

MEETING OF THE PARLIAMENT

Thursday 13 February 2003

Session 1

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Scottish Parliament

Thursday 13 February 2003

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

Crown Office and Procurator Fiscal Service

The Deputy Presiding Officer (Mr George Reid): Before we start this morning, I inform members that there are problems with the automated cameras; therefore, I have exceptionally authorised two manned cameras to be situated on the floor.

The first item of business is a debate on motion S1M-3893, in the name of Pauline McNeill, on the Justice 2 Committee's report on the Crown Office and Procurator Fiscal Service inquiry. I call Pauline McNeill to speak to and move the motion on behalf of the Justice 2 Committee.

09:31

Pauline McNeill (Glasgow Kelvin) (Lab): The committee's inquiry seems to have been the longest inquiry in the history of the Parliament—it probably is. The seven-member Justice 2 Committee changed its membership a few times during the course of the inquiry, and we even had a change of clerks. I cannot give enough thanks to the committee members for their perseverance and sheer hard work in compiling the report in between scrutinising legislation, petitions and Scottish statutory instruments. I thank Stewart Stevenson, Duncan Hamilton, George Lyon, Alasdair Morrison, Scott Barrie and Bill Aitken for the hard work that they have done on the report.

I speak for all committee members when I put on record my utter admiration and thanks for the work of our clerks, Gillian Baxendine, Irene Fleming and, formerly, Fiona Groves. No task was too big and no member's comment was too garbled for Gillian to translate it into English to produce the report, which has, so far, been well received.

One and a half years on from when we first started, it seems that there might not be much controversy; nonetheless, I am relying on Bill Aitken to introduce some, because I know that he likes to do so. I thank Bill for assisting me and for putting in extra time to meet the report's deadline, for which I am very grateful.

The report has been quietly accepted and not widely reported, but I am not at all disappointed about that. I truly believe that the report achieved its purpose long before it was published and that

much has changed already. Our decision to report on the state of the Crown Office and Procurator Fiscal Service was a dynamic decision and it became unstoppable when it was matched by the will of the Crown Office team to make changes. Most of my comments this morning will be positive, but I shall also highlight some concerns that I still have.

For me, it all began when my local police station explained to me how difficult it was to speak to a procurator fiscal. The police officers had just completed a local campaign of charging young offenders who were committing crimes against the elderly community and committing crimes in Anderston, in my constituency. The officers were all concerned that the charges would be dropped as a matter of policy, but they had great difficulty in establishing contact with a fiscal who could advise them whether the proceedings would go ahead. In the view of many policemen and policewomen in the service, the days were long gone when they had the kind of relationship with the local procurator fiscal in which they could simply phone the fiscal up and find things out. There were not enough fiscals, they were overworked and the relationships were not as strong as they used to be.

It was that situation that first made me want to know why the system had changed and how it could become more joined up and better resourced. Many MSPs have shared that interest and have written to the committee about their experiences, including among others Shona Robison, Duncan McNeil and Cathy Jamieson, and we are grateful for their input. The terms of the remit that we announced on 8 May 2001 were:

"To investigate whether the resources available to the Crown Office and Procurator Fiscal Service, including numbers of staff and the experience levels of senior prosecutors, are sufficient to meet its stated aim of thorough, critical and accurate investigation, preparation and presentation of cases, while having sensitivity to the needs of victims and witnesses."

We agreed to examine a range of specific issues. Among those were trends in the number and types of cases, including the increasing complexity of serious crime; the effectiveness of liaison with the police; staff morale; and the trends in the use of fiscal fines and plea bargaining. We thought that the inquiry would give some indication as to whether the system was under-resourced.

The committee suspected that the system was under tremendous pressure because of a lack of resources, and we expected to find that there was overuse of the fiscal fines system and a tendency for soft pleas to be submitted prior to trials. However, what we found was a highly dedicated service that was under severe pressure because of the lack of resources and its having too few fiscals, but which rarely complained, so we

believed that the quality of justice was at stake. In addition, the culture in the Crown Office was such that its staff did not regard it as their job to argue for more resources. However, that has changed.

Professor Duff presented the committee with evidence on the use of fiscal fines. He said that there was no evidence that they were being used more than they had been in the past. However, he also said:

"Experienced defence solicitors know that if everything is left to the last minute the poor fiscal depute will be so hard pressed that the defence solicitor might be able to negotiate a better deal on behalf of their client."

There might not be hard evidence, but there certainly was a view around that the quality of justice could be suffering because of a lack of resources.

In Glasgow sheriff court, fiscals conducting the Monday morning custody courts can be there until late into the evening. Sheriffs and clerks also work late, but the fiscal is the only person who has no administrative assistance. Anthony Campbell, giving evidence on his Chhokar report, remarked that a precognition officer in the Hamilton office was starting work at 5 am before going to court on a serious child-protection case.

The committee's view is that the prosecutor's role is a special one because in the marking of cases determining crime, decisions are constantly being made in an instant. For example, a decision can be taken in an instant as to whether a particular offender is to be charged with careless driving or with dangerous driving. I know that that matters to people. No case is ever straightforward, and I believe strongly that the delivery of high-quality justice depends on prosecutors—although not on them alone—and that a strong prosecutor can make a real difference in both the marking of cases and the prosecution of crime in our courts.

That is why I am pleased that the interview boards for new fiscals have acknowledged that recruiting from a wide and varied range of people whose backgrounds include a variety of experiences can add something to the system. The morale of the service has been lower than in any public sector service in recent times. Dealing with crime has become more complex and the introduction of the European convention on human rights has made its mark on the service, which is probably more accountable than it has ever been. The committee feels strongly that the Crown Office should, in the future, conduct another stress audit to ensure that that particular issue in the service has been tackled.

It is arguable that the Crown Office has been the most scrutinised department of Government. Prior to devolution, the law officers spent a large percentage of their time out of Scotland and did

not receive many parliamentary questions. However, figures show that there has been about a 63 per cent increase in questions to them. There is certainly more work for our Lord Advocate and Solicitor General and times have changed for the better. However, I would like to put on record my thanks to the Lord Advocate, the Solicitor General and Alistair Brown for their co-operation with, and assistance to, the committee during its inquiries.

Staff numbers were a particular concern for the committee. We felt that it was important to consider that issue, which would indicate to us whether resources were adequate. We note the increase of 95 in the number of legal staff between 1997 and 2002, which is a 33 per cent increase. However, I must emphasise that the committee had difficulty in assessing the value that that added to the service. We wanted an establishment figure for every office, including information on the office's vacancies and any increase—or otherwise—in staff, so that we could assess where the additional staff were in Scotland, but I am not satisfied that we received the figures that would have allowed us to do that.

We chose to visit the Hamilton office—for obvious reasons—and were surprised to find that, 10 months on from the Jandoo report on the Chhokar case, there were still staff shortages. My visit with Bill Aitken to the Hamilton office yesterday has still to be reported on, but it is fair to say that we are beginning to see important changes for the better.

During its work, the committee felt strongly about victims; how victims are treated in the system was of major concern to the committee, so we chose to examine two case studies to elaborate our views. I am grateful to Ken Macintosh and to the Cawley family, who are his constituents. They described their experiences, which can only be called horrendous, to the committee. There was no one to greet them at the High Court when they arrived and there was no one to advise them why the second accused was sitting next to them in the public gallery following his acquittal the night before for lack of evidence. I am grateful to the Cawley family for highlighting a situation that I believe other families might have gone through. I know that, if it is anything to do with the Scottish Parliament, that will not be allowed to happen again.

Alan Kerr is an example of a father trying to support his son. He travelled from Ayrshire to Glasgow many times only to see the trial cancelled each time and was given no support or explanation for what was happening. I am grateful to him for giving the committee evidence. There has been a lot of progress in how victims are treated and I do not believe that we will go back to such days as Alan Kerr described—there should certainly be no repeat of that kind of treatment.

One or two things are worth considering in relation to the kind of system that we want to support victims. It is important that victims get information at every stage of the process, from the starting point at which a charge is made to the point at which the case goes to trial. Support during the trial to enable victims and their families to understand what is going on is vital, but I would not want that to interfere with the important work of the police and the procurators fiscal in the execution of their duties. We must ensure that we get that balance right.

I started by saying that my interest in the report relates to liaison with the police; I believe that it is essential that we ensure that that relationship does not break down in the future. The committee has recommended that the Solicitor General should have specific responsibility to ensure, at all levels of relationships between the Crown Office and the police, that liaison is functioning properly and that the police can speak to a procurator fiscal when they need to.

We have been careful to point out that other agencies expect there to be prosecutions, such as the Scottish Environment Protection Agency and local authorities, which commented that they believed that the system could be better resourced to ensure that cases are prosecuted in relation to the crimes with which they are concerned. The Parliament will know that the Pryce-Dyer review, which was the Crown Office's internal inquiry, is a weighty report, the vast majority of which represents added value to our inquiry. The new management structure is already in place as a result of that review and seems, by all accounts, to have been much welcomed.

I have previously expressed some concern about the speed of the management changes. I know from the phone calls and correspondence that I receive from procurators fiscal on the front line that there is great concern that the resources are attached to the change in the management structure, as opposed to ensuring that those front-line fiscals are resourced. The committee is adamant that the conditions of service and the working conditions of procurators fiscal should be improved. We commented in the report about the need to have quiet space in the phenomenon of open-space planning. Procurators fiscal have written to us to say that that is an important development.

I am pleased that there is a prospect that the pay issue will be settled. That has calmed the fears of many front-line procurators fiscal who perceived that the priority was changes in management. I think that a progressive pay structure will attract the kind of people we want to have in our procurator fiscal system, so there will be positive change in that regard.

Although I agree with much of what the Pryce-Dyer review had to say, I profoundly reject the parts that compare the service to the board of ICI. I am pleased that the Lord Advocate has rejected some of that and has ensured that the legal board at the top has a balance of legally qualified people.

We have done our best to report on what we have seen, on the many changes that have taken place and on what we have been told by the many people who have written to us. We have said that the report should be regarded as an interim report because it is important that the successor committee to the Justice 2 Committee assess the impact of some of the changes at a later date.

I put on record my thanks to everyone—procurators fiscal, agencies and others—who wrote to the committee detailing their experiences and encouraging us to do the work. I look forward to hearing the debate.

I move,

That the Parliament notes the 4th Report 2003 of the Justice 2 Committee, *Report on the Crown Office and Procurator Fiscal Service Inquiry* (SP Paper 747), and agrees that progress in implementing the committee's recommendations and the Crown Office and Procurator Fiscal Service's programme of change should be kept under close review.

