty and deprivation, including early-years services and out-of-school care; better services for older people in their own homes and additional investment in long-term care; more support in the community for people with mental health problems; free off-peak travel, including for all people over 60 and people with disabilities; and further additional investment in policing.

Those key policy initiatives have been developed in consultation with local government and other key stakeholders. The settlement covers the full cost—I repeat, the full cost—of the improvements. Once again, the settlement includes additional grant to cover pay and price inflation, thereby maintaining existing services. It also includes the full cost of councils' increased national insurance costs.

On top of the grant totals that I am announcing today, we will give local authorities £20 million over the next year, as the first year's allocation from the £90 million cities growth fund, and £40 million to tackle deprivation through the better neighbourhoods services fund. We will also give them £43 million through the changing children's services fund and support towards £1.15 billion of additional investment in school buildings. The

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resources are being targeted outwith the general grant settlement and towards specific priorities that include improving the infrastructure in our cities, increasing opportunities for our deprived communities, supporting better integrated children's services and investing in our schools estate.

The distribution of grant is based on the formula that was agreed with the Convention of Scottish Local Authorities. The increases for 2003-04 range from 6 per cent to 11 per cent, which is substantially above inflation. The formula makes allowance for the additional costs associated with deprivation and with serving sparse rural communities, and it includes special provision for the islands.

The settlement also protects councils that have the most steeply declining populations by giving them more grant than their population share would have justified. There are no new ring-fenced allocations within the settlement; indeed, about £64 million of ring-fenced education funding will transfer to unhypothecated general grant.

Councils have already published indicative council tax figures for next year. With the resources that we are providing today, I see no reason why councils should move significantly away from their previously announced levels. In fact, I note that Glasgow City Council has announced a council tax increase for next year of 1.9 per cent, which is well below its indicative figure of 4 per cent. This year is the fifth in a row that Glasgow has announced a below-inflation increase in council tax. That should be welcome news to the people of Glasgow and I congratulate Glasgow City Council on its prudence and restraint. I hope that other councils will feel able to provide other council taxpayers with a similarly good deal.

The grant allocations should enable councils to improve the quality of life of their citizens. They include £50 million to improve the local environment by tackling graffiti and vandalism, making our streets cleaner and safer and providing additional services to our young people. We are committed to continuing dialogue with local authorities and to working with them to deliver better public services to the people of Scotland.

However, the issue is not just about resources. We recognise that local government is a key driver of improvement in public services. The Local Government in Scotland Bill, which the Parliament passed last month, will remove barriers and demonstrates increased trust in local authorities. It provides a new duty for local authorities to secure continuous improvement in services through best value; a new duty to work with their partners to improve services through community planning; a new power to advance the well-being of their areas; and a new power to enable authorities to decide for themselves how much to invest in improving local infrastructure. Recently, we published a separate draft local governance bill. Ultimately, people will judge the changes that we have introduced on whether they see and feel better local services in their communities and on whether the services make a real difference.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): Is the minister confirming that, if he is in power after the elections, he will progress that bill?

**Mr Kerr:** I will not make any commitments for the new Executive in the Scottish Parliament doing so would be unwise, unfair and unrealistic. The draft local governance bill allows for a choice to be made at the appropriate time—it is there and ready on the stocks for discussion and I am sure that the member understands that that is its purpose.

I want to return to resources and the delivery of local services, which is what the order concerns. The order is about changing the lives of people throughout Scotland through the public services that are delivered directly to them. As I said, the order will distribute more than £7 billion of resources to local government, which is £500 million more than in 2002-03; it will provide councils with increases of between 6 per cent and 11 per cent.

In conclusion, the purpose behind the order is to improve the services that are delivered to the people of Scotland. My fellow ministers and I will continue to work in partnership with Scotland's local councils—we can deliver better public services for all the people of Scotland through working in partnership. Local government has a vital role in that partnership and, with its contribution and support, I look forward to further improvements in the quality of life of our communities and in the services that are available to all Scotland's citizens.

# I move,

That the Parliament agrees that the Local Government Finance (Scotland) Order 2003 (SSI 2003/42) be approved.

# 15:37

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): The line-up in the debate is becoming a bit of a habit on Thursday afternoons, especially given our future timetable.

I want to start by dealing with an area in which I hope there is a degree of cross-party consensus, because it is a problem that affects us as parliamentarians. I am not sure whether the minister told us today, but he has certainly told us previously that the local government settlement takes up more than one third of the Scottish Parliament's budget. However, the Local Government Committee's stage 2 report to the Finance Committee on the 2003-04 budget process states:

"if scrutiny of the local government budget is to be effective and, in particular, the Committee is ever to be in a position where it can make an informed judgement on the adequacy or otherwise of the proposed budget, Parliament will have to be given much fuller information about the Executive assumptions and thinking underlying the budget figures."

Each year, COSLA says that it has not been given enough money and each year the minister says that the settlement is the most generous on record; or rather, he does not always say that it is "the most generous on record", but he always says that the settlement is very generous. We can expect that there will always be tension between the Executive and COSLA, but it is interesting that COSLA has been much less robust in its criticisms this year. I leave it to members to work out for themselves whether that has anything to do with the forthcoming elections.

The Local Government Committee expressed concern at the divergence between the views of the Executive and those of councils and was especially concerned about its inability to assess which of the competing claims was correct. If our budget process is to be meaningful, Parliament must be able to scrutinise the huge matter in question more satisfactorily. In particular, the committee should be able to recommend whether it thinks that the proposed level of aggregate external finance is adequate. That the committee's report says that it lacks the information to reach a conclusion on that matter is a significant problem that should concern us all.

I echo the Local Government Committee's welcome of the new prudential borrowing framework. Under that system, perhaps there will be more protection against some of the excess profiteering to which my friend John Swinney referred at First Minister's question time.

Every year, the minister spends much of his time telling us how good the settlement is, but when we are out in our constituencies we all meet constituents who believe the opposite, because of what they see as being the reality of the delivery of public services. They see a road system that has as many holes as it has traffic jams. In rural areas, they see that if a new school is to be procured, its cost usually includes the closure of another rural school, which causes devastation to that school's community. People see what is, in effect, rationing of social services to young and old. That is what our constituents tell us all; it does not match the minister's rhetoric.

Even if local government services were an unalloyed success, I think that we would-in the interests of transparency-want to tell the whole story. We would want to set out what we are paying for the services. We know that we will pay extra taxes from 1 May and that income taxsorry, the Government prefers to call it national insurance-will go up. What has happened to the other component of local government incomecouncil tax? Since Labour came to power in 1997, band D of the council tax has gone up by 37 per cent over the rate during the last year of the Conservative Administration. Inflation has gone up by 16 per cent—less than half of the increase in council tax. I wish that ministers would be a bit more honest. When they talk about how proud they are of their record, they should tell us about the costs that go with the alleged benefits that they are delivering.

**Dr Richard Simpson (Ochil) (Lab):** I understand the analysis that Alasdair Morgan is putting forward, but will he tell us whether he would reduce council tax in areas such as mine in Clackmannanshire, or would he increase other taxes to ensure that public services are effective? He has produced an analysis that needs squaring; he cannot have it both ways.

Alasdair Morgan: I will make two points in reply to Richard Simpson. First, I am not a councillor in Clackmannanshire, so I cannot set its council tax. Secondly, my point is that we want more honesty and transparency from ministers. We do not want only one side of the story to be represented. There might be good reasons why council tax has increased as much as it has and why Government wants to load more on to councils and less on to other taxation or whatever. However, we should be given both sides of the story rather than the spin that concentrates on one side and tries to hide the awkward facts on the other side of the equation.

On council tax levels, Keith Harding said in the debate last year:

"We should let local people make choices through local democracy. If councils make huge council tax increases, local voters will know what is going on and will give the politicians their verdict on the tax level at the next elections."—[Official Report, 31 January 2002; c 6013]

The problem is that councils have been making large increases over several years—certainly since the previous local authority elections—but in many parts of the country voting does not change anything because of the built in first-past-the-post Labour majority in so many areas. It is not worth bothering to vote because the same lot are always with us and they set the council tax. I do not know whether the Conservatives will yet again ask for democracy to take its course—happy in the knowledge that most times it does not—or whether they will ensure that that is the case by voting against the Proportional Representation (Local Government Elections) (Scotland) Bill.

Johann Lamont (Glasgow Pollok) (Lab): Alasdair Morgan seems to suggest that when people choose to vote in a particular way, they are not able to choose to vote in another way. The fallacy is being promoted that under the first-pastthe-post system people cannot kick out elected representatives with whom they disagree. Unlike some proportional representation systems, people can always do that under first past the post. If Alasdair Morgan does not know of any examples of that, I will give him plenty from throughout the country.

**The Deputy Presiding Officer:** The member is in his last minute.

Alasdair Morgan: I ask merely for a system under which a party gets into power if the majority of people vote for it, and under which a party does not, if only a tiny majority votes for it, end up with an overwhelming majority of councillors so that there is no possibility that others can influence decisions in the council. That is what turns people off voting. The evidence is all round Scotland and has been for many years.

I take it that I have almost exhausted my time.

**The Deputy Presiding Officer:** You have another half a minute.

Alasdair Morgan: Oh dear, In that case, I will finish off by reiterating the question that I asked last week about the level of non-domestic rates. Will the minister—after revaluation takes place extend his commitment to put up the poundage in the average rates bill by no more than the rate of inflation? There is no point in continuing to put up the poundage in line with inflation—the bills are what is important. If there is revaluation, it is in the power of the minister to adjust the business rate poundage to take account of that and I ask the minister to say, in his summing up, whether that is his intention.

# 15:45

Mr Keith Harding (Mid Scotland and Fife) (Con): As I look back on the debates on local government finance in the past three years, it is good to see that there have been welcome improvements. However, it is clear that the Executive could do a lot more for local government in Scotland. The Executive congratulates itself on delivering an 8.5 per cent increase in local government funding in the coming financial year, but can it explain why, after that year, the increases will slump dramatically to a paltry 3.9 per cent in 2005-06? If the settlement is so generous, why have councils increased council tax by more than double the rate of inflation while cutting services? Local government desperately needs fewer funding allocation restrictions in order to allow it to deliver core services.

COSLA has argued that, when non-discretionary spending is removed from the Executive's funding, the true year-on-year increase is only 2.5 per cent. The Executive's increased ring fencing of funding—it has not, as the minister claimed, decreased—results in local delivery of central services, not local government.

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Will the member take an intervention?

Mr Harding: No, thank you.

The Executive is the most centralising Government that Scotland has ever seen.

**Mr Kerr:** What about compulsory competitive tendering?

**Mr Harding:** The Executive has not cancelled CCT.

The Executive leaves councils with only one role, which is to choose which cuts they must make to deliver the Executive's centrally imposed priorities. Ring fencing is an erosion of local democracy. Why should Scots care about their councils when the election is buried by being on the same day as the Scottish Parliament elections, and when councils' decisions are determined by ministers? In line with the recommendations of the McIntosh committee, the Conservatives would move local elections to the mid-point of each parliamentary session, which would allow people to focus on local issues and to choose councillors who can best deliver local answers.

Instead of the top-down, one-size-fits-all remedies that the Executive implements, we would reduce ring fencing dramatically and transfer power from the centre to enable local authorities to design specific solutions to the problems in their areas. Local authorities should be given the power to control their budgets and to set the agenda for the delivery of services according to their area's demands. Diversity is the key—what works best in the Highlands might be inappropriate in cities such as Glasgow. At the very least, local authorities should develop the local government budget in partnership with the Executive, as COSLA has requested year after year.

COSLA has identified a £440 million funding gap in the settlement in relation to the funding of core services in the next three years. COSLA argues that, under the funding allocations, councils cannot buy new services and can fund only some of the existing services. Once again, under the Labour-Liberal Democrat coalition, investment in roads, pavements, street lighting, school buildings and other basic council infrastructure will continue to be neglected and will deteriorate year on year.

The Executive pledges less to local government while the public pays more. The average band D council tax bill in Scotland has risen by more than 30 per cent since Labour came to power in 1997. In some council areas, such as Aberdeen City Council's, council tax has increased by as much as 50 per cent. Council tax has become yet another stealth tax.

**Dr Simpson:** Will the member give way on that point?

Mr Harding: No thank you.

COSLA has warned that unless the Executive increases funding considerably in future, councils might be forced to increase council tax more to allow them to make inroads into the backlog of local infrastructure investment. The Scottish Conservatives would alleviate the tax burden on individuals by giving additional funding to local authorities to allow them to freeze council tax in the next three years. We would also improve the poor collection of council tax in Scotland—a scandalous £133 million remained uncollected in 2001-02 and a grand total of £578.6 million is outstanding since 1997.

Bruce Crawford (Mid Scotland and Fife) (SNP): Keith Harding said that the Conservatives would provide extra funding for local authorities to allow council tax to stand still. Will he say where that money will come from?