09:45

The Lord Advocate (Colin Boyd): I begin by thanking the Justice 2 Committee for its report and for the constructive and diligent way in which its members have conducted the inquiry.

The report is one of a number that have been done in recent years into aspects of the Crown Office and Procurator Fiscal Service. The service has never before been subjected to the scrutiny that the Scottish Parliament has brought to bear on its activities. It has been a healthy experience and a catalyst for much-needed change in the service.

Today, I have the opportunity to acknowledge the work of the Justice 2 Committee and its importance in helping to drive and shape our programme of modernisation and reform. I also pay tribute to the convener, Pauline McNeill, and to Bill Aitken who assisted her in the work on the report.

As the report acknowledges, the Crown Office and Procurator Fiscal Service makes significant achievements every day. Complex cases are prosecuted successfully, sudden deaths are handled appropriately and sensitively, and the proceeds of crime are recovered.

Recently, however, the Crown Office and Procurator Fiscal Service has had to respond to increasing pressures, which has exposed the lack

of investment and demonstrated a clear need for reform. That is why, following an internal management review, we set about putting in that investment and making those reforms by embarking on a comprehensive programme of reform and modernisation. I note the committee's concern about the speed of change, but I believe that we owed it to the Scottish public to respond quickly and effectively. It is worth noting what has been achieved over the past year.

There has been significant new investment—this year's budget was increased from £63 million to £78 million, rising to £92 million by 2005-06. Some might say that that is not enough, but when I became Solicitor General in 1997, the budget was £46 million. We will have doubled that budget in eight years; I do not believe that there is any other agency in the criminal justice system that has had that level of investment.

In 2002, 159 new full-time equivalent staff were recruited, 113 of them since March. There has been major restructuring of the service, bringing our areas into line with police force boundaries and allowing closer co-operation between the police and the prosecution service.

There has been strengthening of corporate support and investment in human resources, training, information technology and management information systems. We have reviewed the preparation and prosecution of High Court cases and made significant changes to the role and appointment of advocate deputes. We have widened the pool of people who are eligible to prosecute and we have made changes to the way in which the most serious crimes are prosecuted. We have created eight pathfinder offices to test new ways of working and we have produced standard task instructions that will become the templates for the whole organisation.

The programme is not a programme of short-term fixes; its scope is long term and is aimed at creating a Crown Office and Procurator Fiscal Service that wins the confidence of the people of Scotland; that is committed to professional excellence; that pursues cases independently, fairly and consistently and in the public interest; that is responsive to the public's needs; that provides a full, satisfying and rewarding career for staff; and that communicates openly and effectively.

However, the programme means more than that. It means that there will be a prosecution service that is efficient, professional, open and accountable. Accountability means being prepared to explain how we go about our work and how we manage our service. That accountability is fully consistent with the independent status of the Lord Advocate in his prosecution role, and with that of the procurators fiscal as my representatives. That

independence is fully recognised in the Scotland Act 1998 and is founded on the vital need for decision making in public prosecutions to be taken without fear, favour or influence. The programme is also a vision of a service that respects and promotes the roles of victims and witnesses of crime, and which recognises that prosecution is about more than just the prosecutor and the accused, and the court and the lawyers. How do we achieve that?

Phil Gallie (South of Scotland) (Con): I know that I am on shaky ground here.

I go along totally with the Lord Advocate's comment that politics should be kept out of the courts, but politicians in a Parliament such as this express concerns about, for example, drug dealing and other major crimes, and they express the attitude that such crimes should at times be dealt with more harshly than perhaps the courts deal with them. How can we get that across to sheriffs and judges without being seen to apply political pressure?

The Lord Advocate: Of course, the sentencing of crime is for the courts, and rightly so, and it is done independently. So far as my function is concerned, I will listen to the concerns that are expressed about the prosecution policy. I did that recently on the prosecution of section 1 of the Road Traffic Act 1988.

How do we get the basics right? We value our staff. We have taken steps to relieve pressure and stress, we have settled the pay dispute and we have created more promoted posts and opportunities to prosecute in the High Court. We have had a thorough review of our levels of customer service. We will build on the establishment of victim information and advice, which is currently available in seven areas, but which is soon to be established in all areas. An office was established in Paisley last month. One will open in Airdrie this month and Inverness, Dumfries and Stirling will follow.

We work better with our criminal justice partners, such as the police and the Scottish Court Service. That is all part of a programme to improve the criminal justice system as a whole, which includes Lord Bonython's report into the High Court, Sheriff Principal McInnes's report on summary justice and Andrew Normand's report on criminal justice objectives. That is a comprehensive examination of the Scottish criminal justice system. We work with the Association of Chief Police Officers in Scotland, the courts and others to develop protocols on how we work together, so that the kind of problems that Pauline McNeill referred to in her speech—which are picked up in the report—about police officers not being able to speak to fiscals and vice versa are overcome.

We are also making improvements to our processes and systems; those improvements will have wider benefits. One example of that is the project to send by post witness citations in summary cases. Not only will that make our processes more efficient; it will free the police from delivering those citations personally in every case. That project should go live from April.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I agree with a great deal of what the Lord Advocate says, but will he come round to addressing the recommendations in the report in his remaining two minutes? Does he agree that the report, excellent though it is, would have been far better if the Justice 2 Committee's recommendation that all staff in the service should have the opportunity to participate by setting out their views in an anonymous questionnaire had been implemented? Why was that suggestion by the committee rejected by the Lord Advocate? Does not it smack of the sort of secrecy of which we want to rid Scotland's justice system?

The Lord Advocate: The same civil service rules apply to procurators fiscal as apply to all other civil servants. So far as questionnaires are concerned, the Justice 2 Committee had the opportunity to speak to members of the Procurator Fiscal Service, and to take evidence from fiscals' elected representatives from the Procurators Fiscal Society. That is the proper way to conduct inquiries into any part of the civil service.

So far as the recommendations are concerned, Mr Ewing will be aware that we have submitted, and no doubt he has seen, our detailed response to the recommendations of the report. In the 10 minutes that I have for my speech, I cannot cover all the recommendations. I wanted to highlight the main points.

I have set out what we have achieved so far and where that is taking Scotland's prosecution service. I have also given examples of how we will reach our destination. I can safely say that I have faced some challenging times in my time as Lord Advocate, but modernisation and reform are the most important and enduring of the challenges. I am fortunate to have the support of people who are committed to change and who understand the importance of reaching that destination.

I am also fortunate to have in the Crown Office and Procurator Fiscal Service highly dedicated, hard-working and professional staff who do their duty to prosecute in the public interest day in, day out. The Parliament does not often have the opportunity to acknowledge and thank them, so I hope that all members join me in saluting their work.

09:55

Roseanna Cunningham (Perth) (SNP): I am not sure whether I am required to say it, but I had better say that I continue to be an advocate. That means that, from time to time in the past, I was on the prosecution side of the bench, rather than the defence side.

It cannot be denied that the Crown Office and Procurator Fiscal Service has been seriously under-resourced for years. That has meant that aspects of our justice system have been failing. The current shake-up in practices is long overdue and the recommendations in the Justice 2 Committee's report are important in that process. I commend the committee for its work. At long last, those of us who have called for such changes are starting to see progress. I welcome the progress that has been made, but much more could and should be done. I am sure that disagreement on that score is unlikely.

The Crown Office and Procurator Fiscal Service has been so under-resourced that it has been a factor in the slowing of the whole justice process over the years. It is not the only problem, but it is a key difficulty. It is difficult to see what other conclusion can be drawn from the figures that the Executive published in December. Since 1997, the number of crimes and offences has soared to 945,716, yet the number of prosecutions has plummeted to 139,596. The figures are diverging markedly, instead of following each other. The Solicitor General shakes her head, but those figures were produced by the Executive in response to questions.

While crime is increasing and police clear-up rates increase proportionally, the number of prosecutions is falling, which means that the number of convictions falls, because that number is bound to follow proportionally the number of prosecutions. When our constituents tell us that they do not feel that crime is being taken seriously enough, they are almost subconsciously aware of what those statistics reveal.

In January, I revealed an analysis of the statistics that showed that, since 1997, prosecutors have prosecuted fewer of the crimes of indecency and sexual assault that the police have cleared up and fewer convictions have been obtained. That picture prevails for many offences, including vandalism and fire raising. The divergence is stark. The police have been doing their job and their clear-up rates have increased with the increase in the number of crimes and offences, but the prosecution system has failed to keep pace. Why should that be? There must be a reason for such a marked divergence in the rate of prosecutions as compared with the number of crimes and offences.

In a parliamentary answer to me, the Solicitor General admitted that the number of court cases that have been dropped because of delays in the justice system has doubled in the past four years. According to the figures, the number of cases marked "no proceedings" rose from 4,214 in 1998-99 to 8,409 in 2001-02. According to newspaper reports, officials said that cases had been dropped because of delays by the police or other reporting agencies, delays by the procurator fiscal or because the time limit on bringing cases to court had been breached, which is basically the same as a delay, although it is a separate category. That is the reality of what people are experiencing and complaining about. Our justice system is creaking at the seams and the figures show that the situation has been worsening. Between 1998-99 and 2001-02, the number of cases that were dropped because of delays by the police or another reporting agency rose by 112 per cent and the number of cases that were dropped by the procurator fiscal went up by 123 per cent.

Another major problem with the Crown Office and Procurator Fiscal Service is the inability to get any sort of information from it about the reasoning behind its decisions. This is not the first time that we have acknowledged that in the Parliament. I know that I am not alone in being incredibly frustrated by the number of times that I have to pass on to constituents the stock answer from the Crown Office, which is in effect that it does not have to explain its actions, which equally often means its inactions.

That leaves members of the public who have been victims of crime utterly bemused by the workings of the system and its inability, in their eyes, to deliver anything even approaching justice. That is a real problem. Both of the law officers know that it is one thing to announce from the top that things will change, but quite another thing to ensure that a harassed and overworked member of staff at the end of a phone call to a victim does not respond to a request for information with, "What do you want to know for?" I have had to deal with that experience in my constituency.

I believe that some of the sentiments and detail that are contained in paragraphs 20, 22 and 23 of the report are key to the problem. Those paragraphs make it clear that long-term under-resourcing has been, and continues to be, a major factor in inhibiting the staff in the Crown Office and Procurator Fiscal Service from functioning at their best.