**Mr Harding:** Unlike the SNP, we cost our proposals fully, as will be revealed in our manifesto. The freeze is not for next year; it is for three years—[*Interruption*.] Mr Rumbles says that it will be efficiency saving; however, it will be additional funding.

Council tax has a collection rate of 90 per cent in Scotland compared to a rate of 96 per cent in England and Wales. Uncollected taxes lead to a larger tax burden on the individuals who pay their taxes, because they prop up the shortfall that is caused by Labour councils' inefficiencies.

The Local Government Committee concluded that it is difficult for Parliament to scrutinise the Executive's figures as they are currently presented. The committee suggested that the budget process should be linked to the spending reviews rather than to annual budgets, with the Executive producing information about spending levels and anticipated service outcomes. That would enable transparency and analysis in the local government accounts, such as is not possible at present.

In conclusion, the Scottish Conservatives would reverse the Executive's policy of centralising local government. We would reduce the ring fencing of funds, which would give local government the freedom to address its core service needs according to local priorities. We would alleviate the tax burden, giving councils throughout Scotland the opportunity to freeze council tax levels. We would remove the inefficiencies in council tax collection and give the electorate real choices at local government elections. Locally accountable councils would provide better services, engage better with their communities and provide better value for money.

**The Deputy Presiding Officer:** I must hurry you, Mr Harding.

Mr Harding: Sorry?

**The Deputy Presiding Officer:** When members say, "In conclusion," that is generally a sign that they are about to end.

**Mr Harding:** I am about to end—I have only half a page to go.

**The Deputy Presiding Officer:** Half a page will take you to the seventh of your five minutes.

**Mr Harding:** I am sorry. I shall leave it there, thank you.

The Deputy Presiding Officer: I ask members not to take interventions in their final minute and not to ask for another half a minute and try to take an extra two minutes. We are not too badly off for time this afternoon—

Mr Harding: I did not ask for extra time.

**The Deputy Presiding Officer:** Yes. Let us move on to Iain Smith for the Liberal Democrats. You have five minutes, Mr Smith, but I will be reasonably flexible and compensate for interventions that you take.

#### 15:53

**lain Smith (North-East Fife) (LD):** Please do not, Presiding Officer.

It feels a bit like groundhog day as we come yet again to this debate. I wonder why the debate is taking place in the chamber, because the statement that was made before Christmas gave all the information. It would be much more appropriate if the order were to be debated in the Local Government Committee-not that I am asking for any more work for our overburdened committee. However, as the committees deal with most statutory instruments, it would be more appropriate for the Local Government Committee to consider the order-which is just a technical division of the moneys that go to local government-than to have a full debate on a matter that has been debated through the budget process and through the statement that was made before Christmas. It would save us all a bit of time

and it would save us from having to make another attempt at the same speeches.

It is always helpful to follow Keith Harding, because he gives me plenty to say without my having to prepare too much in advance. I find the Conservatives' sudden conversion to the wonders of local government quite fascinating. They spent most of the 1980s and 1990s taking powers away from local government, either by adding its powers to those of quangos or by centralising them. Suddenly, they want to do the opposite—although, if one reads between the lines of what they say, one realises that they want to take away from local government the major powers and the major matters for which it is responsible.

For example, they want to remove the responsibility for education from local government-the biggest single power that local authorities have. They also want to take away social services from local government and give them to quangos-they do not really want to improve the lot of local government. That is the policy that they have stated previously. They want to give community care-which is, if I remember correctly, a social service-to quangos. The Conservatives are not the friends of local government-

Mr David Davidson (North-East Scotland) (Con): What about the health service?

**Iain Smith:** That was a quango, the last time I saw it. The national health service is a quango—it is an appointed, rather than an elected, body. I believe that local government is core, and that the Conservatives are not the friends of local government. I am fascinated by their budget proposals. They would freeze council tax levels and give extra money to local government to make up for it, but I wonder where that money would come from. Which other services will they cut to provide the money? They have not told us. They have a fully costed budget, according to Mr Harding, but they have not told us where a penny of the money will come from.

Mr Brian Monteith (Mid Scotland and Fife) (Con): Did the member come with a prepared speech? It sounds as though he is making it up as he goes along in answer to everything that Keith Harding said.

**Iain Smith:** My understanding was that this is a chamber in which we debate issues and respond to what people say in a debate. I thought that was the point of a debate. I am responding to comments that were made by the member.

I will clear up a Conservative myth. They keep telling us that local government would be so much better if authorities collected all the council tax that was due to them. They tell us that there is £133 million floating around that they have not collected.

That is not true. Local government collects significantly more council tax than is paid by 31 March. Local government does not stop collecting the council tax on 31 March; it continues to pursue it. If we look at the latest figures from 30 September 2002 for collections for 2000-01, there is not £141 million in uncollected council tax as was the position on 31 March 2002, but only £95 million. Some £46 million was collected between March and September. Councils are still collecting it. The mythical £133 million that the Conservatives would use to fund local government does not exist. We will never get a 100 per cent collection system for council tax because it is an imperfect tax. I agree that we should be moving towards a better system of collection and that every council should aspire to be as good as the best.

I welcome the statement today and the increase in funding for local government. There is to be an 8.5 per cent increase in the first of the three years. The figure decreases year on year to 3.5 per cent by the third year, but that is after the 3.5 per cent on top of the 8.5 per cent on top of the 4.8 per cent of the previous two years. That is a significant increase in the funding of local government.

I am surprised that the Conservatives did not welcome the small business rates scheme: actually, I am not surprised, because they opposed it. The scheme will bring a great deal of benefit to small businesses in my constituency, including many small shops, guest houses and hotels. The scheme will be funded largely from the much larger businesses for which rates are not such an important part of their overall turnover. Rates make up a bigger proportion of the turnover of small businesses than they do for larger businesses, upon which the rates do not impact. Indeed, the 0.6 per cent increase in non-domestic rates for the larger businesses comes at a time when the rest of the rate is being frozen. That is a less-than-inflation increase for those larger businesses, so they will not suffer.

I will clear up one final myth. Since the Liberal Democrat-Labour Administration came to power, council tax has increased by only 14 per cent in the past three years. In the last two years that the council tax was set under the Conservatives, the increase was 25 per cent. At the same time, local government budgets were cut left, right and centre. Under the Liberal Democrat-Labour Administration, council tax, services and budgeting are increasing. The council tax is being kept to a reasonable level of increase.

I welcome the order.

# 15:58

Dr Sylvia Jackson (Stirling) (Lab): I thought that I would give a balanced speech today,

considering local government funding, the reforms that are coming through and various bills. I planned to consider some of the issues from my constituency. After listening to Alasdair Morgan and Keith Harding, I wonder why I try to be balanced, but here goes.

As lain Smith described, record levels of funding will go to local authorities over the next three years. I will concentrate on the distribution of those monies, which is based on the formula that is agreed with COSLA and which, in the most recent case, is based on the 2001 population census as well as the 2002 school roll figures. The formula makes allowance for additional costs associated with deprivation and serving sparse rural communities. There are other monies for the better neighbourhood services fund. The minister outlined the additional pockets of money.

In my constituency, there are smaller pockets of deprivation that sit side by side with areas of affluence, which often mask the former. Does the minister feel that the existing formula takes into account those smaller pockets of deprivation?

There is also some concern from authorities such as Stirling Council that the fast increase in population may not be taken adequately into account. Rising populations obviously impact on school provision and other services. I know that Bruce Crawford and Brian Monteith will have picked up that issue.

#### Bruce Crawford: Will Dr Jackson give way?

**Dr Sylvia Jackson:** I was going to outline the issue, but Bruce Crawford can fire away.

**Bruce Crawford:** In referring to Stirling Council, does Sylvia Jackson accept that, when Labour came to power, council tax in band D stood at  $\pounds 678$ , that in 2000-01 it had risen to  $\pounds 954$  and that this year it went over the  $\pounds 1,000$  barrier? Does she think that that is fair to the constituents of Stirling?

**Dr Jackson:** I shall come back to that point in a minute, but I would like to finish what I was saying about schools, which is important—as is Bruce Crawford's point, obviously.

The issue of rising populations is compounded when, for whatever reason, a high concentration of families move into the area with more younger children than would be expected. That has happened recently in Dunblane, where the children-to-house ratio is several times higher than the figure put into the formula by local councils to plan for schools. Where we get the money from is a real issue that confronts us in making extra school provision. Will the minister comment on how local authorities address that and other issues to do with rising population? As I understand it, the figures from 2000 to 2006 have been based on the 2002 figures. I think that that is what we were told. In December, the minister outlined how reforms, such as the prudential framework, would radically help local authorities, giving them more freedom and the incentive and support to increase investment in services. The Local Government in Scotland Bill gives councils the power to decide for themselves how to invest. That and other reforms are to be welcomed, as that is certainly the way ahead.

As the minister knows, one of the big issues in my area is that of roads and bridges. I endlessly go on about that.

**Mr Monteith:** Will Dr Jackson take an intervention before she gets into the last minute of her speech?

The Deputy Presiding Officer: That is another one in the last minute, but I am sure that you will be brief, Mr Monteith.

**Mr Monteith:** I shall be very brief. I hope that Dr Jackson will reach the point where she is able to answer Bruce Crawford's question.

Dr Jackson: I do not think that I will.

**Mr Monteith:** Will Dr Jackson confirm that there is, in fact, a member of the SNP who supports the Labour council and votes for the large council tax increases that Mr Crawford mentioned?

**Dr Jackson:** I think that I shall ignore for a moment the political opportunism of both Bruce Crawford and Brian Monteith and continue with my speech.

I welcomed Lewis Macdonald's statement the other day that there would be extra money for local road maintenance. He also said that the national survey by the Society of Chief Officers for Transportation in Scotland would be used as a basis for more investment. This is an increasingly important issue. If we leave those roads for much longer, we will need more money in the longer term to fix them. I encourage the minister to continue with all the good work that he is doing, but I urge him to listen to what local councils are saying. They are still asking for a little bit more flexibility, so that some of the budgets, as Keith Harding was saying, can be redirected. We can then move some money into road maintenance, although we also need more money.

# 16:04

**Stewart Stevenson (Banff and Buchan) (SNP):** The order before us today is a very mean document indeed. It is ill-prepared and covered with hand annotations, but there is a more fundamental problem with it than that. The tables use 6 point print, and my old eyes no longer find it easy to read.

Dr Simpson: He should get some glasses.

**Stewart Stevenson:** With my presbyopia, myopia and hypermetropia—I have got them all—it is difficult to read.

In paragraph 3.1 of the Scottish ministers' report—the Local Government Finance (Scotland) Order 2003: Report by the Scottish Ministers under paragraph 2(3) of Schedule 12 to the Local Government Finance Act 1992 (SE 2003/16)—I began the hunt for the £14.077 million.

Paragraph 4.1 of the Scottish ministers' report purports to explain the non-domestic rate income—this print is too small for me to read—and the revenue support grant for the coming year. We have the explanation of taking £14.077 million out here and putting it back there, and unfortunately the figures balance: I congratulate you, minister.

Distributing an order that is hand annotated and in 6 point print invites the sort of scepticism with which I began to read the document, and that is unnecessary. I must say that the minister does rather better in the report, which is, at least, in 10 point print—thank you for that. I shall move on to some more serious points.

The one thing that comes across in the report is how little flexibility local government has these days. So much of the money that is allocated to local government is hypothecated for particular issues, and indeed some of it is also being used for competition.

It is time that we had another look at the business rates system, which is penalising town centres at the expense of retail parks. The reason for that is not just that there are small businesses at the centre and large ones at the periphery.

Although there has been an above average and very welcome—rise in funding for Aberdeenshire Council, it still leaves the council very near the bottom of the table in per capita funding. Indeed, the funding that has been provided shows little recognition of the rurality of the area. People too often associate it with Aberdeen, which is unwarranted as far as funding is concerned.

That said, I should point out that the Executive is doing some good things. For example, three-year funding is much better than one-year funding, and we welcome that approach.

However, I have spent much of my life looking at numbers, and I return to those numbers, particularly the missing ones, which always give me cause for concern as far as local government and the Scottish Executive are concerned. For example, interest charges are dealt with in a rather arcane way in local government, and it is not at all clear against which assets the charges are being calculated. Indeed, we do not have a statement of the assets or liabilities of local government or of the Scottish Executive. One would have such statements for a commercial company or a business. The lack of such a statement makes it very hard to judge whether our assets are being used effectively—and I say so entirely objectively. In particular, the fact that the liabilities associated with the private finance initiative have not been included means that we are in danger of missing any potential problems when we come to supervise budgets.

As for some of the allocations—for example, those to the quality-of-life initiatives—it appears arbitrarily that half of the money has been given to education and half to other issues. Furthermore, staff are being diverted into pretty meaningless competitions at the expense of doing the job in hand and getting money for their departments.

There are still unfunded obligations such as the national road strategy, the climate change levy, the education bill and the McCrone agreement, which is a big issue, particularly in rural areas. Councillors go to councils with great enthusiasm, although some resign—such as a Tory in Aberdeenshire recently—because they feel that they cannot make a difference. However, that is the Tories for you.

At 35 per 100,000 people, Scotland has the fewest elected politicians of any country in Europe. In England, that figure is more than 40, while in Greece it is 650. Our councillors need the best possible support and the funding to enable them to do the job. I am far from certain that we have given them either.

# 16:09

Mr Brian Monteith (Mid Scotland and Fife) (Con): Before I go on to my prepared speech, I should nail my colours thoroughly to the mast and say that we need fewer politicians rather than more. [Interruption.] I will gladly put myself up against everyone in the May elections. I have no fear of contest.

I want to participate in this debate because some of the points that I made and questions that I raised about cultural spending during last week's debate on the Budget (Scotland) (No 4) Bill were not adequately answered. I will revisit those points with regard to local government spending on culture.

I recently received a letter from Bridget McConnell, of Glasgow City Council, pointing out that there was deep concern in local government about spending on recreation, leisure and cultural activities. It suggested that spending has dropped by about 14 per cent in the years since council reorganisation. I am aware that since the formation of the unitary authorities, the new councils, having identified their responsibilities and which theatres and sports complexes they run, might have made changes in their budgets. We must recognise, however, that the overall tax take has remained broadly the same, if not higher.

In East Lothian, for instance, the Brunton theatre company found that its funding disappeared. Effectively, the council that used to fund the theatre company decided to take its money away, as the additional funding that had come via Lothian Regional Council no longer existed.

**Mr Kerr:** It was the Tories who got rid of the regional councils.

**Mr Monteith:** That is true, but it was for the new East Lothian Council to make up the difference, as indeed it did in support of Musselburgh race track. The council took a local decision, which one has to respect, but the Scottish Arts Council also withdrew its funding at the same time.

What I am trying to stress, without trying to score any party-political points, is that there have been changes in the financial support structure for various cultural activities, and there comes a point when we need to take a look at that.

An additional factor has come into play in the district of Stirling. Funding from the national lottery, particularly capital funding, has brought us a number of welcome new facilities. However, those facilities have been predicated upon business plans. Many of those plans, in the rush to obtain the money available, were poorly worked out. The funding for the McLaren community leisure centre in Callander now requires Stirling Council to put in practically a quarter of a million pounds each year. I accept and admire Stirling Council's commitment, but that illustrates the strain on local government funding of various cultural activities.

We are approaching the stage when, because of the sudden demands on councils and on their current account funding streams for such new leisure facilities, because of the changes that have been made and because of the withdrawal of funding from the centre, we require some sort of review involving local government, the Scottish Arts Council, those in the cultural world and central Government in order to work out how we go forward. There are real difficulties, which I do not think would have existed if it were not for those factors. Otherwise, Bridget McConnell would not have written to me.

**Iain Smith:** The Conservative spokesman at the start of the debate spoke about giving more power to local government; Brian Monteith seems to be talking about holding more power at the centre. Who speaks for the Conservatives?

Mr Monteith: I am not talking about power; I am talking about a recognition that local authorities

face difficulties. A change in the funding priorities and support that we give local authorities may be required so that they may take their local democratic decisions. I am not second-guessing what the outcomes might be.

Generally, the tax take has remained the same or has increased. I want to find out what we can do to ensure that there are viable local facilities that are supported by communities. I look forward to hearing what the Deputy Minister for Finance and Public Services might say in winding up.

# Mr Kerr: I will be winding up.

**Mr Monteith:** I am sorry—I enjoyed the deputy minister's Monty Python references during last week's budget bill debate. I thought that we might get "The League of Gentlemen" this time, or perhaps "Smack the Pony" or "Jackass". However, it is not to be. I look forward to hearing what the Minister for Finance and Public Services thinks that we can do to ensure that cultural facilities have adequate funds to keep their doors open.

# 16:14

**Dr Richard Simpson (Ochil) (Lab):** I have listened to the speeches of SNP and Conservative Opposition members, which were extraordinary. Members speak as if the budget for local government were being cut, which is not the case. Clackmannanshire Council, which is receiving a funding increase of 9.2 per cent, described that as a severe cut. When can a real-terms increase of that size be described as a cut? That can happen only when the wish list of a local authority is totally out of control.

Brian Monteith, Bruce Crawford and Sylvia Jackson discussed the situation in Stirling. Council tax in Clackmannanshire, where the council is SNP controlled, has risen exactly in parallel with council tax in Stirling, which has a Labour-majority council. This is not a matter of party politics.

At the outset, I must make one serious point. One of the major problems with local government finance is its complexity. Even the brief report that we have received contains an alphabet soup. It refers to grant-aided expenditure, or GAE, AEF, total estimated expenditure, or TEE, and NDRI the list goes on and on. MSPs and members of the Finance Committee—let alone lay people—have difficulty understanding that terminology.

Over the next three years, the balance between the amount of money that central Government is investing and the amount that local government is expected to raise is changing slightly. However, 82 to 83 per cent of local government funding will still come from central Government. That is not appropriate in the long term.

I want briefly to discuss one of the three local authorities that fall within my constituency—

Clackmannanshire Council. Clackmannanshire Council is the smallest mainland authority in Scotland, with a population of 54,000. It is one of the 15 most deprived local authorities in the United Kingdom. Within central region, it has a higher unemployment level than either of its neighbours-almost three times that of Stirling and one and a half times that of Falkirk. Although, along with the rest of Scotland, unemployment has fallen in Clackmannanshire from 11 per cent to 6.5 per cent, the male unemployment rate within that is still 11 per cent.

Employment patterns are changing. Those changes relate not only to gender, but to types of employment. The breweries and mines have gone, and the textile industry has been reduced to a pitiful state, compared with the position 10 or 20 years ago. Many new jobs are part time. It is difficult to attract new industry to the area. Why? The authority has no trunk roads or rail connection. There are traffic jams at either end of the county, as people try to get out to work in the morning and to get in the evening. To add insult to injury, from 1996 onwards the authority was left with a partially completed 10m-single-carriage road.

I am glad that, through funding that it has provided and through partnership with local government, the Labour-led coalition has started to change things. Even Bruce Crawford will recognise that the completion of the A907 has benefited the local population significantly. The Executive has worked with the Strategic Rail Authority and the local council to produce a private bill that will advance the rail agenda and allow a railway line to open in 2005-06. The new bridge across the Forth—which I hope will be called the Clackmannanshire bridge—will open us up for business.

The infrastructure that the Executive is developing, through local government funding, is equally important. The £1.2 million that has been announced this week for school refurbishment is very important, although Clackmannanshire Council has delayed the benefits that publicprivate partnership could bring by endlessly reworking its proposed not-for-profit-trust system. The SNP first mentioned the system in 1997, but it has still provided no details of a workable solution. Such delay affects pupils adversely. I object strongly to the fact that the SNP is playing politics with their lives.

My final point is not dissimilar to a point that Brian Monteith tried to make. The complexities of lottery, central Government, local council and other forms of funding are creating problems. I will illustrate those with reference to the Scottish Further Education Funding Council. Because there is a need for urban regeneration in the centre of Alloa, we must move Clackmannan College from its current, run-down premises to a site next to the social inclusion partnership area. However, the funding for that comes through the Scottish Further Education Funding Council, whose remit does not allow consideration of the urban regeneration question. Further, because the scheme is not entirely to do with urban regeneration, the Government cannot or will not put any money in. Still further, because the scheme is not a council issue, the council cannot put money in either. The result is, the regeneration of Alloa is being held up because things are not being joined up. There is an absolute necessity, given the complexity of funding, that those issues are addressed.

When he sums up, can the minister send a strong message that the voluntary organisations should receive three-year settlements, like the local authorities? There are voluntary organisations in my area that are still waiting for their settlement for next year and have had to send redundancy notices out again. That is unacceptable to staff.

### 16:20

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): Over the years, there has undoubtedly been a trend towards greater and greater centralisation of local government funding. Central Government, more than ever before, effectively decides the level of local government spending throughout Scotland. A fundamental principle of Liberal Democrat policy is to ensure that more council revenue is raised locally and that taxes relate more closely to people's ability to pay. While it has not been possible to tackle such major issues during this Parliament, I hope that it will be possible to do so in the next Parliament. That said, as the minister outlined earlier, there have been significant achievements by the Executive in reforming local government finance during this Parliament. Further, the draft local governance bill that has just been published gives me confidence that we will be able to achieve radical change in the next Parliament.

I am pleased that, after years during which Aberdeenshire Council received less than the average amount of funding per head of population—in fact, almost 10 per cent less—this year it is to receive a rise of more than 9 per cent and, over the next three years, a cumulative rise from the Scottish Executive of almost 20 per cent. That is above the average increase for Scotland, and is a welcome step in the direction of redressing the balance of underfunding in Aberdeenshire.

**Stewart Stevenson:** Where does that leave Aberdeenshire Council relative to the other 31 councils?

Mr Rumbles: As Stewart Stevenson well knows, in 1999, when the Scottish Parliament was elected, Aberdeenshire Council received only 90 per cent of the average funding per head of population. The Scottish Executive-the Labour party and the Liberal Democrats working together to deliver for the people of Aberdeenshire-have changed that situation dramatically. We now have a local government finance settlement that is above the average. That is an amazing and significant step forward for the constituents whom I represent in West Aberdeenshire and Kincardine and for Stewart Stevenson's constituents in Banff and Buchan. The current settlement goes some underfunding towards balancing wav in Aberdeenshire relative to other local authorities.

There has been a rise, from some £263 million in this financial year to £316 million by 2005-06. I know that a good deal of that is ring-fenced funding, but it represents an increase of more than £50 million over the next three years for Aberdeenshire. That is good news for my constituents.

As I said earlier, the current situation is significantly different from the situation that pertained in the first year of this Parliament, when Aberdeenshire's budget was under a great deal of pressure and the convener of the council and the councillors came to the Parliament to lobby MSPs. That situation was due to years of underfunding by Conservative and Labour Governments. Because I felt in that first year that the Executive was failing to address the issue, I felt compelled to vote against the Executive's expenditure plans for Aberdeenshire.

I am delighted to be able fully to support the motion before us. The Labour and Liberal Democrat Executive is delivering for the people whom I represent. I look forward to seeing the fruits of the extra £50 million over the next three years.

# 16:25

Bruce Crawford (Mid Scotland and Fife) (SNP): I remember well the dying days of the Tory Government, when I met other council leaders throughout Scotland to discuss the implications of the financial settlements. We shared a common cause against the Tories, who had subjected local government to 15 years' hard labour and had mounted successive attacks on local government communities. I remember well the palpable anger that was felt as the Tories attacked the very roots of communities throughout Scotland. I also remember how frustrated many council leaders were by the spin and the smoke-and-mirrors games that successive Tory Secretaries of State for Scotland played. Keith Harding—who, sadly, is no longer in the chamber—gave us more spin. He made it plain that the Tories have no serious intent of fighting the Scottish parliamentary elections, but intend to focus on the council elections and protecting the council tax payer. More smoke and mirrors will be involved.

I shared those council leader meetings with people such as Kate Maclean, Frank McAveety, Tom McCabe and even the man who is sitting in the front row of the Labour benches—Peter Peacock. I find it hard to accept that the same games of spin and smoke and mirrors are being played by the people who so despised Tory practices. I ask the Executive not to continue to embrace the Tory games of smoke and mirrors but to treat local government with the honesty that it deserves and to accept with dignity that, although extra money is going in, there is still a £440 million shortfall.

**Mr Kerr:** I am glad that the member acknowledges that more money is going in. Will he also acknowledge that I was not crowing about the settlement and that I described it as being challenging but fair? I admitted that it would stretch local authorities, but we expect that across all Executive portfolios. The settlement is challenging but fair for our local councils, our public servants and all those in public services.

**Bruce Crawford:** At no stage in the minister's speech did he accept the scale of the problem that exists, which is about £440 million. Why is it so difficult for the Liberal and Labour Executive to acknowledge that the order will mean that, despite the extra resources, councils will still be underfunded to that extent? COSLA, which is controlled by the Labour party, says that, not the SNP.

Throughout Scotland, councils are struggling to cope with the new burdens that are being placed on them. I am seeking honesty and dignity for local authorities. On McCrone, we are already receiving reports that councils are having problems in supporting the classroom assistants. On recycling, there are capital investment and infrastructure problems. Particular problems for the elderly are arising in the delivery of community care. Energy efficiency measures, which are a prime target for spending to save, are suffering from problems to do with renovating old buildings and dealing with old plant.

On affordable housing, in places where there is little housing stock debt, such as East Lothian, councils do not want to transfer their houses. For such councils, stock transfer is a bureaucratic problem that consumes resources. They need more section 94 consents, and that is what they are calling for. I want to deal with a specific issue that affects roads. There is a problem in rural Scotland and in Stirling in particular. The present formula is based on the amount of miles of road, and the money is applied in each area according to that formula. However, we require a formula that is based on need, which would enable authorities to obtain the right amount of money and to focus it on the right areas.