I was particularly struck—for personal reasons—by the report of the committee's visit to Hamilton sheriff court last year. When the committee paid its visit, up to four ad hoc fiscals were operating at the court each day. In my early years as an advocate, I practised as an ad hoc fiscal—the

practice was very common at that time. Let me tell members what that meant in reality: I turned up at 9 am, got handed a stack of cases for trial—easily up to 12 or so. By 10 am, I had to be in a position to confront the long line of defence agents—referred to by my colleague Fergus Ewing—who were offering pleas, giving reasons for not being able to proceed and asking for agreements about this, that or the other—all on cases with which I had no familiarity. All that I knew was that not all of the cases could go to trial.

Courts operate on the basis that the majority of cases will not, for whatever reason, go ahead. As an ad hoc fiscal, I had to make snap judgments about which plea it was okay to accept, which case was to be assigned to another day and which trials could—perhaps—go ahead that day. All of that had to be decided on cases that I had seen for the first time an hour previously.

Then, and only then, could I go about releasing the various witnesses in all of the cases that were not going to trial that day. They included police witnesses, some of whom would have to wait on the chance that some of the cases that were purportedly going to trial would go ahead when, as members also know, that does not always happen.

I have been assured in a separate discussion that the process of ad hoc fiscalling has fallen away. I am prepared to accept that it is not as extensive as it once was, but in the report, I read that it was being used extensively in Hamilton sheriff court only last year. I note in passing, from subsequent assurances that are contained in the report, that its routine use was eventually eliminated. However, the fact remains that the service is still having to fall back on that practice to get itself out of local difficulties.

The problem that I have with that is that I suspect the experience of ad-hoc fiscalling was not much at variance with the experience of the regular fiscals then and now—except, of course, for the fact that regular fiscals would also have had to undertake all of the work that led up to getting the cases to court. The 10 am line-up would certainly be the same. Speak to any defence agents and they will say that it can be difficult to get hold of a fiscal to make a decision in advance of the date of trial. Pauline McNeill was absolutely right when she said that defence agents often do not even attempt to do that. That is not always for the cynical reason that defence agents are trying to operate the system, but because they have been unable to get hold of the fiscal in advance of the court date.

There is cynicism about the Crown Office and Procurator Fiscal Service. There is a serious culture problem within the service that needs to be dealt with, which involves management and staff. If we expect staff to change, management's

attitude to them has to change. Given that we expect them to make some of the changes that we are demanding of them, it would be unfair to do otherwise.

I commend the report to the Executive. It should not simply be put on a shelf. An SNP Government would take the recommendations seriously and I hope that the current Executive will also take them seriously.

10:04

Lord James Douglas-Hamilton (Lothians) (Con): In speaking to the Justice 2 Committee's Crown Office and Procurator Fiscal Service inquiry report, I have to mention an interest as a former interim procurator fiscal depute and as a non-practising Queen's counsel.

I warmly support the Lord Advocate's recognition of the selfless service and dedicated devotion to duty shown by Scotland's prosecutors. However, it is very much our conviction that for too long Scotland's prosecution service has received less than adequate resources to carry out its vital responsibilities.

As the Parliament will recall, the Chhokar inquiry revealed that more support was necessary for prosecutors. Indeed, there is little value in having dedicated police officers detecting and solving crime and carrying out arrests if it takes an unacceptably long time for cases to come to court.

I am particularly impressed that the Justice 2 Committee has had the moral courage to highlight obvious deficiencies in the current arrangements. Paragraph 114 of the report states:

"The Committee concluded that, given the importance and responsibility of the procurator fiscal's role, it is in the interests of justice for the service to be held in high public regard and have high morale. This is not presently the case".

The Conservative party's view is that Scotland's justice system is cracking at the seams. There have been longer delays, which can on occasion help offenders to evade justice—Roseanna Cunningham referred to that theme. We believe that an overhaul of the whole process is long overdue.

I am glad that the evidence given to the Justice 2 Committee supports our view. At paragraph 115, the assertions are strong and forthright. The committee concludes:

"We heard evidence of a service under extraordinary pressure ... We welcome the fact that there is no longer complacency about the scale of underfunding that has existed ... Although surprisingly few cases have come to light as having gone badly wrong, we consider there to be an unacceptable level of risk in the system."

That leads me to the vital issue of whether sufficient resources are being provided. In my

view, they are not. In this year's budget, the increase for the justice department—only 1.3 per cent—is significantly lower than that received by other Government spending departments. It is clear that law and order, the rule of law and justice issues do not receive top priority on the Scottish Government's agenda. That is a matter of fact. It is interesting to read what the Justice 2 Committee concluded on that issue. It expresses concern that

"neither the Committee, nor the Department, have the necessary information to say whether these increases are enough ... We remain concerned about the real impact of the staff increases being made and how these translate into staff resource for frontline duties".

I welcome the recognition that what matters is that those prosecutors in the front line should be given the maximum support and back-up and should not be submerged by overwork and a terrific backlog of cases.

The Conservatives have called not only for an increase in the number of procurators fiscal, but for help to alleviate the backlogs in our courts, especially in the sheriff courts. We have therefore also called for weekend and evening sittings in courts. In addition, we think that increasing the summary sentencing power to 12 months would ease the backlog of cases before hard-pressed sheriff courts.

Our justice system is rightly founded on the principle that a person is innocent until proven guilty. An important cornerstone of the system of justice is the 110-day rule. An accused person must be brought to trial as quickly as possible, leaving enough time for the prosecution and defence to prepare, but no more. For justice to mean what it implies, it should be speedy. In this country, it would be unthinkable to have an accused person sitting on death row for literally years. We are proud that our system of justice has traditionally been fast moving—it is that quality that has made Scotland's system of criminal justice the envy of the world. It is therefore extremely important that the Crown Office and Procurator Fiscal Service should receive the necessary resources to ensure that deadlines are not missed. Of course, if there is a case of particular complexity, an application can be made to the High Court for an extension. I believe that that works well.

The crux of the matter was summed up extremely well, and frankly, in the Lord Advocate's evidence to the committee on 6 March. Before I quote his words, I should say that I very much hope that the Administration will take great heed of them. He said:

"The service has been almost a cinderella organisation for many years. It has been chronically underfunded for a long time ... there is no doubt that the ECHR has increased pressure, while the growth of serious crime continues to be worrying, and there has been an increase in the efficiency

of the police. Those factors have come together and produced severe strains."

He concluded:

"for many years, the organisation has not been given the resources that it should have been given."—[*Official Report, Justice 2 Committee*, 6 March 2002; c 1114.]

Given that the Lord Advocate said that in committee, we can be certain that the Executive needs to do a great deal more on the issue.

I noted with concern paragraph 24 in the report, which contains an important revelation. It says:

"In the course of the inquiry we also received anonymous letters and phone calls from fiscals. While we treat these with appropriate caution, they reinforced the picture of a service where morale is low and where it is perceived that senior management discourage people from drawing attention to difficulties arising from lack of resources."

In this Parliament, we believe in greater transparency, openness and accountability, and I recognise the assertion in paragraph 43 that there are issues to be addressed over and above that of resources. That paragraph states:

"Our perception is of a hierarchical system which suffers from the fact that most senior managers have been legal experts not selected as or trained to be expert managers."

I hope that the Executive and the Crown Office will consider with great care all the recommendations that have been made in that regard and that they will examine the fact that too many police officers have been tied up for long periods at court waiting to be called as witnesses in cases.

The Conservatives regard justice and the pursuit of justice according to the highest standards and principles as absolute requirements and we want the Procurator Fiscal Service to be much more strongly resourced with more fiscals. I warmly congratulate the members of the Justice 2 Committee, its convener, Pauline McNeill, and the deputy convener, Bill Aitken, on contributing a considerable service by focusing our attention on actions that need to be taken in the public interest.

10:12

George Lyon (Argyll and Bute) (LD): Before I begin, I should note that I will not be able to stay until the end of the debate. I apologise and seek the Parliament's indulgence to leave early.

I echo Pauline McNeill's sentiments and pay tribute to the committee clerks, who have worked so diligently over the past 18 months. This has been the longest committee inquiry in the Parliament and we must pay tribute to all committee staff, whose work ensured that we delivered the report.

In some ways, our inquiry has been overtaken by events. However, it has ensured that the coalition Executive has tackled the issues that

were revealed in evidence to the committee and it has certainly helped to focus attention on real concerns about the Procurator Fiscal Service.

There have been six reviews of the criminal justice system in the past few years. As a result of the Chhokar case, there were inquiries by Sir Anthony Campbell and Dr Raj Jandoo. We have also had inquiries by Lord Bonyon and Sheriff Principal McInnes, as well as the Pryce-Dyer review. Last but not least, we have had the Justice 2 Committee's inquiry and now its report. The service must be the most reviewed organisation in Scotland since devolution, which only goes to show how much of a spotlight is on the justice system to ensure that it improves and delivers the service that we all expect. The service has moved from being what was, in the Lord Advocate's words, "a cinderella organisation" before 1999 to one that is now firmly centre stage and in the spotlight.

During our investigations, we found that the service was under extraordinary pressure because of various factors, some of which have been mentioned: first, the increase in the number of petition cases from 4,638 in 1996-97 to 5,217 in 2000-01; secondly, the incorporation of the European convention on human rights into Scots law; thirdly, the establishment of the Scottish Parliament and the Scottish Executive; and, lastly and just as important, the greater expectation among the public of openness, accountability and the better treatment of victims and witnesses. All those factors have brought added pressures to bear on the system.

There was a range of evidence on how well the service was coping with the challenges that arose because of those factors. The internal pressure audit showed levels of stress and dissatisfaction many times higher than in an average, similarly sized organisation. It also revealed a hierarchical and rigid culture of blame, secrecy and mistrust in the organisation.

The Pryce-Dyer report identified a catalogue of issues that could be put down to poor communication between the Crown Office and Procurator Fiscal Service and its main criminal justice partners—the police and the courts. In her speech, Pauline McNeill highlighted her experience of that issue. The Pryce-Dyer report also identified a catalogue of management issues, including poorly focused management information, inconsistencies in budgeting, a lack of resilience in the staffing of the organisation and the lack of a corporate and united approach to standards and processes in the service. The report also found major cultural barriers between the legal and administrative staff—there seemed to be a genuine division between the two sides. Resourcing was identified in a number of key

areas as one of the crucial problems facing the service, as the Executive has acknowledged.

In view of those findings, one might have expected a big churn rate of staff as well as high long-term sickness rates and recruiting difficulties. Surprisingly, however, none of those problems was revealed in evidence to the committee. That is a tribute to the dedication and commitment of the staff. Despite the pressures that they were under and the many problems that were identified in the various reviews, staff still turned up and delivered a service. There were no long-term sickness problems and the staff seemed to remain dedicated and willing to commit to the service. The committee was surprised that there was not a great churn rate of staff leaving and new staff being taken on. However, the new chief executive, Robert Gordon, said in his evidence to the committee:

"Even if people are not leaving us, it is not a sustainable way to run a business if they are staying with us while feeling undervalued and under huge pressure."—[*Official Report, Justice 2 Committee*, 24 April 2002; c 1226.]