Richard Simpson mentioned the benefits of PFI in schools and how it made up for years of neglect. He spoke about the things that Labour is supposed to have done for Clackmannanshire. It is interesting that the SNP's "Connecting Clackmannanshire" manifesto for the 1998 council elections put roads, railways and bridges at the top of the list, and all of them have been delivered since Clackmannanshire got an SNP council. I applaud that council's approach to PFI. If it wants to put more money into schools rather than into the pockets of profiteers, I say, "Good on them."

I have referred previously to the problem of the level of increase in council tax in the Stirling Council area. Labour tells people on the street that councils are getting millions of pounds in extra resources, but the result is that Labour councils get hammered for large council tax increases.

If there was an honest debate and an acceptance that the new burdens are not always fully covered by settlements from Government, the council tax payer might just be able to have a greater degree of faith in local government. Today, I ask members to recognise that real problems still exist. To do otherwise would be to undermine even further the role of local government.

We will not get democratic renewal in Scotland until we get honesty, transparency and fairness. All the other things that go on—whether they come from Executive bills or other bills—will not improve the turnout at local authority elections unless that honesty and transparency exist. [*Interruption*.]

**Mr Kerr:** Is Bruce Crawford making a spending commitment?

**Bruce Crawford:** I would applaud the minister if he were to do so. When he sums up the debate, I ask him to admit that there is a  $\pounds440$  million shortfall in the money that has been provided. If he says that, I shall indeed applaud him.

# 16:31

**Mr Tom McCabe (Hamilton South) (Lab):** If Bruce Crawford thinks that the situation that is faced by local government today is closely comparable with that which was experienced under the Tories, he is suffering from selective amnesia.

Only a disingenuous politician would suggest that the local government finance order that is

before us today is anything but good news for government. lt would be equally local disingenuous for anyone to deny that the order represents a reversal of the constraints and mistrust that central Government visited upon local government during the long Conservative years. I am happy to concur with Iain Smith's scepticism about the views that have been expressed by members of the Tory front bench this afternoon. I have never been burdened by the worry that the Conservatives have any chance whatsoever of winning the next Scottish election. This afternoon's comments from the Conservatives confirm to me that they are not burdened with that worry either.

Some people would trade on the view that local government finance is extremely complicated—too complicated for ordinary people to understand. They would therefore spin the line that today's settlement is a disaster, no matter how good the figures are. They would be fundamentally wrong to do that, and would risk being exposed as selfserving if they were to try. An increase of 8.5 per cent for 2003-04 is a substantial injection of cash for local government. Let me put that another way—

Brian Adam (North-East Scotland) (SNP): Will the member take an intervention?

Mr McCabe: I shall in a moment.

To put it another way, anyone who was currently involved in a wage negotiation would be very happy to be offered an 8.5 per cent no-stringsattached increase.

**Brian Adam:** Of course anybody who was offered a wage increase of 8.5 per cent would be delighted. However, would Tom McCabe care to tell us—we have not heard this from the minister—how much of that 8.5 per cent increase relates to new burdens, some of which are a direct consequence of legislation that has been widely supported in the Parliament?

**Mr McCabe:** I certainly hope that a proportion of that 8.5 per cent relates to new burdens. We were elected to the Parliament on a commitment to expand local services. When local services are expanded, local government takes on new burdens. We are in the business of creating new burdens and that is why we will win the next general election. The SNP will lose that election because it does not recognise that.

**Mr Monteith:** Will the member take an intervention?

# Mr McCabe: In a moment.

Local government is critical to the fabric of our society, so it is important that it is properly funded and managed and that it is open to the necessary changes and challenges of the 21<sup>st</sup> century. Let us look at what that means for the people who

depend on local government services. To avoid any notion that the debate is about abstract things, let me make it clear that that includes every person in the chamber as well as all the people whom we represent.

We will have more police on Scotland's streets than at any time in our history. With proper management, local government can further develop free personal and nursing care for older people and strive to be world leaders in the care of the elderly. There is more money to improve our environment and clean our streets. The new prudential borrowing scheme for capital investment will revolutionise the opportunities that are available to local government. Councils that are prepared to work in partnership with other agencies are in a better position than ever before to compile for their areas medium to long-term plans that can become a reality. Under a decade ago, councils throughout Scotland struggled with the limitations of section 94 consents. They could only dream of the opportunities that are now being presented to them.

It is important for all concerned to remember where we were in order fully to appreciate where we are now. It is important to remember that, although the Local Government Finance (Scotland) Order 2003 is a substantial part of the story, it is only a part. In addition to the order, the better neighbourhood fund provides a further £120 million and a stream of allocations, some of which were mentioned by the minister, for specific services.

All that is in contrast to the past and is a challenge for the future. The Executive is right to demand best value and continuous improvement. Local government is obliged to the people it serves to recognise that duty and to meet that challenge. The redevelopment and expansion of local government services are critical if we are to meet the public's needs and aspirations. Those are the tough choices that lie ahead for local government and the funding in the order will make it possible to make them. The lateral thinking and vision of committed local people will make that a reality.

The Deputy Presiding Officer (Mr George Reid): My regrets to Brian Fitzpatrick. I am afraid that we are out of time.

# 16:36

**Donald Gorrie (Central Scotland) (LD):** I am happy to support this settlement, unlike the first year's settlement, which I felt continued the squeeze on local authority spending that was started by the Conservative Government and then carried on by the Labour Government. However, we have got over that now and the settlement is very welcome. It is open to argument that the settlement could be better still, and I think that that is quite right. However, if local authorities have been pushed down to the bottom of a deep valley by successive Governments, they cannot expect to get up to the mountain top, where they would like to be, in one bound like some television character. We have advanced significantly up the hill and will do more in the next few years. The settlement is welcome.

In particular, I welcome something that does not come in until next year-the prudential borrowing powers. In recent years, councils have had grave problems over capital expenditure and the proposition that they should be allowed prudential borrowing powers is very sensible. Although it is not strictly a subject for local government, we could consider extending those powers to Communities Scotland and to housing associations so that they could use their resources to borrow more, build more and help solve our housing problems.

We have to work out ways of getting better value from our existing money, but our systems are still quite faulty. I will give one example out of many. The Justice 1 Committee recently took evidence in Inverness. Highland Council and Aberdeen City Council have set up systems to try to help in the field of youth justice. The Inverness system had eight different funding sources, and the one in Aberdeen had seven. Each of those sources had its own criteria, time scale and monitoring system so that it was impossible for the councils to deliver those services and get good value for money, despite the fact that the council departments and the voluntary sector had been brought together in a harmonious way.

I know that it is difficult to co-ordinate different departments, agencies such as the national lottery and local and national Government. However, we must tackle that problem because, at the moment, we are not getting the value for money that we should be getting. That applies particularly to the voluntary sector, but it also applies to councils.

Those in authority seem to love new projects and to neglect the core funding of both councils and the voluntary sector. There is an illusion that everything new must be good, but that is not the case. We must put more effort into core funding and into keeping existing good projects going. It is said that it is harder to get money to keep a good project going than it is to get money to start up a completely new project.

A lot of the well-intentioned funding of new projects is wasteful. We would do better putting money into the core funding of councils and voluntary organisations, and getting better cooperation between national Government, local government and the voluntary sector, to deliver between them a harmonious and well-organised policy, which would produce much better value for money and make everyone concerned much happier. I hope that we can aim for that in the future.

This settlement is a distinct improvement, and there is a better attitude to local government now than there has been in past years, going back a while. The settlement is welcome, and I hope that everyone will support it.

# 16:40

Mr David Davidson (North-East Scotland) (Con): We are not mean spirited on these benches. I have to welcome some aspects of the settlement, particularly the fact that the minister will make good the national insurance increases and pay and costs inflation for local authorities. That is very much welcomed by the Conservatives, as I am sure it will be by everyone else.

The move to three-year funding is helpful to local democracy, as it will allow local authorities to plan properly and will mean that they do not have to lurch from year to year. I agree with Donald Gorrie that that move should also apply to voluntary sector organisations that get their funding through local government, because that would help them with their efficiencies. On a personal basis, I particularly welcome the uplift in the north-east support, which is a bit behind time. The question now is, will the minister do the same to raise our funding levels for the health service to a more equitable level?

Some of the speeches were quite interesting, and there were a number of common themes in the debate. One theme that emerged clearly was thoughts on ring fencing, which I will come back to. Other common themes were transparency and complexity, which were mentioned by all parties in the chamber. For example, Alasdair Morgan referred to documentation, the layout of which is, to say the least, quite confusing. I agree with lain Smith that more information needs to be given to the committees at an earlier stage, so that there can be a clear and proper discussion in the committees before we reach the final stage. We always seem to be scrabbling around trying to get the information, and we just have to accept the documents when they come through.

Alasdair Morgan mentioned that COSLA was not as robust in its criticism. The COSLA document that I have states:

"The targeting of the substantial proportion of the yearon-year increase in resources by the Scottish Executive demonstrates an unhealthy concentration on national priorities."

That is moderately robust, although it is quite fine language. COSLA also states that

"the level of non-discretionary expenditure and its resultant perverse effects and associated bureaucracy continues to be of concern."

The document continued on that theme. It is just a pity that COSLA did not make that view more public earlier in the debate.

My colleague Keith Harding did something that nobody else did when he talked about policy commitments, although I think that Bruce Crawford raised a good example afterwards. I forget the phrase that was used, but the point was that policy commitments should be about central services, not local government. When I was a councillor, there was a debate-it is still going on with councillors of all persuasions-that more and more was being ring fenced and that more burdens were coming through. Richard Simpson mentioned new burdens. In fact, everybody managed to mention new burdens. New burdens are nothing more than central Government policy. It is quite dishonest-in fact, it is nonsense-for Tom McCabe to talk about an unfettered 8.5 per cent when 6 per cent of that has labels on it. We cannot have that sort of dishonesty in this kind of debate for much longer. I have been informed that the phrase that was used was "no strings attached".

**Mr Rumbles:** I agree entirely with David Davidson that the settlement comes with strings attached, but it is still real money. Does he agree that although councillors often talk about burdens, they are not burdens but services that are being provided to his constituents and to my constituents?

**Mr Davidson:** I use the language that the councillors use. I said it clearly a minute ago: they mean Government policy being delivered through local government.

I got the impression that Bruce Crawford almost committed an SNP Administration to make good the funding gap of £440 million that COSLA has identified.

Bruce Crawford: That is not what I said.

**Mr Davidson:** That is what it sounded like. Perhaps we can have some clarification.

In general, we have a long way to go on how we deal with local government finance. We need to have a healthy debate—I hope that we will do so after the elections—about what we want local government to be responsible for. We need to create a meaningful financial structure in which local government can be left to get on with its work without too much interference from the centre, while becoming more accountable.

The Executive has not done a very good job this year. It still has not taken account of undercollection of council tax or other matters. There are many things to do.

# Dr Sylvia Jackson: Will the member give way?

**Mr Davidson:** I do not have time. When we return after the elections, we must seriously examine local government and set it free to do what it is supposed to do—serve local communities.

# 16:46

**Brian Adam (North-East Scotland) (SNP):** The Tories' speeches have been interesting. The minister described the settlement as challenging and the Tories will find some of the proposals that they announced today rather challenging. It is inconsistent for them to suggest that we need to examine and rebalance local government finance to make local government more meaningful and more responsible while also suggesting a counciltax freeze, which would inevitably increase the percentage of funding from the centre, from businesses or from both.

If the Tories are concerned about how few services are being delivered and how locally accountable services are, perhaps the best way of tackling inefficiencies would be to examine the voting system, yet the Tories consistently set their face against proportional representation, which would undoubtedly change the face of local government and make it more responsive to individuals' needs and wants.

I agree with David Davidson's fundamental point. A challenge for all the political parties is squaring the circle of local politicians' clear local mandate with the small proportion of the overall tax take for which they are responsible. There is no instant answer to that. That challenge will continue and I hope that it will be tackled in the next parliamentary session by whoever is responsible for dealing with such matters. That is not a party-political point. We all need to deal with that.

Interesting comments were made about the McCrone settlement and personal care. We have also been lobbied by COSLA. It is interesting that several local authorities have felt so disappointed with COSLA's approach that they have left the organisation. I understand that Highland Council is considering leaving COSLA because of COSLA's handling of the McCrone settlement. The formula has failed to deliver for Highland Council and I presume that the council's background problems with personal care and the formula for that have also had an effect.

**Mr Davidson:** Many councils are swapping notes about eligibility for free personal care, because they cannot see how the money will be squared. They do not have the resources to meet their burdens. Does the SNP have a solution to that? **Brian Adam:** I will talk about free personal care, because that relates to why I chastise Tom McCabe, as did David Davidson. The new burdens—that is what councils call them—are a real part of the 8.5 per cent uplift. It is appropriate to legislate to give councils new burdens, but we should recognise that we have done so and not hide such burdens behind an overall settlement. We should recognise such burdens separately from the settlement.

The not inconsiderable sum of £125 million is required to deliver free personal care. It is important that the Parliament agreed on free personal care. Some of us made it a greater priority than others did, but that is neither here nor there. That is what will happen. It has been suggested that 8.5 per cent is generous, but it is meant to deliver what we want.

As well as free personal care, the supporting people programme is to be established, which is part of legislation from the Parliament.

One of the welcome parts of the budget is the £145 million that the Executive rightly wrested from the Department for Work and Pensions as part of the settlement. However, that money is not really new money, or money that local councils have discretion over; it is money for new burdens. That is the case with national insurance and pay.

Some interesting pleas were made today. Brian Monteith made an interesting plea on behalf of culture, although I am not sure that I agree with his analysis. I agree with the plea that was made by Donald Gorrie and Richard Simpson that we need to ensure that the local government settlement delivers three-year funding for voluntary bodies, as well as for councils.

Although I could comment on many parts of the announcement, I wish that the minister would be more open about the process and not try to dress up allocations as freely given money with which councils can do what they will.

**The Deputy Presiding Officer:** We are absolutely on time, which means that Mr Kerr has eight minutes in which to wind up the debate.

# 16:51

**Mr Kerr:** I begin by paraphrasing Tom McCabe, who spoke about where we were and where we are now. It is true that there is no comparison, and that what the Executive has delivered for local government is clearly measurable. We have delivered the stability of three-year grant allocations. In that respect, I agree with the point that was made about voluntary organisations, and I will continue to consider the matter. Guidance is available, but I will seek discussions with COSLA and others on the issue. As I said, we have delivered stability. We have also abolished capping guidelines, developed a new prudential regime for capital funding, and abolished CCT. We have introduced best value, the power to advance the well-being of local communities, and community planning. To comments that were made about centralisation, I can only say, "I think not." In response to comments about power being given to local communities, I agree that that is the case.

Comments were also made about the COSLA funding gap. I have frequent discussions with COSLA on financial matters. COSLA aspires to deliver more and better services for the communities that its members serve. We are talking not about a real funding gap, but about what COSLA members think they need and what the Executive, through GAE and our discussions with COSLA, assesses councils' spending to be.

It is not all bad news—let us examine the settlement. We have fully funded all the so-called burdens, including free personal care for the elderly, free travel for our elderly citizens, peace in our schools, and the recognition of the professional role of teachers within schools. We have also given more money for our local roads and for nursery places for our children. Those are not burdens, but jointly agreed and discussed Executive priorities, which need to be delivered to make the lives of our communities better.

The settlement includes full support for all national initiatives, national insurance costs and pay and price inflation at 2 per cent. The settlement reduces ring fencing. Our calculations make no call on local council tax increases— decisions about council tax increases are made by locally accountable and directly elected local councils.

Members should consider the quality of life initiative, which was discussed and agreed in detail with COSLA and the other local authorities. The initiative is being delivered throughout Scotland—members will have seen it announced in local press releases. The initiative is increasing the quality of our public services in local communities.

I have received correspondence from SNP members, saying that they want ring fencing in areas such as free personal care for the elderly. It is interesting to see them suddenly change their position and go down the road of reducing ring fencing. We need to get the facts right. The fact is that we have reduced ring fencing. The £64 million that we took out of education and put into the general unhypothecated fund reduced ring fencing. Specific grants to local authorities account for 8 per cent of AEF. If the police grant is taken out of the total, the figure is 2 per cent.

**Brian Adam:** I did not have terribly long to speak, and I meant to ask the minister about the unallocated funds that he has retained within AEF. When does the minister plan to distribute them and how will he do so?

**Mr Kerr:** I believe that we are talking about the 2 per cent. I do not know whether Brian Adam is talking about police funding and what we should do about it, but I do not think that he is. I am in constant dialogue with our local authority colleagues. As I said in the last local government settlement announcement, and as I have said today, we have reduced ring fencing and increased unhypothecated resources. We are talking about a process. I say to Brian Adam that we will continue to pursue the matter with our colleagues in local government. That said, hypothecated funds in any shape or form account for less than 0.1 per cent of the general grant that goes to local authorities.

We choose to work in partnership with local authorities and they have recognised that.

Many members—particularly the Tories mentioned council tax increases. Over the past three years, since we reformed local government finance, council taxes have increased by 13.5 per cent. Some figures that have been bandied about go back to the last years of the Tories—the local government settlement was so poor that council taxes had to increase. I said that Glasgow City Council has led the way with five years of belowinflation increases for its communities. I expect similar announcements in due course.

Alasdair Morgan spoke about limiting increases in average rates bills to the level of the retail prices index. That relies on the valuation of properties, which we do not control. He is the SNP's finance spokesperson and it would be daft of him to commit to such a limit when we do not know the outcome of independent valuations throughout Scotland. He can make such a daft commitment if he wishes to—after all, the SNP has done many daft things in respect of finance. No Government would make such a commitment. Although we want to say that we will restrict poundage, no Government can predict what will come out of the independent revaluation.

Alasdair Morgan: Is the minister saying that if the valuation puts rateable values up considerably—it is not likely to put them down—it is possible that he will simply retain the extra revenue above inflation, rather than keep business burdens at an inflationary level?

**Mr Kerr:** As a result of valuation decisions, we are freezing business rates. The business community has welcomed that, as it has a real impact. Some £35 million will come not to the Executive but will be allowed to remain in the

business community. That is a good measure, which everyone in the community welcomed.

It is interesting that Alasdair Morgan's own council, Dumfries and Galloway Council, has received increases of 9.3 per cent, 5.4 per cent and 3.9 per cent—that is a fair settlement.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): As one of the members—[*Interruption*.]

**The Deputy Presiding Officer:** Order. Members cannot hear Mr Fitzpatrick. I ask members to keep the noise down.

Brian Fitzpatrick: I am obliged to you, Presiding Officer. I welcome the above-average increases for East Dunbartonshire Council. However, is the minister aware that, as early as 29 June 2002, relatives and carers of very vulnerable people in my constituency were told that no moneys would be made available, as the Scottish Executive had provided insufficient funds to East Dunbartonshire Council to deliver free personal care? Is he aware that, notwithstanding those claims, some £357,000 of resources are unused by East Dunbartonshire Council? Will he consider carefully an external investigation of the reasons why that underspend has happened? More important, will he consider better measurement and evaluation of how that key policy is being implemented?

**Mr Kerr:** I have met the council a few times and pointed out that the settlement should be adequate to provide the services. I find the situation that the member describes surprising.

Keith Harding talked about centralisation. I worked in local government for a time and I remember centralisation. He criticised local government for lack of council tax collection. With the poll tax, which the Tories introduced, collection rates were 67 per cent—that is a disgrace. The Tories delivered the poll tax to the Scottish community.

Sylvia Jackson rightly spoke about local roads. We have made a number of interventions in respect of local roads—some £70 million was made available last year and some £15 million this year. The quality of life money means that councils can take local decisions to reflect local communities' desires for services. Such money is making a difference and attempts to redress the balance with regard to under-resourcing.

Stewart Stevenson and Mike Rumbles talked about Aberdeenshire. Some £1.1 million out of the £15 million that the Executive has issued for local roads has gone to Aberdeenshire. That is fair on the people of Aberdeenshire and reflects need. Bruce Crawford spoke about having indicators to reflect need. If there are big roads and non-trunk roads in an area, that needs to be reflected in the settlement and extra resources need to be provided.

What Bruce Crawford said was confusing. I think that there was another SNP spending commitment of £440 million. That adds up to—[*Interruption*.]

**The Deputy Presiding Officer:** Order. There is too much noise in the chamber.

**Mr Kerr:** In the past two weeks, I have written to John Swinney about the SNP's spending proposals in respect of Gaelic, money for transport, the dualling of the A9, Kenny MacAskill's commitments, the national theatre, university funding and funding for VisitScotland, to which the spending commitment that I mentioned adds. The SNP has made commitments in all those areas and, as usual, those commitments are uncosted.

One face of the SNP is its pro-private sector face, but the SNP's anti-private sector face in the chamber today is also worth noting. The SNP cannot have things both ways, although it always tries to do so.

I am sure that colleagues will support the Local Government Finance (Scotland) Order 2003.

# **Parliamentary Bureau Motions**

#### 17:00

**The Presiding Officer (Sir David Steel):** The next item of business is consideration of two Parliamentary Bureau motions. I ask Euan Robson to move motions S1M-3848 and S1M-3849 together.

#### Motions moved,

That the Parliament agrees that the draft Proceeds of Crime Act 2002 (Disclosure of Information to and by Lord Advocate and Scottish Ministers) Order 2003 be approved.

That the Parliament agrees that the draft Proceeds of Crime Act 2002 (Investigations: Code of Practice) (Scotland) Order 2003 be approved.—[*Euan Robson.*]

# **Decision Time**

### 17:00

The Presiding Officer (Sir David Steel): The first question is, that motion S1M-3833, in the name of Andy Kerr, on the Local Government Bill—UK legislation—be agreed to.

#### Motion agreed to.

That the Parliament endorses the principle of including in the Local Government Bill powers for the Scottish Ministers to issue directions and guidance to Scottish local authorities in relation to staff transfer matters and agrees that the relevant provisions to confer executive functions on the Scottish Ministers in relation to these matters should be considered by the UK Parliament.

**The Presiding Officer:** The next question is, that amendment S1M-3727.1, in the name of lain Smith, which seeks to amend motion S1M-3727, in the name of Tricia Marwick, on the general principles of the Proportional Representation (Local Government Elections) (Scotland) Bill, be agreed to. Are we agreed?

#### Members: No.

The Presiding Officer: There will be a division.

#### For

Alexander, Ms Wendy (Paisley North) (Lab) Baillie, Jackie (Dumbarton) (Lab) Barrie, Scott (Dunfermline West) (Lab) Boyack, Sarah (Edinburgh Central) (Lab) 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) Gibson, Mr Kenneth (Glasgow) (SNP) Gillon, Karen (Clydesdale) (Lab) Godman, Trish (West Renfrewshire) (Lab) Gorrie, Donald (Central Scotland) (LD) Grant, Rhoda (Highlands and Islands) (Lab) 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) 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)

#### 14965

Martin, Paul (Glasgow Springburn) (Lab) McAveety, Mr Frank (Glasgow Shettleston) (Lab) McCabe, Mr Tom (Hamilton South) (Lab) McLeish, Henry (Central Fife) (Lab) McMahon, Michael (Hamilton North and Bellshill) (Lab) McNeill, Pauline (Glasgow Kelvin) (Lab) McNulty, Des (Clydebank and Milngavie) (Lab) Muldoon, Bristow (Livingston) (Lab) Mulligan, Mrs Mary (Linlithgow) (Lab) Munro, John Farquhar (Ross, Skye and Inverness West) (ID)Murray, Dr Elaine (Dumfries) (Lab) Oldfather, Irene (Cunninghame South) (Lab) Peacock, Peter (Highlands and Islands) (Lab) Peattie, Cathy (Falkirk East) (Lab) Radcliffe, Nora (Gordon) (LD) Raffan, Mr Keith (Mid Scotland and Fife) (LD) Robson, Euan (Roxburgh and Berwickshire) (LD) Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)Scott, Tavish (Shetland) (LD) Simpson, Dr Richard (Ochil) (Lab) Smith, Elaine (Coatbridge and Chryston) (Lab) Smith, Iain (North-East Fife) (LD) Stephen, Nicol (Aberdeen South) (LD) Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD) Thomson, Elaine (Aberdeen North) (Lab) Wallace, Mr Jim (Orkney) (LD) Watson, Mike (Glasgow Cathcart) (Lab)

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) Canavan, Dennis (Falkirk West) Crawford, Bruce (Mid Scotland and Fife) (SNP) Cunningham, Roseanna (Perth) (SNP) Davidson, Mr David (North-East Scotland) (Con) Douglas-Hamilton, Lord James (Lothians) (Con) Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP) Ewing, Mrs Margaret (Moray) (SNP) Fabiani, Linda (Central Scotland) (SNP) Fergusson, Alex (South of Scotland) (Con) Fraser, Murdo (Mid Scotland and Fife) (Con) Gallie, Phil (South of Scotland) (Con) Goldie, Miss Annabel (West of Scotland) (Con) Grahame, Christine (South of Scotland) (SNP) Hamilton, Mr Duncan (Highlands and Islands) (SNP) Harding, Mr Keith (Mid Scotland and Fife) (Con) Harper, Robin (Lothians) (Grn) 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, Margo (Lothians) (Ind) Marwick, Tricia (Mid Scotland and Fife) (SNP) Matheson, Michael (Central Scotland) (SNP) McAllion, Mr John (Dundee East) (Lab) McGrigor, Mr Jamie (Highlands and Islands) (Con) McGugan, Irene (North-East Scotland) (SNP) McIntosh, Mrs Lyndsay (Central Scotland) (Con) McLetchie, David (Lothians) (Con) Monteith, Mr Brian (Mid Scotland and Fife) (Con) Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP) Mundell, David (South of Scotland) (Con) Neil, Alex (Central Scotland) (SNP) Paterson, Mr Gil (Central Scotland) (SNP) Quinan, Mr Lloyd (West of Scotland) (SNP)

Reid, Mr George (Mid Scotland and Fife) (SNP) Robison, Shona (North-East Scotland) (SNP) Russell, Michael (South of Scotland) (SNP) Scanlon, Mary (Highlands and Islands) (Con) Scott, John (Ayr) (Con) Sheridan, Tommy (Glasgow) (SSP) Stevenson, Stewart (Banff and Buchan) (SNP) Sturgeon, Nicola (Glasgow) (SNP) Swinney, Mr John (North Tayside) (SNP) Tosh, Mr Murray (South of Scotland) (Con) Ullrich, Kay (West of Scotland) (SNP) Wallace, Ben (North-East Scotland) (Con) Welsh, Mr Andrew (Angus) (SNP) White, Ms Sandra (Glasgow) (SNP) Wilson, Andrew (Central Scotland) (SNP) Young, John (West of Scotland) (Con)

#### ABSTENTIONS

Elder, Dorothy-Grace (Glasgow) (Ind) Morrison, Mr Alasdair (Western Isles) (Lab)

**The Presiding Officer:** The result of the division is: For 65, Against 54, Abstentions 2.

### Amendment agreed to.

**The Presiding Officer:** The next question is, that motion S1M-3727, in the name of Tricia Marwick, on the general principles of the Proportional Representation (Local Government Elections) (Scotland) Bill, as amended, be agreed to. Are we agreed?