That is a sentiment with which we would all agree.

I am thankful that action is now being taken to address the concerns arising from the various reviews. An extra £24 million is being invested this coming year—that is a 10.7 per cent increase in real terms. In his speech, the Lord Advocate highlighted the huge increase in resources that there has been since he became involved in the service as Solicitor General.

Ninety-five new legal staff have been recruited—that is a 33 per cent increase from 1997. However, that in itself brings problems, because it means that a whole cohort of new legal staff is coming in. Those people need training and supervision, which puts added pressure on the service in the short term.

From evidence to the committee, we learned that an extra 94 administrative staff have been recruited, which is a 12 per cent increase. That is important, too. It is all very well having front-line legal staff, but, if they are not backed up and properly supported by administrative staff, they cannot deliver daily in court. Moreover, a new management regime has been put in place to try to address the major failings identified in the Pryce-Dyer report.

The Crown Office and Procurator Fiscal Service is no longer the cinderella organisation that it was before devolution. The Executive is investing heavily to improve the service, but it will take time to measure whether the changes that have been made are the right ones. Judgment cannot yet be made on whether the new arrangements are working, because they are only just being implemented.

I hope and expect that, as the committee recommended, the subject will be revisited by a subsequent justice committee in the new parliamentary session. We may have to wait two to three years before the evaluation can be made. I hope that, when that evaluation is completed, we will see a dramatically improved service that will guarantee to the public the delivery of a service fit for the 21st century.

The Deputy Presiding Officer: There have been a number of last-minute requests to speak in the open debate. I will try to get everybody in, but the last two or three speakers may not get more than a couple of minutes each. At this point, we will start with speeches of four minutes.

10:20

Scott Barrie (Dunfermline West) (Lab): A number of reasons have been given this morning for why the committee chose to investigate the subject. The Lord Advocate said that, since devolution, there has been an unprecedented questioning of the Scottish criminal justice system. Although the system had trundled along relatively satisfactorily for many years, we found that things were not working in quite the way that we had anticipated. It was a bit like lifting the proverbial stone to see what is going on underneath. The pressures that people were working under to keep the system going were certainly too great.

Like many people in Scotland, I was relatively unclear about the complex role of the procurator fiscal before I undertook the inquiry. The term is commonly used in Scotland—people have heard of procurators fiscal, but most do not know what they actually do. I first met the Solicitor General—in her previous role—in the summer of 2001, when we undertook our first visit to a fiscal office in Aberdeen. What struck Tavish Scott and me on that day was the sheer complexity of what was expected of a fiscal working in a busy office. Never mind all the other issues that people have highlighted, including the extra work load and staff vacancies—just doing the basic job is an incredibly complex task. I do not think that people fully understood what the job is about.

The committee inquiry seems to have been a bit of a catalyst for change in the system. The change might have happened anyway but, irrespective of why it happened, there has been considerable movement in the service over the past few months, which is incredibly welcome. As I have visited my local office over the past four years, it has been quite incredible to see the changes that have taken place, especially during the inquiry, as people began to see the evidence that the committee was taking, and now that the report has been produced. At the same time, there has been unprecedented change in the Crown Office and

Procurator Fiscal Service itself. Those two things together have begun to improve the service that is being offered to people. That should not be ignored.

The committee recommends a number of tests that might be applied in the future to determine whether the changes that are currently being made have led to improved services. We all want a service in which staff are valued, where morale is higher, where there is an end to routine evening working and where fiscals have more time to spend on front-line legal duties. The changes that have been put in place, which other members have highlighted, may well achieve that.

As the committee's convener said, one of the factors that prompted the inquiry was concern from the police. We hope that there will be improved communication and access to fiscals and better understanding of the prosecution decisions. It is important that all the players in the criminal justice system are signed up and joined up. We must all sing from the same song sheet. We should not get into a situation in which one part of the criminal justice system blames another part for its failings, as has happened too often in the past. If the changes that we have seen can get us a more effective system, the committee's inquiry will have played its part. We should also acknowledge the changes that the Crown Office has made in the intervening time.

10:24

Stewart Stevenson (Banff and Buchan) (SNP): When the convener of the Justice 2 Committee said that she had been doing extra time, I was somewhat alarmed, but I think that I know what she meant. Members of the committee did indeed do extra time.

The Crown Office and Procurator Fiscal Service is truly at the heart of the Scottish criminal justice system. If that system is to reach its full potential—as all members and people throughout the country want—that heart must be healthy. Our communities need faith that those who commit crime will be brought to book soon and in an appropriate way.

The Lord Advocate described the Procurator Fiscal Service as a “cinderella organisation” that had been

“chronically underfunded for a long time.”—[*Official Report, Justice 2 Committee*, 6 March 2002; c 1114.]

That is lamentably true. However, we must and should praise the dedication of Crown Office and Procurator Fiscal Service staff, who are chronically overloaded with work and use weekends and evenings to keep up with cases. That is not good enough for staff, the public or the police.

The committee heard distressing evidence from victims of crimes and their families, who felt let down by the system and revictimised. However, I recognise the progress that has been made in that area.

A number of unfortunate cases have been brought to my attention and I would like to speak about one of them. A former constituent of mine, who now lives near Inverness, was the victim of a brutal assault. The initial investigation went well and the perpetrator was caught and charged. However, when the case went to court, the accused received a minimal fine rather than the imprisonment that had been expected, as vital evidence was not produced on the day. Why? An inadequately supervised junior policeman and a fiscal who had never met the victim and therefore knew nothing of the severity of the victim's injuries were involved. In that case, a lapse in detail impacted on an individual.

Another constituent had a much better experience, but, unfortunately, that was in the Netherlands. Her son was involved in a car accident. He had pulled over, as his car had broken down, and another car had barrelled up the outside lane and run him over. He spent a year in hospital. The Dutch took the victim's mother across to the Netherlands and she stayed in hospital with her son at the expense of the Dutch for six months. When the case came to court, the mother sat with the prosecutors in the well of the court. She was paid to fly over to the Netherlands and the presiding officer invited her to give her view of the impact of the accident on her family. She could not praise the prosecution service in the Netherlands more highly. That is the standard to which we aspire and towards which we are beginning to move.

On another serious note, the committee had only anecdotal evidence about departmental performance. Statistics are in short supply. A key management theory nowadays is that what cannot be measured cannot be managed. It is not right for members to interfere with the administration of justice, but the Lord Advocate must realise that we will take a close and continuing interest in the administration of the justice system—in other words, in the processes of justice.

New people have been added to the system, but we must not expect too much too soon. In his book “The Mythical Man-Month”, Fred P Brookes poses the question:

“How do you make a late project later?”

The answer is by adding staff, as existing staff must train the new staff. All the failings in our system need to be put right to ensure credibility. Only a system that treats victims humanely and with compassion can truly dispense justice. We must deliver.

10:29

Phil Gallie (South of Scotland) (Con): I make no bones about the fact that, when I entered the Parliament, I was not seen as a major advocate of the institution—indeed, I queried the whole basis on which it was structured and its necessity. However, perhaps one of the advantages that has resulted from its creation has been the Justice 2 Committee's report. During the election, perhaps all of us had concerns about the standard of our justice system.

I recall that, in committee debates on the budget some years ago, I took to task the then Lord Advocate and Solicitor General, as well as the Minister for Justice, Jim Wallace, pointing out to them the inadequacies that we thought existed in the Crown Office and Procurator Fiscal Service. I have to say that I was particularly disappointed by the responses. I pay tribute to the current Lord Advocate and Solicitor General, because they seem to have listened. That links into the Justice 2 Committee's inquiry. Masses of evidence suggested that the perception that members elected to the Parliament had of the justice system was based on a strong foundation.

George Lyon said that, to some extent, events overtook the report. I do not believe that that is the case. I believe that changes have taken place because of the evidence that the committee took. I pay tribute to all committee members, including my colleague Bill Aitken and Pauline McNeill, with whom I served on the Justice and Home Affairs Committee. I do not believe that events overtook the report. The Lord Advocate, the Solicitor General and the Executive have recognised the shortcomings in the system. Having heard the Lord Advocate's comments about the increase in staff and the reorganisation, I find it obvious that the issues raised in the inquiry have been dealt with as we have gone along. That is what should happen wherever possible—when concerns are raised, they should be addressed immediately. On that basis, I compliment the individuals to whom I referred.

However, we cannot be complacent. Roseanna Cunningham's comments and the statistics that she cited were of great interest to all members. She demonstrated that problems still exist and that the general public still have certain perceptions and concerns, particularly about the way in which our court procedures operate and about some of the findings of the courts.

I said in an intervention earlier that political perceptions and requirements cannot be seen to be weights around the necks of sheriffs and judges. However, if the courts do not somewhere along the line recognise the concerns of ordinary people, the justice system will ultimately break down. That must not happen in our society.

The additional funding that has been mentioned is welcome, but the issue is not wholly about funding. We have looked across the board. Members have focused on the need for an increase in police resources, but it is pointless for the police to increase their detection rate, using those additional resources to considerable effect, if the courts and the justice system cannot keep up and let them down. Nonetheless, I welcome the extra funding and the changes that have been made to date.

10:33

Maureen Macmillan (Highlands and Islands) (Lab): I congratulate the Justice 2 Committee on its report, which is the result of intensive scrutiny of the Crown Office and Procurator Fiscal Service over a long 18 months. As George Lyon said, the committee's inquiry has played a considerable part in progressing change.

I will talk about the fiscal service in the Highlands and Islands. During the summer recess about two years ago, I visited as many of the Highlands and Islands sheriff courts as I could, not only in the Highland Council area but in the northern isles, the Western Isles, Moray and Argyll. I visited Skye, Lochaber, Wick, Tain and Dingwall. I spoke to sheriff clerks and fiscals. I examined arrangements for witness support, in particular for child witnesses, and for disabled access.

I visited Inverness sheriff court, which is more like a city sheriff court because of the volume of business. There is a tremendous contrast between Inverness and the outlying courts. I shadowed a fiscal depute in Inverness sheriff court for a day. I noted the intense pressure that she was under in a relentless, time-constrained process to mark cases and speak to them before the sheriff in a tiny, overflowing courtroom.

When I was in Stornoway, the sole fiscal had to deal with a serious stabbing incident on a foreign ship out in the Atlantic. It was an unusual and time-consuming case. Such a case might mean that everyday work had to be set aside, yet he was the only fiscal.