#### Members: No.

The Presiding Officer: There will be a division.

#### For

Alexander, Ms Wendy (Paisley North) (Lab) Baillie, Jackie (Dumbarton) (Lab) Barrie, Scott (Dunfermline West) (Lab) Boyack, Sarah (Edinburgh Central) (Lab) 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) Gillon, Karen (Clydesdale) (Lab) Godman, Trish (West Renfrewshire) (Lab) Gorrie, Donald (Central Scotland) (LD) Grant, Rhoda (Highlands and Islands) (Lab) Henry, Hugh (Paisley South) (Lab) Home Robertson, Mr John (East Lothian) (Lab) Hughes, Janis (Glasgow Rutherglen) (Lab) Jackson, Dr Sylvia (Stirling) (Lab) Jackson, Gordon (Glasgow Govan) (Lab) Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab) Jamieson, Margaret (Kilmarnock and Loudoun) (Lab) Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD) Kerr, Mr Andy (East Kilbride) (Lab) Lamont, Johann (Glasgow Pollok) (Lab) Livingstone, Marilyn (Kirkcaldy) (Lab) Macdonald, Lewis (Aberdeen Central) (Lab) Macintosh, Mr Kenneth (Eastwood) (Lab) MacKay, Angus (Edinburgh South) (Lab)

Maclean, Kate (Dundee West) (Lab) Macmillan, Maureen (Highlands and Islands) (Lab) Martin, Paul (Glasgow Springburn) (Lab) McAveety, Mr Frank (Glasgow Shettleston) (Lab) McCabe, Mr Tom (Hamilton South) (Lab) McLeish, Henry (Central Fife) (Lab) McMahon, Michael (Hamilton North and Bellshill) (Lab) McNeill, Pauline (Glasgow Kelvin) (Lab) McNulty, Des (Clydebank and Milngavie) (Lab) Morrison, Mr Alasdair (Western Isles) (Lab) Muldoon, Bristow (Livingston) (Lab) Mulligan, Mrs Mary (Linlithgow) (Lab) Munro, John Farquhar (Ross, Skye and Inverness West) (LD)Murray, Dr Elaine (Dumfries) (Lab) Oldfather, Irene (Cunninghame South) (Lab) Peacock, Peter (Highlands and Islands) (Lab) Peattie, Cathy (Falkirk East) (Lab) Radcliffe, Nora (Gordon) (LD) Raffan, Mr Keith (Mid Scotland and Fife) (LD) Robson, Euan (Roxburgh and Berwickshire) (LD) Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD) Scott, Tavish (Shetland) (LD) Simpson, Dr Richard (Ochil) (Lab) Smith, Elaine (Coatbridge and Chryston) (Lab) Smith, Iain (North-East Fife) (LD) Stephen, Nicol (Aberdeen South) (LD) Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)Thomson, Elaine (Aberdeen North) (Lab) Wallace, Mr Jim (Orkney) (LD) 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) Canavan, Dennis (Falkirk West) Crawford, Bruce (Mid Scotland and Fife) (SNP) Cunningham, Roseanna (Perth) (SNP) Davidson, Mr David (North-East Scotland) (Con) Douglas-Hamilton, Lord James (Lothians) (Con) Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP) Ewing, Mrs Margaret (Moray) (SNP) Fabiani, Linda (Central Scotland) (SNP) Fergusson, Alex (South of Scotland) (Con) Fraser, Murdo (Mid Scotland and Fife) (Con) Gallie, Phil (South of Scotland) (Con) Gibson, Mr Kenneth (Glasgow) (SNP) Goldie, Miss Annabel (West of Scotland) (Con) 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) Marwick, Tricia (Mid Scotland and Fife) (SNP) Matheson, Michael (Central Scotland) (SNP) McAllion, Mr John (Dundee East) (Lab) McGrigor, Mr Jamie (Highlands and Islands) (Con) McGugan, Irene (North-East Scotland) (SNP) McIntosh, Mrs Lyndsay (Central Scotland) (Con) McLetchie, David (Lothians) (Con) Monteith, Mr Brian (Mid Scotland and Fife) (Con) Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP) Mundell, David (South of Scotland) (Con) Neil, Alex (Central Scotland) (SNP)

Paterson, Mr Gil (Central Scotland) (SNP) Quinan, Mr Lloyd (West of Scotland) (SNP) Reid, Mr George (Mid Scotland and Fife) (SNP) Robison, Shona (North-East Scotland) (SNP) Russell, Michael (South of Scotland) (SNP) Scanlon, Mary (Highlands and Islands) (Con) Scott, John (Ayr) (Con) Sheridan, Tommy (Glasgow) (SSP) Stevenson, Stewart (Banff and Buchan) (SNP) Sturgeon, Nicola (Glasgow) (SNP) Swinney, Mr John (North Tayside) (SNP) Tosh, Mr Murray (South of Scotland) (Con) Ullrich, Kay (West of Scotland) (SNP Wallace, Ben (North-East Scotland) (Con) Welsh, Mr Andrew (Angus) (SNP) White, Ms Sandra (Glasgow) (SNP) Wilson, Andrew (Central Scotland) (SNP) Young, John (West of Scotland) (Con)

### ABSTENTIONS

Elder, Dorothy-Grace (Glasgow) (Ind) Harper, Robin (Lothians) (Grn) MacDonald, Margo (Lothians) (Ind)

**The Presiding Officer:** The result of the division is: For 65, Against 53, Abstentions 3.

Motion, as amended, agreed to.

# Resolved,

That the Parliament notes the Local Government Committee's Stage 1 Report on the Proportional Representation (Local Government Elections) (Scotland) Bill and that any change to the election system could not come into effect until the 2007 local government elections at the earliest; further notes the publication by the Scottish Executive of its *Local Governance (Scotland) Bill* document which fulfils the commitments made to make progress on electoral reform and deals with wider issues to encourage greater participation in local government, and, with regard to the Proportional Representation (Local Government Elections) (Scotland) Bill, therefore does not agree to the general principles of this particular Bill for the reason that its provisions demonstrably do not meet the extensive requirements for renewing local democracy.

**The Presiding Officer:** The next question is, that motion S1M-3856, in the name of Robin Harper, on the general principles of the Organic Farming Targets (Scotland) Bill, 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) (Ind) Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP) Ewing, Mrs Margaret (Moray) (SNP) Fabiani, Linda (Central Scotland) (SNP) Gibson, Mr Kenneth (Glasgow) (SNP) Grahame, Christine (South of Scotland) (SNP) Hamilton, Mr Duncan (Highlands and Islands) (SNP) Harper, Robin (Lothians) (Grn) Hyslop, Fiona (Lothians) (SNP) Ingram, Mr Adam (South of Scotland) (SNP) Lochhead, Richard (North-East Scotland) (SNP) MacAskill, Mr Kenny (Lothians) (SNP) MacDonald, Margo (Lothians) (Ind) Marwick, Tricia (Mid Scotland and Fife) (SNP) Matheson, Michael (Central Scotland) (SNP) McAllion, Mr John (Dundee East) (Lab) McGugan, Irene (North-East Scotland) (SNP) Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP) Munro, John Farquhar (Ross, Skye and Inverness West) (LD) Neil, Alex (Central Scotland) (SNP)

Paterson, Mr Gil (Central Scotland) (SNP) Quinan, Mr Lloyd (West of Scotland) (SNP) Reid, Mr George (Mid Scotland and Fife) (SNP) Robison, Shona (North-East Scotland) (SNP) Russell, Michael (South of Scotland) (SNP) Sheridan, Tommy (Glasgow) (SSP) Stevenson, Stewart (Banff and Buchan) (SNP) Sturgeon, Nicola (Glasgow) (SNP) Swinney, Mr John (North Tayside) (SNP) Ullrich, Kay (West of Scotland) (SNP) Wallace, Ben (North-East Scotland) (SNP) Wallace, Ben (North-East Scotland) (Con) Welsh, Mr Andrew (Angus) (SNP) White, Ms Sandra (Glasgow) (SNP) Wilson, Andrew (Central Scotland) (SNP)

#### AGAINST

Alexander, Ms Wendy (Paisley North) (Lab) Baillie, Jackie (Dumbarton) (Lab) Barrie, Scott (Dunfermline West) (Lab) Boyack, Sarah (Edinburgh Central) (Lab) Brankin, Rhona (Midlothian) (Lab) Brown, Robert (Glasgow) (LD) Butler, Bill (Glasgow Anniesland) (Lab) Chisholm, Malcolm (Edinburgh North and Leith) (Lab) Craigie, Cathie (Cumbernauld and Kilsyth) (Lab) 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) Gillon, Karen (Clvdesdale) (Lab) Godman, Trish (West Renfrewshire) (Lab) Gorrie, Donald (Central Scotland) (LD) Grant, Rhoda (Highlands and Islands) (Lab) Henry, Hugh (Paisley South) (Lab) Home Robertson, Mr John (East Lothian) (Lab) Hughes, Janis (Glasgow Rutherglen) (Lab) Jackson, Dr Sylvia (Stirling) (Lab) Jackson, Gordon (Glasgow Govan) (Lab) Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab) Jamieson, Margaret (Kilmarnock and Loudoun) (Lab) Jenkins, Ian (Tweeddale, Ettrick and Lauderdale) (LD) Lamont, Johann (Glasgow Pollok) (Lab) Livingstone, Marilyn (Kirkcaldy) (Lab) Macdonald, Lewis (Aberdeen Central) (Lab) Macintosh, Mr Kenneth (Eastwood) (Lab) MacKay, Angus (Edinburgh South) (Lab) Maclean, Kate (Dundee West) (Lab) Macmillan, Maureen (Highlands and Islands) (Lab) Martin, Paul (Glasgow Springburn) (Lab) McAveety, Mr Frank (Glasgow Shettleston) (Lab) McCabe, Mr Tom (Hamilton South) (Lab) McLeish, Henry (Central Fife) (Lab) McMahon, Michael (Hamilton North and Bellshill) (Lab) McNeill, Pauline (Glasgow Kelvin) (Lab) McNulty, Des (Clydebank and Milngavie) (Lab) Morrison, Mr Alasdair (Western Isles) (Lab) Muldoon, Bristow (Livingston) (Lab) Mulligan, Mrs Mary (Linlithgow) (Lab) Murray, Dr Elaine (Dumfries) (Lab)

Oldfather, Irene (Cunninghame South) (Lab) Peattie, Cathy (Falkirk East) (Lab) Radcliffe, Nora (Gordon) (LD) Raffan, Mr Keith (Mid Scotland and Fife) (LD) Robson, Euan (Roxburgh and Berwickshire) (LD) Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)Scott, Tavish (Shetland) (LD) Simpson, Dr Richard (Ochil) (Lab) Smith, Elaine (Coatbridge and Chryston) (Lab) Smith, Iain (North-East Fife) (LD) Stephen, Nicol (Aberdeen South) (LD) Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD) Thomson, Elaine (Aberdeen North) (Lab) Wallace, Mr Jim (Orkney) (LD) Watson, Mike (Glasgow Cathcart) (Lab) Whitefield, Karen (Airdrie and Shotts) (Lab) Wilson, Allan (Cunninghame North) (Lab)

# 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) McIntosh, Mrs Lyndsay (Central Scotland) (Con) McLetchie, David (Lothians) (Con) Monteith, Mr Brian (Mid Scotland and Fife) (Con) Mundell, David (South of Scotland) (Con) Scanlon, Mary (Highlands and Islands) (Con) Scott, John (Ayr) (Con) Tosh, Mr Murray (South of Scotland) (Con) Young, John (West of Scotland) (Con)

**The Presiding Officer:** The result of the division is: For 39, Against 61, Abstentions 18.

#### Motion disagreed to.

**The Presiding Officer:** The next question is, that motion S1M-3807, in the name of Andy Kerr, on the approval of the Local Government Finance (Scotland) Order 2003, be agreed to.