In Shetland, I met the fiscal who is responsible for Lerwick and Kirkwall sheriff courts, who spoke about the problems of travelling between Orkney and Shetland in the extreme weather conditions that prevail there for a considerable part of the year. If the fiscal is stormbound on one island, work piles up on the other.

Fiscals are independent, self-contained and responsible for their work load. Some enjoy the independence, but it has its drawbacks, especially in relation to holiday cover, illness or work overload. The problems of rural procurators fiscal

who work alone are different from the problems that fiscals in the city experience—the work load issues and the stresses are different.

Another factor was that, for administration purposes, the Highlands and Islands were lumped with Grampian, an area that covers two police forces. I will not talk about Argyll, which covers another police force and which has never been part of Grampian and the Highlands for administration purposes. I do not want to be even more of a sook than Phil Gallie, but Elish Angiolini was the regional fiscal at the time of my visit and I have no doubt that the new structure that has been put in place is a result of her appreciation of the problems on the ground. I remember talking to her in Inverness about the situation in Orkney and Shetland.

The changes that were announced last autumn are having an effect already. The Highlands and Islands is now an autonomous area and its boundaries are coterminous with those of Northern Constabulary. The new area fiscal, Graeme Napier, is based in Inverness, as is the new area business manager, Gordon Ellis.

Although the area team is new, there have been significant developments in support for fiscals. First, a request to the Lord Advocate for a deputy fiscal for Orkney and Shetland has been granted, which will have a significant impact on the work load and logistical problems in the northern isles. Secondly, as a result of the new information technology systems that have been in place since November, any fiscal's office can access another's work. For example, when the Tain fiscal needs a bit of help, other fiscals in the network can provide it. Thirdly, within the past week, approval has been given to buy a digital dictation system, the product of which can be downloaded to a computer and e-mailed, which will allow clerical staff in offices throughout the network to access it. That system will help to smooth out the peaks and troughs in individual offices. The first and third of those initiatives came directly from the area office.

Northern Constabulary has said that there is now more consistency in the fiscal policy in the Highlands, which is to be welcomed. However, more work needs to be done, particularly in relation to Inverness Sheriff Court. I would like the Lord Advocate and Solicitor General to keep an eye on the work load there.

10:37

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): In my 20 years of practising as a solicitor, I found, through the day-to-day experience of working in the courts, that Scotland is fortunate in having the highest quality personnel working in our justice system. We can rightly be proud of that. Until 1999, Scotland was the only

country in the world that had her own legal system but lacked a legislature. I am delighted that Phil Gallie is now a full convert to the merits of the Parliament.

Since I became an MSP, I have seen matters from constituents' point of view. What happens when the system goes wrong? Although I found through working with fiscals and others that, in most cases, the system does not go wrong, the Lord Advocate and the Solicitor General must focus on the situations in which matters go wrong to ensure that victims are dealt with properly.

Like Stewart Stevenson, I could mention constituents who simply have not been given information. For example, I know of a case in which the victim of a serious assault was not informed when the assailant was let out of jail and went back to live beside the victim. When a complaint is made about such matters, the response is often truculent or arrogant, which is wholly wrong. However, I get the impression from the written response to the report to which the Lord Advocate referred that matters are changing and that there is a will to change, which I acknowledge and welcome.

In intervening on the Lord Advocate, I referred to paragraphs 14 and 18 of the report. The committee's unanimous request that every member of the Crown Office and Procurator Fiscal Service in Scotland should be given the chance to set out their views—good and bad—of how the system operates in an anonymous questionnaire was sensible. That is part of a new system of openness and democracy. It is to be regretted that the Lord Advocate rejected that approach. Had that approach been followed, the experiences of those working at the chalk face could more accurately have been taken into account.

The committee has done a great job.

Pauline McNeill rose—

Fergus Ewing: I do not have time to give way, as I am in my last minute.

Of necessity, the committee's excellent work only scratches the surface of a huge system that involves a great many people. I know, for example, that intermediate diets have not worked properly because fiscals do not have time enough to study the papers and discuss cases before an intermediate diet. That clogs up the system, takes more time and is a waste. A few more fiscals in the busiest Sheriff Courts would address that problem, and action is being taken to deal with that.

I handled a serious case in which the son of constituents of mine died in a road accident and the police approach to the case was called into question. I was struck by the constituents'

approach to the matter, which was rational and sensible despite the trauma of their loss. They paid particular tribute to the Solicitor General, who was working in Aberdeen at that time, for her sensitive response. I do not want to mention the couple's name, but I think that the Solicitor General will know who they were.

In that case and others where the justice system fails, it does not yet respond properly to victims' and others' concerns about their dealings with it. However, now that we have our Parliament and perhaps a bit more openness, there is a willingness to tackle those concerns. I welcome that approach.

10:42

Mr Kenneth Macintosh (Eastwood) (Lab): I thank the Justice 2 Committee for its work in producing the report on the Crown Office and Procurator Fiscal Service. A great deal of effort went into the inquiry, and that shows in the substance of the committee's findings.

A picture clearly emerges of a public prosecution service that is overworked and understaffed. The service has far too often had to rely on the dedication and commitment of individuals who have struggled to cope without the necessary support structure in place.

I also thank the Lord Advocate, Colin Boyd, and the Solicitor General, Elish Angiolini, for their reforms, which have taken place in parallel with the committee's inquiry. The Lord Advocate and the Solicitor General have recognised the problems that face the service and have begun to tackle them.

I will focus not so much on the needs of the Procurator Fiscal Service as on those of the victims of crime and their families. There cannot be a member present who has not heard of the vicious and unprovoked murder of Christopher Cawley in a Glasgow bar some two and a half years ago or who is unaware of his family's concern and anger at the failure of the prosecution to convict Louis McDonald and Gary Sanders for the crime.

The lack of information that was available to Christopher Cawley's family throughout the case is deeply disturbing. That extended to the family even missing the beginning of the trial because no one took the time or took on the responsibility to let them know that court proceedings were starting. Neither the volunteers from Victim Support Scotland nor the police's family liaison officer were able to offer the support that the family needed. A simple explanation of the roles of the police and the Procurator Fiscal Service was never forthcoming.

The lack of transparency of the court proceedings and, equally, the prosecution team's decision-making process added to the family's frustration and anxiety. There was no attempt to take the family's views into account, but neither was there an explanation of why that should be so. When charges against one of the accused were dropped, there was no explanation. In fact, as Pauline McNeill said, the family found out about it only when the former co-accused walked into the court alongside them.

My outstanding concern is the lack of an independent investigation or complaints procedure to handle public worries about the prosecution of crime. Following the Jandoo and Campbell reports on the Chhokar case, the Lord Advocate has committed himself to an independent inspectorate but has also said that it will not consider individual cases.

Given the mechanisms that now exist to tackle miscarriages of justice, we need a satisfactory system to address the situation in which the miscarriage is a failure to secure a conviction. I am not arguing that verdicts should be challenged. That the prosecution of crime, like justice itself, should be impartial is often argued and is, indeed, an accepted principle. However, I hope that the Lord Advocate will acknowledge that impartiality has sometimes been used as a smokescreen for not answering questions at all. Coupled with a lack of transparency in the prosecution service, that has given rise to a suspicion of a self-serving system that protects prosecutors from scrutiny and that is unaccountable to the public.

I end with an appeal to the Minister for Justice—although he is not here—to meet the Cawley family and the Lord Advocate to discuss the family's outstanding concerns. The Justice 2 Committee has played a major part in redressing the Cawleys' sense of grievance, through listening to their evidence. I hope that the committee's recommendations will now be acted on.

10:45

Mr Duncan Hamilton (Highlands and Islands) (SNP): Of all the skills that I thought I would have to develop as an MSP, cramming a year's study of the Procurator Fiscal Service into two and a half or three minutes was not one of them. Nonetheless, if colleagues will excuse me, I will not use this limited time to go over the ground that we all share on the positive work that the Justice 2 Committee has done and on the areas of the report on which we agree. We all accept that the Pryce-Dyer report was significant, that there has been an increase in resources and that more work remains to be done.

I will highlight a number of areas of concern, and I hope that this will be taken in a constructive spirit. The Lord Advocate mentioned the

publication of proposals for the appointment of advocate deputes, which will form a part of the whole restructuring. I wish to focus on that, because there are some real concerns about those proposals. The problem lies in the increase in High Court business, with an increase of 29.4 per cent in the number of cases between 1998 and 2002. Additionally, there are the problems with getting people to do Crown junioring and legal aid. There is a real stress point in the High Court.

The response from the Executive and the Lord Advocate is understandable in a sense—they favour a reclassification and seek to allow procurators fiscal, from ad hoc deputes all the way to trial deputes, to mark or prosecute cases.

There are a number of real issues to be addressed, the first of which is independence. It is nice for an SNP politician to be able to talk about independence and get support for it from around the chamber. Its importance cannot be overstressed. The written submission of the Faculty of Advocates states that the

“entitlement on the part of the prosecution authorities to bring criminal charges against a person before the courts upon their decision alone means that it is important that the operation of that entitlement is, and is seen to be, as independent as possible.”

Let us contrast that with the description of fiscals as, in the Lord Advocate’s own words, career civil servants. That raises the question how that independence and the perception of that independence are to be regarded. If the Government were to announce a crackdown on crime, would that mean that, as career civil servants, fiscals could be seen to be marking on an independent basis? The committee received evidence from fiscals themselves that they had come under pressure from various Government bodies. Perhaps such pressure is understandable, but should we really be trusting individuals to show independence under such circumstances, and not have something built into the system?

What about situations where there are obvious conflicts of interest for solicitors who are in partnership? What arrangements are going to be made to preserve the independence of the service? If people are to have confidence in the system and in the prosecution of crime, they have to believe that decisions are made on the basis of what is fair and just, and not according to any other priority.

The Deputy Presiding Officer: We move to winding-up speeches, starting with Donald Gorrie for the Liberal Democrats. I ask for these speeches to be kept tight, please.

10:48

Donald Gorrie (Central Scotland) (LD): The Justice 2 Committee has carried out a very good

inquiry, which has been a good example of how Scottish parliamentary committees can do very good work. I welcome the investment that the Executive has put into the court system. Starting from a very low base as it does, that increase in investment might have to continue for quite a few years. We want to ensure that the money is well directed and achieves what we want it to achieve.

We should look at justice as a whole. It is not just a question of procurators fiscal. There is a whole team of people involved in trying to reduce offending and reoffending, crime and the fear of crime. All sorts of people are involved in that—in some ways, every citizen. The police, procurators fiscal, the court system, judges, advocates and solicitors are all involved, but so are social workers, voluntary organisations that provide arrangements to help to turn people in trouble round, community organisations and indeed the whole community.

For example, if we sorted out our football structure so that far more boys, girls, young men and young women were playing football, we would not only have a decent football team in a few years’ time, but reduce crime considerably. We are all involved in that task. The Parliament and the Executive must learn to examine the issue of crime as a whole. We are good at having committees highlight particular issues, but we must now diffuse our light over a wider area, while keeping it as bright. I am not sure how to do that.

We cannot ignore bottlenecks in the system. There is no point in having a very good police system if the court system is not good. I return to my analogy of a football team—there is no point in investing in better forwards if our defenders continue to let in goals. We must invest throughout the system.

I have not yet heard anyone use the cliché that justice must be seen to be done, so I will. Like most clichés, that one is extremely true. The public view of justice is very important. The public have problems with the system. They see endless delays in cases coming to court and view the criminal justice system as a game with very obscure rules that they do not understand. The public view politics in the same way—that is another problem that we must straighten out.

We must challenge the professionals’ innate conservatism and defensiveness. Such conservatism is a characteristic of all professions. We must ensure that the professionals are not preventing progress from being made in the system as a whole. We have made good advances and I have great confidence in the team that is running the Crown Office and Procurator Fiscal Service. However, we have much further to go. This inquiry is a good step forward. We can all co-operate to produce a justice system that will be

at the heart of our democracy and of which we can be really proud.

10:52

Lord James Douglas-Hamilton: I have said everything that I wish to say. I am grateful to the Lord Advocate for his frank, full and honest contribution.

The Deputy Presiding Officer: The chamber is most grateful to the member.

10:53

The Solicitor General for Scotland (Mrs Elish Angiolini): I welcome this morning's debate, which has been extremely constructive.

As the Lord Advocate has acknowledged, the work of the Justice 2 Committee and its report have been invaluable in helping to shape the major reforms that we are putting in place. The committee's work is also helping to achieve a greater understanding of what the Crown Office and Procurator Fiscal Service does. It has helped to engage the Parliament's support for an organisation whose work the committee recognises as having generally been undervalued and misunderstood. Often the Crown Office and Procurator Fiscal Service is seen as isolated from the community that it serves.

Rightly, the Parliament has challenged the way in which the department has worked historically—its management, resources and culture, as well as its visibility, responsiveness and accountability. The Lord Advocate and I have set about securing fundamental and wide-ranging change in each of those areas, so there are few issues in dispute. Although we are doing much to ensure that we shape a prosecution service for the long term, which can meet the increasing demands of the new millennium, I am grateful to the convener and the committee. I am greatly encouraged that they have taken the opportunity to recognise the huge asset that the Crown Office and Procurator Fiscal Service represents for Scotland.

The service employs 1,300 or so staff throughout Scotland and in Europe. Their skills and commitment to securing justice day after day result in high-quality prosecutions and deaths investigations. They work under the most disciplined time scales for prosecution in the world and the most vigorous evidential requirements of any criminal justice system. They are called out night after night to horrific murder scenes, to deal with fatalities and post-mortems and to meet distraught and bereaved next of kin, as well as victims and witnesses of crime. They work in the unforgiving environment of the court, in the full glare of the public and the media. They are indeed champions of justice, and I do not say that in an apple-pie sense.

I am grateful for the Justice 2 Committee's acknowledgement of the front-line but complex nature of the work and of the growing pressures that are faced by prosecutors in Scotland and worldwide. During the debate, the difficulties that the Crown Office and Procurator Fiscal Service faces have been highlighted. The debate has also highlighted the modernisation, investment and reform that the Lord Advocate began last March.

I am in the unusual position of being part of a ministerial team that manages a department in which I have spent all my working life. The benefit of that is that I have a first-hand understanding of the department and the pressures and challenges that it faces. I know its strengths and weaknesses. I also know that the programme of modernisation and reform on which we have embarked is a promising and exciting opportunity to ensure real change in the way in which we set about our business.

We have had record investment and we have a fresh management approach and new staff to add to the skilled staff who are already there. We have achieved those things over a very short period. I have to say that, 21 years ago, victims were not on the agenda for the Procurator Fiscal Service because the concept of independence was perceived as requiring a lack of communication with victims and, to some extent, a lack of responsiveness. Twenty years ago, there was no recognition of the role of victims in the system, but now they have become central to it. We have undertaken to ensure that the work that we are doing in establishing the victim information and advice system throughout Scotland—which is now being rolled out—will change the experience of victims. There is a long road in that process, but it is one that has been embarked on with great energy and commitment by the victim information officers who are now part and parcel of the prosecution service.

Phil Gallie: In the future, when a prosecution against an individual is dropped, will the victim be given information concerning why the case has been dropped?

The Solicitor General for Scotland: As the Lord Advocate has indicated, we have attempted to engage in a much more open process, which includes giving reasons when that is possible. However, it is not always possible to do that. For example, when a witness gives confidential information that may place him in a position of extreme danger but which alters the nature of the case, it will not always be possible to inform another person why the prosecution has been dropped. In such circumstances, the Parliament and the Scottish public will have to trust the integrity and impartiality of the prosecution service, which the Lord Advocate and I intend to uphold.

We will ensure that the process is not encroached on by any aspect of political whim or media construction regarding what should take place in a case. Cases in Scotland are considered on the basis of analysis of the evidence and the public interest. That is the formula that all prosecutors will follow, following the publication of the prosecution code, and it is not based on any factor other than the public interest. I hope that the prosecution will be trusted to get on with that process, giving reasons when that is possible but on the understanding that there will be circumstances in which reasons cannot be given—not to protect the prosecutor, but to uphold the system of justice that we treasure.

Mr Macintosh: Will the Solicitor General take an intervention?

The Solicitor General for Scotland: I have limited time and I would like to press on.

Roseanna Cunningham, quite rightly, mentioned delays. However, the cases that are delayed make up only 0.1 per cent of the cases in the system, which is otherwise still under pressure. Day in, day out, cases are being successfully prosecuted throughout Scotland to a high level of quality.

Reference has also been made to access to solicitors and the police. That is exactly what we have been putting in place over the past 12 months. We have established protocols of expected standards of service to the police, to defence agents and to our other partners in the criminal justice system. We also recognise the need for information from victims.

The natural tension between the accountability of the public prosecutor and their vital independence, to which Duncan Hamilton referred, is something with which we have no difficulty whatever. However, the idea that the procurator fiscal is not capable of the same level or quality of independence as members of the Faculty of Advocates is simply misplaced.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): Will the Solicitor General take an intervention?

The Solicitor General for Scotland: Not at this stage.

Mr Hamilton: Will the Solicitor General take an intervention?

The Solicitor General for Scotland: Not at this point.

The essence and *raison d'être* of procurators fiscal is the independence of the prosecution process from the police and any other factor. The Faculty of Advocates and those who come in as Crown counsel enhance the independence and the collegiate approach and are, therefore, a

welcome and integral part of the prosecution process. However, that is not to suggest for a minute that every procurator fiscal around the country does not value greatly the quality of independence that is demonstrated in what they do. The ability to resist political whim, pressure groups or the transient media construction of what should be prosecuted is vital to the system. Prosecution must truly reflect the public interest in a considered and independent fashion.

Mr Hamilton: I make it clear that I am not impugning the integrity of fiscals. I am asking whether the Solicitor General sees a difference between the institutional independence of the Faculty of Advocates and the position of the people specifically described by the Lord Advocate as career civil servants, who are not independent institutionally. Does the Solicitor General see that that might create in the public mind a perception that the prosecution service's independence is diluted?

The Solicitor General for Scotland: The perception that procurators fiscal and civil servants, who are subject to the civil service code, are not capable of institutional independence is not accurate. However, the role of the Faculty of Advocates enhances and strengthens the role of Crown counsel and we support that.

Prosecution to please might be a quick fix and might gain superficial popularity, but it would surrender the foundations that support a sound system of justice. Safeguarding that independence is a duty that we accept without hesitation. However, independence is not an excuse for isolation, impenetrability or arrogance. We prosecutors have a duty to ensure that those whom we serve understand what we do and its nature. They must also understand that a prosecution decision is often not one that is unanimously acclaimed.

I am grateful to the Justice 2 Committee for the time that it has taken to produce the report for today's constructive debate. I trust that the Parliament will acknowledge, respect and support the approach that the Lord Advocate and I are taking to the future of the prosecution system in Scotland.

The Deputy Presiding Officer: The fact that Lord James Douglas-Hamilton withdrew did not mean that Mr Matheson was doing the same thing. I call him now, but he is out of sequence. If he makes any points to which the Solicitor General wants to reply, I will allow a few minutes for that.

11:02

Michael Matheson (Central Scotland) (SNP): I congratulate the members of the Justice 2 Committee on the report. I am aware that when

carrying out a committee inquiry over a year and half it is difficult to remain focused while having several pieces of heavy legislation on the agenda as well—as the Justice 1 Committee also experienced. All credit should go to the Justice 2 Committee for completing its thorough inquiry.

One of the constant themes of the report is the dedication of the prosecution service staff, who are prepared to work late into the evening and over the weekend to fulfil their duties. A heavy responsibility is placed on their shoulders because they make crucial decisions that affect individuals' lives. Several members have referred to particular constituency cases in which such decisions have had an impact on individuals' lives. The service is under considerable pressure, but it has many dedicated staff. However, for several reasons, they clearly enjoy only limited public esteem.

We should expect the staff of the Crown Office and Procurator Fiscal Service to be dedicated, but we must also be prepared to provide them with the necessary resourcing and management to deliver the required service. I cannot help but feel that the report highlights the fact that the service has been running on the good will of its staff for far too long.

Resourcing is an important issue. The Lord Advocate said that the prosecution service has often been a cinderella public service. However, the service not only requires additional financial resources; the way in which it operates must be reformed and modernised. Additional financial resources are welcome, but the report highlights that there is a need to ensure that staff are provided with the training and support that will allow them to do their job properly.

If we provide extra resources to our Crown Office and Procurator Fiscal Service, we must be prepared to ensure that there is effective monitoring of how the service is operating to ensure that the resources are being targeted to the right areas to deliver the necessary change.

The report highlights the management culture that exists in the service. It says that there is a lack of trust and support in the current management system, and that there are managers who have a great deal of legal expertise but limited management expertise. As Roseanna Cunningham said, if we are to create the change that is necessary in the service, we must be prepared to tackle the management culture. As Lord James Douglas-Hamilton noted, there are elements of secrecy in the system—the Lord Advocate will be aware of my particular interest in matters relating to secrecy.