#### Motion agreed to.

That the Parliament agrees that the Local Government Finance (Scotland) Order 2003 (SSI 2003/42) be approved.

**The Presiding Officer:** The next question is, that motion S1M-3848, in the name of Patricia Ferguson, on the approval of a statutory instrument, be agreed to.

#### Motion agreed to.

That the Parliament agrees that the draft Proceeds of Crime Act 2002 (Disclosure of Information to and by Lord Advocate and Scottish Ministers) Order 2003 be approved.

**The Presiding Officer:** The final question is, that motion S1M-3849, in the name of Patricia Ferguson, on the approval of a statutory instrument, be agreed to.

Motion agreed to.

That the Parliament agrees that the draft Proceeds of Crime Act 2002 (Investigations: Code of Practice) (Scotland) Order 2003 be approved.

# Vaccines (Thimerosal)

The Deputy Presiding Officer (Mr Murray Tosh): The final item of business is a members' business debate on motion S1M-3765, in the name of Nicola Sturgeon, on the removal from vaccines of thimerosal—no doubt we will hear a range of different pronunciations of that word as the debate proceeds.

#### Motion debated,

That the Parliament notes with concern that thirteen vaccines currently available in the United Kingdom, including four that are administered to children, contain thimerosal, a compound 50% comprised of ethyl mercury and already banned in the United States of America; further notes the fears of a link between thimerosal and conditions such as autism and Alzheimer's disease, and considers that the Scottish Executive should take steps to eradicate thimerosal from vaccines available in Scotland and, in the meantime, inform the public about the availability of vaccines that do not contain thimerosal.

# 17:05

**Nicola Sturgeon (Glasgow) (SNP):** There are indeed two pronunciations of the word, Presiding Officer. I will stick to "thimerosal", with the stress on the second syllable.

I am grateful for the opportunity to debate the issue, which has received considerable attention in the past few weeks, particularly through some excellent reporting in *The Scotsman*. If my mailbag is anything to go by, the matter is a cause of concern to many members of the public, particularly parents of young children.

As we all know, vaccines save lives. I make it clear at the outset that the debate is not an antivaccine one; it is about what goes into vaccines. I will not try to give conclusive proof that there is a link between thimerosal and conditions such as autism. Many people believe that there is such a link, but I am not a scientist and I do not know whether such a link exists. However, what I have heard and read gives me great cause for concern.

The presence of thimerosal in vaccines, especially child vaccines, is a risk that we do not have to and should not take. Thimerosal is not an essential component in vaccines, but is used as a preservative to kill bacteria and to prolong shelf life. Thimerosal is 50 per cent ethyl mercury. After plutonium, mercury is the most toxic element in the world. We know from studies with animals that ethyl mercury—the substance that thimerosal breaks down into when it is injected into the body—binds with body protein and brain tissue. Once mercury traces are in the body, they are difficult to remove.

According to the United Kingdom medicines information service, the substance is present in 13

vaccines that are available in the UK. The list includes four of the seven available flu vaccines and, most worrying, the DTP vaccine that is given to babies from the age of eight weeks to protect against diphtheria, tetanus and whole-cell pertussis. Every baby receives three doses of the vaccine in the first 16 weeks of life, with each dose containing 25 micrograms of ethyl mercury. Therefore, in the first 16 weeks of a child's life, when the nervous and immune systems are extremely fragile, the child is injected with 75 micrograms of ethyl mercury.

Is that safe? No doubt the minister will cite the views of the Committee on Safety of Medicines, the World Health Organisation, the Joint Committee on Vaccination and Immunisation and others that that level of thimerosal causes no harm. However, I hope that the minister also points out that no major studies have been carried out to demonstrate proper safety limits for exposure to ethyl mercury and that many individuals and organisations express contrary views.

The United States Institute of Medicine stated in a recent report that current scientific evidence neither proves nor disproves a link between thimerosal and neurodevelopmental disorders in children. However, it went on to say that such a link is "biologically plausible" and recommended that thimerosal be removed from vaccines that are administered to infants, children and pregnant women.

The UK medicines information service said that

"The very low thiomersal concentrations present in the pharmacological and biological products are relatively nontoxic in adults",

but

"may be toxic in utero and during the first six months of life."

At question time two weeks ago, the Minister for Health and Community Care said that that statement had been withdrawn from the organisation's website. That is true, but what I and many parents throughout Scotland—want to know is whether the MIS's statement was true. Parents who are expected to have their children injected with the vaccine have a right to know whether it is toxic. I hope that the deputy minister will answer that question in his comments.

In an internal document that was obtained by *The Scotsman*, the manufacturer of thimerosal, Eli Lilly, says:

"mercury causes mild to severe mental retardation and motor co-ordination impairment. This chemical contains a property known to the state of California to cause birth defects and other reproductive harm."

Thimerosal has not been used in child vaccines in the US since 1999 and it is no longer used in many other countries. That is a clear indication of the level of concern that exists.

As a result of decisions that are made in London, not in Scotland, the United Kingdom is now the only country in the developed world that has not switched to thimerosal-free vaccines for routine infant immunisations. Unless the minister is willing to state to parents all over the country that thimerosal is safe—and I wait to hear whether the minister will use the word "safe" about the compound—the UK's position must change. There is a chance that thimerosal poses a risk to the health of our children. That is a risk that we should not be taking and, as I said, it is a risk that we do not have to take. Thimerosal does not need to be contained in vaccines.

I am asking the Scottish Executive to do two things. First, it should take steps to inform patients that there is an alternative to the thimerosalcontaining DTP vaccine and that they have a right to request it for their children. A mercury-free vaccine called Infanrix is licensed in this country. It costs about £7 more per injection than the thimerosal-containing DTP vaccine, but that is surely a price worth paying to avoid the risk of exposing children to neurological damage.

Malcolm Chisholm said in the chamber two weeks ago that parents have the right to choose. However, what good is that right if most parents do not know that they have it and if most are not aware that an alternative to the routinely used vaccine exists? Information is power; parents should be furnished with the facts to enable them to make informed choices for their children. In the case of the measles, mumps and rubella vaccine—which does not contain thimerosal—we have seen the damage that can be done to public confidence when concerns mount and choice is denied.

Secondly, the Scottish Executive must take steps to eliminate the risk. We should follow the lead of other countries and ensure that all vaccines-especially those that are administered to children-are thimerosal free. Thimerosal is not required in vaccines and it should not be permitted. The Scottish Executive has said that the use of thimerosal in vaccines is being phased out. That, in itself, is an admission-or at least an acknowledgement-of the fact that thimerosal may not be safe. I hope that, tonight, the minister will go further and set out the Scottish Executive's clear intention in a defined time scale to rid all child vaccines that are available in Scotland of thimerosal and mercury, in the interests of child safety.

# 17:13

Mr Lloyd Quinan (West of Scotland) (SNP): I associate myself with Nicola Sturgeon's remarks

and support entirely what she has said. The accumulation of mercury and heavy metals in our children—both from the environment and from vaccinations—is a problem that is being addressed in nearly every developed country, as Nicola Sturgeon said. However, the problem is not being addressed directly in this country. Using a mercury derivative as a preservative, effectively to extend the shelf life of a product, may well have its benefits for the manufacturer and for central Government, which buys and stocks the vaccination, but that can hardly be cited as justification for using a poisonous substance on children and pregnant mothers.

In the United States, the immunisation safety review committee of the Institute of Medicine concluded that there is inadequate acceptable evidence to establish a causal relationship between thimerosal exposure through child vaccines and the neurodevelopmental disorders of autism. However, in the same paper, the committee made recommendations, which have been acted on, to reduce and effectively remove thimerosal from all child vaccines.

As Nicola Sturgeon said, the debate should not be about whether using mercury as a preservative in vaccines causes specific disorders. The science is straightforward: mercury is a poison in the human body. Mercury in the human body at an early stage, particularly at the foetal stage, can be devastating to the development of the neural pathways, among many other things.

I speak on behalf of the cross-party group on autism and Asperger's and the many parents who have written to me. Those parents are now extremely scared, not of the MMR vaccine, but of the DTP vaccine, especially in light of the evidence that emerged in London in the case of the woman who was tried for, found guilty of and iailed for the death of her two children. We have now discovered that both those children, who had had the DTP vaccine, had high levels of a form of virus that is associated with cot death. One woman in this country has spent nearly two years in jail, gone through a trauma that has destroyed her family and has had to live with the accusation that she caused the death of her two children. Is the Executive prepared for similar cases to come to light, or shall we operate purely on the precautionary principle, as has been requested on many occasions? That approach is simple and has been followed in the United States and the rest of the developed world.

If we want to maintain herd immunity, we must not undermine faith in the vaccination programme by effectively giving people no choice. I urge the minister to tell us that we are moving to a time when choice will be available in all vaccines and that there will be an active campaign for the health service in Scotland to use only those vaccines that do not contain thimerosal for pregnant women and young children.

# 17:17

Mary Scanlon (Highlands and Islands) (Con): I thank Nicola Sturgeon for securing the debate and Fraser Nelson of *The Scotsman* for his thorough investigation of the issue, which has raised awareness and has led to many parliamentary questions and perhaps even to this debate.

As I follow Lloyd Quinan in the debate, I must say that, having been the Health and Community Care Committee's reporter on MMR, I was frightened when I read some of the detailed research on the vaccines containing thimerosal. The comparisons with MMR were not very welcome.

I am joined by my colleague Jamie McGrigor, an expectant father whose child will be born any day now. He sits here looking for advice on vaccinations.

I fully support an immunisation policy that treats parents and patients with respect by giving them the fullest information and choice possible for each vaccine. Thimerosal has been used in vaccines since the 1930s. What major studies have been carried out to demonstrate proper safety limits for exposure to ethyl mercury in small infants, who have received 75 micrograms of ethyl mercury by the 16<sup>th</sup> week of their lives? As thimerosal was taken out of all child vaccines in the United States and Australia in 1999, its use in the United Kingdom is shocking. We need answers on why it remains in UK vaccines.

Since the topic was first raised, I have asked several questions and have been told in ministerial responses that no research links thimerosal to Alzheimer's, that the regulation and control of vaccines is a reserved matter and that thimerosal being removed from vaccines is as a precautionary measure. Against what is that a precaution? I was told that many vaccines contain thimerosal, that four out of seven flu vaccines contain thimerosal and that the Department of Health states that flu vaccines should not be given during pregnancy, although, in the same reply, I was told that the vaccine does not affect the foetus. If it does not affect the developing foetus, what does it affect?

A reply from the Minister for Health and Community Care said:

"It is anticipated that thiomersal-free vaccines will be considered for provision in the routine childhood immunisation programme after they have been licensed for use in the UK and have demonstrated that they are as effective in protecting children against the real risk 14977

presented by vaccine-preventable diseases".—[Official Report, Written Answers, 24 January 2003; p 2844.]

In another answer, the minister said:

"manufacturers are required to ensure that the replacement or elimination of thimerosal does not affect the safety or efficacy of the final product."—[Official Report, Written Answers, 13 November 2002; p 2231.]

That answer also said, "This may take time". That reply was received in November last year, yet I understand that, as Nicola Sturgeon has said, the current DTP vaccine stocks in Scotland include the mercury-free vaccine. In fact, I believe that, out of 110,000 units of the vaccine, 30,000 are a mercury-free vaccine called Infanrix—I hope that I have pronounced that correctly.

Surely that vaccine would not be in stock if it was not fully tested for safety and effectiveness, so why can parents not be given the choice of mercury-free vaccines when they clearly exist? I further understand that one in four Scottish doctors is choosing mercury-free vaccines, so why not give everyone the choice? Parents need information. They need to know what to ask before making that choice. Reports also state that the mercury-free vaccine is 10 times less likely to have side effects, and children are vaccinated at two, three and four months. Surely parents have a right to all that information.

Parents should also be told the efficacy ratio of the mercury and mercury-free DTP vaccines. The current information needs to be updated because, as other members have said, we are almost the last developed country in the world with mercury in the DTP vaccine. Or is it the case that the whole vaccine policy is based on cost? The current mercury vaccine made in France costs £10.17. The mercury-free vaccine made in the UK costs £19. In a devolved health care system in Scotland, surely we can at least tell parents the efficacy ratio of vaccines, which vaccines may trigger side effects, which vaccines contain mercury and what choice is available for mercury-free vaccines. I ask the minister to agree to give patients the information that they need to make an informed choice on the basis of efficacy and potential side effects.