Paragraph 30 of the report states:

"We also noted that, although there was a category of 'PF staff shortage' as a reason for 'no proceedings' this was virtually never used. This appears very odd and it has

since been suggested to us informally that staff are discouraged from using this category."

To say that a case cannot be proceeded with because of staff shortage is not to admit to a weakness on the part of a member of staff but to draw attention to a weakness in the system. The culture must change in order to address the problems that exist.

We have identified a number of problems in the service, but the real challenge is to deal with them effectively to ensure that we have a Crown Office and Procurator Fiscal Service of which we can be proud. The report is the start of that process. I commend it to the Parliament and I urge the Executive to take forward the recommendations that it contains.

11:07

Bill Aitken (Glasgow) (Con): I am probably the last person who would want to wallow in mutual congratulation, but it is appropriate that I pay tribute to my colleagues on the Justice 2 Committee for their efforts and commitment, and for the production of a thoroughly worthwhile report. I associate myself with the committee convener's comments about the clerking service, which has provided immense assistance. Further, I pay tribute to the convener for the considerable drive and commitment that she showed in pushing through the process. Not at all grudgingly, I say that the law officers deserve considerable credit as well. While the Lord Advocate would not have required a crystal ball to predict a number of the committee's recommendations, the fact that the Crown Office has anticipated and recognised many of the committee's concerns has been highly beneficial to the proper administration of the prosecution system in Scotland.

However, there are still problems. George Lyon quite properly highlighted some of them. While it seems that the question of salaries payable to procurators fiscal, for example, has been largely resolved, there is still lingering doubt about the adequacy of the budget. In a classic case of making oneself a hostage to fortune, the Lord Advocate defined the prosecution service as the cinderella department of the Scottish Government. I might be tempted to identify other departments as the ugly sisters, but I will not do so, and will say simply that there could be difficulty in implementing many of the committee's recommendations if the budget is inadequate.

If procurators fiscal and Crown counsel are overburdened, the impact is felt throughout the criminal justice system. The committee inquiry revealed a number of points of concern and Roseanna Cunningham's illustrations of what happens in many summary courts were quite correct.

We found that morale was low. There was little hope of opportunities for advancement or career satisfaction, although the Solicitor General pointed out that considerable career satisfaction can be derived from service as a procurator fiscal. Staff who are already overloaded have less time to liaise effectively with other agencies such as the police and to progress the outcome of cases. In particular, staff were unable to give adequate time and information to victims or their families, or to speak to defence agents to agree evidence or negotiate pleas.

The Solicitor General referred to the fiscals' work load, which routinely spills over into evenings and weekends. As such, fiscals' pay should be comparable to that of people working at similar levels in other public organisations, such as the police and other sections of the civil service. To facilitate the direly needed fiscal recruitment drives that are currently being undertaken, fiscals must also receive comparable pay to that offered by the private firms that are alternative employers for potential and current fiscals.

There can be no doubt that there are lots more bodies in the service, but the committee was concerned that the management structure might be top-heavy. The problems identified in the report are at the front end of the service. In crude terms, we really must seek to have more people with gowns on their backs prosecuting in Scotland's courts than managers number crunching in their offices. Although there must always be a professional and hands-on approach to management, it cannot be at the expense of the operational side of the prosecution service.

I am extremely pleased that the Lord Advocate has taken the appropriate approach to granting fiscals rights of audience in the High Court. That will be greatly encouraging to those who seek to reach the top echelon of the profession and who are not members of the Faculty of Advocates. I accept Duncan Hamilton's caveat about independence, but I am confident that those who have served long and hard as fiscals in the prosecution service will maintain the independence that is necessary for the public perception of the department to be as it should be.

When Lord Mackay of Drumadoon, the then Lord Advocate, launched a pilot, we thought that it would be successful. I have little doubt that, in future, we will see other success stories. The Lord Advocate's responses will have to be linked to the recommendations contained in Lord Bonomy's recently published report. Many of his lordship's recommendations make sound sense and others might tempt the Lord Advocate down the route of departing from some sound principles of Scots law. That issue might have to be left for another day, but I flag up that I could not consider any

departure from the 110-day rule as being justified. Although our report confirmed that the existence of the rule caused pressure, that pressure must be managed and lived with.

I am disappointed that the satellite Crown Office at Glasgow High Court is not being further developed. It gives me no pleasure to record that the Glasgow area provides the High Court with the bulk of its business. That makes it all the more important that the business be dealt with in the most efficient and expeditious manner, particularly for the victims of crime and for the relatives of those who have died in homicides.

I would prefer more resources to be put into the Glasgow side of the operation. I have no wish to increase Edinburgh-Glasgow rivalries, but the system seems to be geared towards Edinburgh. Although I fully understand the historical and administrative reasons for that, I would like the necessity of having a full-time and well-staffed unit at the High Court in Glasgow to be recognised. I do not believe that the purpose of such a satellite office has been properly thought through. I accept that many advocates depute live in Edinburgh and require frequent access to the Crown Office, but my view is that there should be a unit in Glasgow. It would save a lot of time and effort and considerable wear and tear on individuals.

Earlier, Kenny Macintosh—quite appropriately—mentioned the situation of the relatives of crime victims. During our inquiry, we took evidence about two unfortunate cases. Again, it is appropriate to point out that additional resources have been put in and that positive steps have been taken on how witnesses are dealt with. That has been highly beneficial and indicates that a degree of sensitivity that was not present has now been put in place. Again, the Crown Office is to be congratulated on taking such radical steps on the basis of the committee's report. Undoubted progress has been made.

The report has achieved things that few of us could have expected at the start, but fears remain. Law and order is one of the Executive's many priorities, but it is doubtful whether being a priority in such circumstances has much merit at all. The Crown Office and Procurator Fiscal Service is much admired throughout the world. The Lockerbie prosecution was a classic example of how, when it works effectively, it is probably without peer among modern judicial set-ups. The fact that there was such international recognition of the Lockerbie exercise indicates the inherent strength of the prosecution service.

Mention has been made of the dedication of the Crown Office and Procurator Fiscal Service staff. For my colleagues on the committee and me, it has been a matter of considerable surprise, and of great appreciation, to see the dedication on the

ground of people who are prepared to work long hours, in some cases for scant reward and even less public recognition. If the report does something, it puts on record a parliamentary committee's appreciation of the work that is done.

If there is to be continued improvement, and if we are to provide the service that we all want and which the people of Scotland need, resources must be adequate, and the commitment of Scottish ministers must measure up to the tremendous commitment that has been demonstrated by the Lord Advocate and his staff. Arguably, the Crown Office—and the justice system in general—might no longer be the cinderella of the Scottish block, but it is still the poor relation. If we are to achieve the aim of a safer Scotland, which I know we all share, that needs to change, and Jim Wallace needs to fight his corner more effectively.

That said, I believe that the report is a success story. It has been a significant catalyst for change. The report and the reaction of the law officers to it reflect well on all concerned. I commend the report to the chamber in the strongest possible terms.

Tourism

The Deputy Presiding Officer (Mr George Reid): The next item of business is a debate on motion S1M-3869, in the name of Alex Neil, on the Enterprise and Lifelong Learning Committee's report on the future of tourism.

11:18

Miss Annabel Goldie (West of Scotland) (Con): It is my pleasure to open on behalf of the Enterprise and Lifelong Learning Committee this debate on the committee's report on the future of tourism in Scotland. I always feel that debates on committee reports are rather curious parliamentary beasts. Much prowling round the jungle has gone on, to the accompaniment of roars, grunts and snuffles, and there has been some locking of horns, but when the ultimate product is unanimous—as this report is—it usually means that no one emerges bloody and bitter.

I see the visible disappointment of members, who are no doubt asking, "Does this mean the report is passive or inert—just another committee report?" Nothing could be further from the truth, because the Enterprise and Lifelong Learning Committee has a mind of its own. Indeed, it has been innovatory and, some would say, harbours its own idiosyncrasies. It is none the worse for that.

Before we proceed to the report, there are certain courtesies to be observed. First, I am not Alex Neil, the convener of the Enterprise and Lifelong Learning Committee—we are not quite that idiosyncratic—but I thank him for departing from traditional practice in allowing me as deputy convener to lead for the committee in this debate. That is an act of characteristic gallantry. I think that he took the view that as one of only two original committee members—Marilyn Livingstone being the other—our dowager status should be acknowledged.

If the Parliament will indulge me briefly, I will say that serving on the Enterprise and Lifelong Learning Committee has been challenging but immensely interesting and pleasurable. The committee has been positive for the parliamentary process. It is pleasing that the media frequently accord the adjective "influential" to the committee.

I thank the clerking support team of Simon Watkins, Judith Evans, Jane Sutherland and Michael Govind for their advice and forbearance. Judith Evans and Jane Sutherland were the clerks for the case studies in Denmark and California, and I thank them for mothering beyond the call of duty. Our clerks have been of the highest calibre. The committee is also indebted to our adviser Roger Carter for his sage comments; to the many

organisations and individuals who gave the committee oral or written evidence; to Stevens and Associates for its immensely helpful and instructive research, which was commissioned pre-inquiry; to the Scottish Parliament information centre for welcome research support during the inquiry; and to the Parliamentary Bureau and the Conveners Group for making time available for the debate. I think that I am correct in saying that, with the exception of the Finance Committee, the Enterprise and Lifelong Learning Committee has had more debates in the chamber than any other committee.

Alex Neil would wish me to express a final note of appreciation to the committee's members. A heavy volume of work had to be packed into a tight schedule. Four cross-party case studies were undertaken in Scotland. They covered VisitScotland's e-tourism venture; rural tourism issues and the impact of foot-and-mouth disease in Dumfries and Galloway; golf tourism in Fife and business tourism in Scotland; and urban tourism and dispersal issues in Edinburgh. Two cross-party studies were undertaken abroad, which involved myself and Tavish Scott—very agreeable—going to Copenhagen and taking in Malmö in Sweden, and Alex Neil and Gordon Jackson going to California in the USA.

In short, much was asked of members, who responded spiritedly. The committee had a healthy and robust debate as it shaped its views, but all was achieved without our eating lumps out of one another. That is probably just as well—otherwise, the exercise might have been indigestible.

The report is the sixth full report that the Enterprise and Lifelong Learning Committee has produced after holding an inquiry. It is a thorough and robust piece of work. I intend not to go through the report ad longum, but simply to comment on pivotal processes and aspects of the report. I do not intend even to use the full time allocated for my speech, because it is important for other members to be given the chance to speak.