# 17:22

**Mr Kenneth Gibson (Glasgow) (SNP):** I congratulate Nicola Sturgeon on securing this debate, which is important for many of us with young children, and also for those who, like Jamie McGrigor, have pregnant partners and spouses. It is an issue not just for children but for pregnant women, who can also be adversely affected. In the United States of America, the Institute of Medicine urged that

"full consideration be given to removing thimerosal from any biological product to which infants, children, and pregnant women are exposed." Pregnant women, it suggested, should be advised to take mercury-free flu jabs, but the only groups advised against the jab in the United Kingdom are people with heart disease or diabetes and people who are allergic to eggshells. Advising women away from mercury would acknowledge the fact that it does pose some kind of medical risk, however remote. That appears to be something that UK ministers—until now, at least—refuse to do.

The Scottish Parliament has the power to ban all mercury from vaccines, and it can do that now, as health is devolved. The vaccines are available and general practitioners have freedom to order what they want. Holyrood should set an example to ensure that we have better practice in this country.

There is a lot of medical evidence on the issue. One study suggests that it is hypersensitivity to thimerosal that triggers autism, and not specifically the mercury poisoning. There will be a study on mercury poisoning later this year, but it will be on Alzheimer's, not autism. Clearly, a lot more research must be done, but why should we take chances? In the United States, all routinely recommended licensed paediatric medicines that are currently manufactured contain no thimerosal or only trace amounts.

There are now two hepatitis B vaccines that are thimerosal free, four haemophilus influenzae type B—HIB—vaccines, and two DTP vaccines. Previously, the maximum cumulative exposure to mercury by routine childhood vaccinations during the first six months of life was 187.5 micrograms of mercury. The newly formulated vaccines allow a maximum cumulative exposure during the first six months of less than 3 micrograms, which is a 98 per cent reduction, and a huge and significant step in the right direction.

The issue has had a much higher profile in the United States than in this country. Indeed, there are now £30 million-worth of lawsuits being launched in the United States because of perceived cover-ups in recent years. The reason for that is that many people who suffer from illnesses such as fibromyalgia, lupus, depression and bipolar disorder directly link their illness to mercury. Clearly, the issue must be given greater focus.

We should err on the side of caution. If several vaccines are available to prevent a range of illnesses, surely we should do what the United States has done since 1999 and ban mercury, except very trace amounts if they are necessary. Of course, the US went even further. The House of Representatives formed a committee specifically to consider the danger of mercury in medicine. The US did that because a study came out of the Faroe Islands based on some 900 children born in 1987 whose mothers had eaten

mercury-contaminated whale meat. It was discovered that the children had slow reaction times and diminished attention spans. Mercury is so toxic, as Nicola Sturgeon pointed out, that even if the amount of mercury in the umbilical cord was as low as 1 microgram per kilogram, it will still be enough to trigger a set of neurological conditions commonly associated with autism and other conditions.

I urge the minister to err on the side of caution, and think about the fact that the amount of mercury in a thermometer is enough to pollute an entire loch. For the sake of our children and pregnant women, let us ensure that our vaccines are mercury free.

#### 17:27

The Deputy Minister for Health and Community Care (Mr Frank McAveety): On pronunciation, I shall take a different view just for the sheer devilment of it. I say thiomersal, and other members say thimerosal.

In this evening's debate, members have raised serious issues that require thoughtful responses. However, I should also place the matter in context by pointing out that certain vaccines are available for children, young children and babies to ensure that we address the difficult problem of whooping cough. In 1951, that disease took the lives of almost 100 young people; however, that number has been reduced to less than one death a year, thankfully. That substantial change has come about largely because of the vaccination programme that was established.

Members have also expressed concerns about the processes that the health department and the Scottish Executive follow in relation to vaccines. I want to explain those processes, because I am concerned that some of the coverage has either skated over, or deliberately misinterpreted the matter. Our advice is taken from the Committee on Safety of Medicines, the Joint Committee on Vaccination and Immunisation and, indeed, the World Health Organisation. I am reasonably content to take their guidance and to follow their judgments on many such issues, because they offer a level of expertise and knowledge that none of us here can aspire to.

Vaccines that contain thiomersal do have an impact; for example, they cause hypersensitivity reactions. Such reactions are a feature of most vaccination programmes, but the scale of the reaction in this case outweighs the vaccine's effectiveness in intervening to prevent whooping cough. It is a matter of record that the World Health Organisation's global advisory committee on vaccine safety has concluded that there is no evidence of toxicity in infants, children or adults who have been exposed to thiomersal in vaccines. I stress that expert advice makes it clear that the actual risks that are posed by vaccine-preventable diseases are significant compared with the theoretical risk from side effects of thiomersal. Some of the coverage has understated that in order to amplify some of the concerns about the impact of mercury in vaccines.

The motion notes that ethyl mercury is

"already banned in the United States of America".

That is not the case. In 1999, concern was expressed in the USA about exposure to mercury following immunisation, based on the realisation that the cumulative amount of mercury—the fact that it is the cumulative amount is important—in the US infant-immunisation schedule potentially exceeded the recommended threshold for methyl mercury. The cumulative amount of mercury that was used in the US infant-immunisation schedule was more than double the Scottish equivalent. That is why steps were taken to reduce the amount of mercury in the US infant-immunisation programme.

Thiomersal-containing vaccines are not banned in the United States. I will quote the most recent statement from the US Food and Drugs Administration's website:

"The FDA believes a recall of thimerosal-containing vaccines is not warranted because data show that these products are safe ... The FDA does not believe that thimerosal-containing vaccines 'present an imminent or substantial hazard to the public health' because available scientific data do not provide adequate evidence that exposure to thimerosal in vaccines can cause neurodevelopmental disorders."

That is an important statement in the context of some of the concerns that have been expressed during the debate and, in particular, in some newspaper coverage.

In discussing possible links with autism, we are dealing with a complex and sensitive area, and individuals suffering from autism and their families want to find explanations for the increase in autism during the past few years. Autism is a complex, debilitating and lifelong set of conditions that manifests itself in a variety of ways. The scientific evidence is clear. The Medical Research Council's review of autism research in December 2001 states:

"no evidence currently exists that proves a link between thiomersal-containing vaccines and autism, attention deficit-hyperactivity disorder, speech or language delays or other neuro-developmental disorders".

In short, no neuro-toxicity has been demonstrated as a result of the low level of thiomersal exposure from routine vaccination.

As a member of the Executive, I am concerned at the suggestion that we are in any way trying to conceal the facts. As recently as 14 January, the

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deputy chief medical officer issued a letter that included information for all health professionals to help them advise parents and patients on thiomersal in vaccines. It is at the heart of our policy to ensure that parents are given facts about vaccines in a dispassionate and accurate way, in order to enable them to make informed choices. A call has been made for that this evening, which I approve of.

That is related to the fact that the diphtheria, tetanus and whole-cell pertussis—DTwP—vaccine is recommended for babies at two, three and four months old. That recommendation is based on the best possible scientific and medical advice and on the fact that the vaccine provides much better protection than any other does. Cost is not a consideration—our decisions are based entirely on science and on what is best for our children.

As far as researching for the debate was concerned, it was very difficult to develop an awareness of the costs, as they have not featured in our consideration of the availability of vaccines. That reassured me with regard to questions that might have been asked, because it demonstrates that the principal assessment has been based on medical science and judgment, rather than on costs. That it was based on costs was a misconception that I wanted to lay to rest. I do not wish to underestimate the concerns, but it is important that people are informed.

On a Europe-wide strategy, we are—as a precautionary measure—seeking to phase out thiomersal-based vaccines over time. It is important that we remove mercury from vaccines. The Executive, the JCVI and the UK Medicines Control Agency endorse that recommendation, because it is sensible to reduce avoidable exposure to mercury over and above what would be consumed through food substances.

We are looking for a longer-term replacement, but we need to put that in the context of delivering, through research and through the development of medicines, equally effective protection against whooping cough. The primary objective of the vaccination programme is to prevent a return to the dark and deadly days of whooping cough in the late 1950s. That is why vaccine manufacturers are actively developing research programmes to eliminate, substitute or reduce thiomersal in vaccines. When such alternatives are licensed for use in the UK, we will seek the advice of the JCVI on their use in the childhood immunisation programme.

**Mary Scanlon:** Can the minister confirm whether a mercury-free vaccine is available in Scotland? I previously mentioned Infanrix, which is produced by GlaxoSmithKline.

Mr McAveety: I reassure the member that Infanrix was already licensed for use at two, three and four months when the JCVI issued its advice in 2000. It was licensed in 1999 first as a booster and then for use at two to four months.

I reiterate that cost was not and is not a consideration in the determination of vaccine policy. If, after discussion with their GPs and other medical professionals, parents decide that it is right and appropriate for them to use alternatives to DTwP, those are available to individuals and their families.

**Nicola Sturgeon:** This is an important question. Does the minister believe that GPs should proactively advise parents when they take their children for vaccination that a mercury-free alternative to DTwP exists and is available to them if they choose? Is that the basis on which he believes parents should exercise choice?

**Mr McAveety:** We ask GPs and health professionals to identify the best course of action in discussion with patients and their families. It is not right and proper for me, as a minister, to determine centrally how they do that. I reiterate that the letter from the deputy chief medical officer set out the process for all health professionals. That letter is available to all GPs. If parents want to explore alternatives to the vaccines that are available, they may do so.

**Mary Scanlon:** I want to be absolutely clear on this point. In terms of efficacy, is Infanrix an equal substitute to the vaccine that contains mercury? Is it available to all parents in Scotland?

**Mr McAveety:** Infanrix has fewer side effects than DTwP. However, data on severity indicates that DTwP protects against whooping cough—that benefit outweighs the risk. The two issues must be balanced. However, the opportunity for parents to choose Infanrix exists. In recent coverage, it has been suggested that Infanrix has been held back on grounds of cost or policy. I assure Parliament that that is not the case. However, judgments are best made by GPs, based on the research that is available.

Nicola Sturgeon: The minister has slightly misrepresented some of the coverage. No one is suggesting that Infanrix has been held back solely on the ground of cost. More parents do not opt for Infanrix as a mercury-free alternative because they do not know about it. I return to comments that I made in my opening speech: choice can be exercised only if parents have the information that enables them to choose. I am not sure what the minister is saying about the process. Does he think that parents should be given in equal measure information about the vaccine that contains mercury and the mercury-free vaccine, so that they can make genuine informed choices? If people do not know that an alternative exists, they cannot make a choice.

Mary Scanlon: In a written answer dated 24 January, which I quoted earlier, Malcolm Chisholm stated:

"It is anticipated that thiomersal-free vaccines will be considered for provision in the routine childhood immunisation programme after they have been licensed ... and have demonstrated that they are as effective in protecting children against the real risk"—[Official Report, Written Answers, 24 January 2003; p 2844.]

Tonight the minister is saying that the vaccines must be licensed, or they would not be on the shelf. He is also saying that they are as effective as vaccines that contain thiomersal. Within a fortnight, we have the Minister for Health and Community Care saying that thiomersal-free vaccines are not effective and the Deputy Minister for Health and Community Care saying that they are just as effective as vaccines that contain thiomersal. There seems to be a contradiction.

**Mr McAveety:** I do not think that I contradicted the Minister for Health and Community Care perhaps the *Official Report* will prove me right. I said that we need to have information available. It has been claimed that Infanrix is either being held back on the ground of cost, or is not being made available. I have said that the drug has been licensed for use at two to four months. Infanrix is also offered routinely to children at age four. It is available.

It is important that we have a total picture of vaccination. One of the JCVI's key messages is that it recommends the use of DTwP because, on balance, bearing in mind the scale of risk, it provides the best protection against whooping cough. Because the central purpose of our extensive vaccination programme is to provide such protection, we should take a balanced judgment on the risk once we have assessed it.

However, each family, parent or individual who looks after young children will have to make those choices in consultation with their medical practitioners. It is right and proper that that should be the case. There is no scientific evidence to justify a radical change in present policy. We are heading in a certain direction and taking into account developments. I hope that parents are reassured that cost is not an inhibiting factor in terms of the availability of vaccines.

We must stress the benefits of the vaccination programme while recognising that any vaccination programme has side effects. We must keep our eye on the challenge that has been before us since the late 1950s, which is to ensure that we have an immunisation programme that prevents a recurrence of the whooping cough problem that was a feature in Scotland for too long. That is the real issue at stake in this debate. I acknowledge the concerns that members have expressed, and we will monitor those areas where appropriate, but I hope that the people of Scotland recognise that we believe that what we are doing at the moment is in their best interests.

Meeting closed at 17:41.

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