In June last year, the committee agreed that the inquiry's remit would be to inquire into the levels and effectiveness of Government support for tourism. The committee also agreed to pose a set of key questions to stimulate and focus debate. Those questions were singularly significant and can be found at paragraph 43 of the report.

Of undoubted assistance in pointing the committee in the right direction was the pre-inquiry research from Stevens and Associates to which I have referred. That research achieved a status in its own right and focused the committee on matters that merited investigation.

The external research is worth dwelling on. A sample of countries and territories was identified

for comparison with Scotland on five key tourism markers, which were the scale, nature and growth of tourism; the structure and nature of governance in support of tourism; the nature and level of direct and indirect support of tourism; marketing strategies and trends, whether niche or general promotion; and the perception of the country or region as a tourist destination. The report of the findings of those comparisons facilitated the identification of practice that was applicable to tourism in Scotland. It did not always produce an outcome that was entirely favourable to Scotland.

The research report identified five key lessons for Scotland. The first was that Scotland should create a clear and focused national tourism strategy that involves leading private sector representatives. The second was that Scotland should encourage different product and service providers to establish a strategic alliance that meets market demand. I think that I speak for the whole committee when I say that those two lessons were material in influencing the committee's approach to the inquiry.

The committee had a mission and a compass, but did not necessarily know what it would encounter on the journey. It soon became clear that the tourism territory in Scotland was congested and that numerous bodies, organisations and individuals were struggling to perform roles, provide advice and represent provider groups in the industry—not to mention the prominent roles that some providers play. All of that was set against a backdrop of various Scottish Executive strategies and initiatives.

Interestingly, we found that the situation contrasted sharply with that in Denmark and California, where the lead position of the industry was not only prominent but unquestioned. It is no coincidence that that situation forms part of our key recommendations: members will find them in paragraphs 172 and 173. It is vital that the industry's voice be clear, visible and articulate, and that there is not a chorus of collective contributions.

It was also clear that a critical factor in the success of competitor destinations was the attraction of new air links—that was an issue that weighed heavily with the committee. The committee agrees that the Executive's new route development fund is a sensible contribution to meeting that need, but further work needs to be undertaken by VisitScotland and the enterprise agencies to prosecute actively the case for such development.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Listening to Annabel Goldie, I miss working with her and colleagues on the Enterprise and Lifelong Learning Committee.

Does Annabel Goldie agree that one of the recommendations that the Executive should follow is the recommendation that is to be found at paragraph 213? It reads:

"The Committee recommends that the Minister for Enterprise, Transport and Lifelong Learning aids HIAL"—

Highlands and Islands Airports Ltd—

"in renegotiating its PFI arrangements because of their impact in constraining growth at Inverness airport."

Could not the route development fund of £5.3 million be used to assist the situation? Surely the use of that fund could have a significant impact on the need to attract more low-cost carriers to Inverness airport.

Miss Goldie: Mr Ewing touches on an important aspect of the inquiry. I do not think that any committee member would dispute the fact that we found the issue perplexing. What seemed particularly arcane was the structure of the private finance initiative, which had to be unravelled. We were given the clear impression that the structure of the PFI package was hostile to the improvement and expansion of routes. That seems to me to be something of a commercial paradox.

I say to Mr Ewing that, as the recommendation suggests, the situation needs to be actively investigated. The minister might want to comment on that. The issue taxed the minds of the committee, hence our recommendation.

No doubt others will wish to address particular aspects of the report, but, in promoting Scotland as a world-class destination, it is clear that there needs to be close co-ordination with United Kingdom ministers, particularly in respect of the role of the British Tourist Authority. I know that Tavish Scott, Gordon Jackson, Alex Neil and I were immensely impressed by the role of the BTA abroad, which we saw when we undertook our foreign visits.

All members of the committee recognise the potential for partnership between the BTA and VisitScotland. We think that the BTA has the potential to be a strategic and significant partner in VisitScotland's work overseas. We were struck by the professionalism and obvious willingness of the BTA to engage in that partnership. One practical and manageable proposal is to place VisitScotland staff in each of the BTA's eight international hub offices. It is also important to measure activities under any such initiative. It would not be enough to simply put such a structure in place; the committee felt that it was important for it to be measured.

Mr Kenny MacAskill (Lothians) (SNP): Is the member aware of the report by the Select Committee on Culture, Media and Sport, under Gerald Kaufman, on the changes to the BTA and

the English Tourism Council? It appears that the Westminster committee went further than the Enterprise and Lifelong Learning Committee did in its interesting report in indicating its hostility and opposition to the changes that Ms Jowell has announced.

The Westminster committee report calls for a properly federated structure for the BTA. In the light of that, does Miss Goldie wish to reconsider whether the Scottish Parliament should go further than the committee has done in expressing our distaste about being boxed in by having to go through the British Tourist Authority?

Miss Goldie: I am not acquainted with the detail of the Westminster report, but I can say that the committee researched fully the role of the BTA as part of its inquiry and took evidence from that organisation.

In fairness to the minister, the committee took evidence from him and subjected him to intensive questioning about liaison between the Scottish Executive and the Westminster Government. What is important is that we are where we are. We are working with a new devolved Parliament within the context of the United Kingdom. The BTA is a significant association and operator in the tourism field, and, from committee members' direct experience, I believe that the BTA has a positive contribution to make to the development of Scottish tourism. Perhaps Mr MacAskill will want to pursue those aspects further with either VisitScotland or the minister.

There were also key recommendations in the report on Executive strategies and targets for research, business tourism, e-tourism and skills. In relation to area tourist boards, the minister may have some comment to make on the review that is being conducted.

Although the committee did not take evidence on the ATB structure—members thought that it would have been premature to comment on the structure per se—it was clear that in the cities of Glasgow and Edinburgh, ATBs have a distinct role in acting as gateways to Scotland in business and leisure tourism, and in dispersing tourists elsewhere. That compares with the successful Copenhagen model, and the committee felt that Edinburgh and Glasgow should be encouraged to maintain that drive.

I am pleased to say that the overall reception of the report from the industry has been favourable. However, it is in the public domain that the BAA in Scotland had certain concerns about paragraph 190 of the report, which refers to BAA ownership of the three main airports in Scotland. The BAA has written to the convener and committee members, and that letter is on the agenda for next week's meeting and will be considered seriously.

Mr MacAskill: Will the member give way?

Miss Goldie: I am in my closing minutes, so I shall continue.

I hope that the minister will feel able to receive the report warmly—I shall stop short of asking him to embrace me—in principle; I appreciate that it would be unreasonable to expect him to respond in detail. Perhaps he will be able to indicate the direction in which he thinks the Executive might go in relation to the report.

I commend the report to the Executive and the Parliament as a positive and robust contribution to improving tourism in Scotland. I take pleasure in moving motion S1M-3869, in the name of Mr Alex Neil.

I move,

That the Parliament notes the 1st Report 2003 of the Enterprise and Lifelong Learning Committee, *Report on the Future of Tourism in Scotland* (SP Paper 740), and commends the report to all stakeholders in the tourism sector.

11:32

The Minister for Tourism, Culture and Sport (Mike Watson): I should like to thank the Enterprise and Lifelong Learning Committee for the opportunity to speak on its report. I am glad that the committee chose Scotland's biggest business sector as suitable for an in-depth inquiry.

When the committee began its work last year, tourism in Scotland was still suffering from the aftermath of foot-and-mouth and the other tragic events of 2001. Although the committee has not ignored the past, it has clearly concentrated on the future, which I welcome. I am happy to embrace the report, if not to physically embrace Annabel Goldie for her introduction—perhaps I could do that another time. The report will help the hard work that is going on throughout the tourism sector in Scotland to get the sector growing so that it can make a contribution to an expanding Scottish economy.

I shall comment on one or two of the most significant points that are raised in the report. Three years ago, the Executive published its "New Strategy for Scottish Tourism". That strategy still holds good with its focus on five strategic priorities, and in March last year the Executive set out in its "Tourism Framework for Action" an action plan to deliver the strategy. That plan has now been taken forward across the sector, and a lot has been achieved. Information on what has been achieved will be published next month in the first annual report on the action plan. As well as recording what has been done, that report will show what remains to be done. Already, the efforts of many people across the tourism sector and in the public sector are producing results.

The figures for 2002 demonstrate that tourism is on the road to recovery. For instance, hotel occupancy in Edinburgh and the Lothians last year was at its highest level since 1997, despite the fact that the number of beds increased by 15 per cent during that period. It is particularly heartening that tourism expenditure by overseas visitors increased by 3.6 per cent over the first three quarters of 2002. We must ensure that that trend continues.

Those figures show that we are on the way to achieving the target that the Executive has set VisitScotland of returning tourism numbers to the 2000 level by 2004. In addition, the short breaks market is becoming increasingly popular and important. Indeed, I have made use of short breaks myself over the past year or so, and the market brings people to Scotland at times outwith the typical holiday periods.

Although that progress is encouraging, I am prepared to state clearly that many uncertainties face us and that we will press on with the key strategic priorities that we have outlined on a number of occasions.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): Although we should recognise that the figures for 2002 are good news, the minister has hinted that the situation is slightly patchy and our interpretation of the report is dependent on what members here in the chamber say about it. For example, Annabel Goldie gave us a very elegant but rather broad-brush description of the situation. Given that tourism is one of the few long-term viable industries in the Highlands, does the minister agree that the marketing of particular areas, such as the far north, is key if tourism is to be for all, and if the benefits that we have seen in 2002 are to be rolled out to those areas of Scotland that could use the money?

Mike Watson: Indeed. Although it is important to market Scotland as a whole, many areas within the country can be marketed on the strength of their unique attractions. The far north of Scotland—including Caithness and Sutherland, which I am sure Jamie Stone has particularly in mind—is part of that marketing strategy. The Highlands of Scotland Tourist Board markets the area very effectively. I am sure that its efforts will continue, and I recognise the benefits of such an approach.

I find it encouraging that many of the committee's recommendations in the report build on the priorities that the Executive has already established. For example, Annabel Goldie mentioned direct air access. The report makes important recommendations in that regard and we recognise the issue's strategic importance. That is why, in November 2002, the First Minister announced the interim route development fund, which amounts to £6.8 million.

Mrs Margaret Ewing (Moray) (SNP): Will the minister give way?

Mike Watson: Not at the moment.

The First Minister announced that fund specifically because we wish to increase the number of direct routes into Scotland and therefore the benefits of tourism. VisitScotland is working closely with the Executive on that issue and I expect that some announcements will soon be made on important new direct air links to Scotland.

Mrs Ewing: I have a question on direct air links, which has already been raised in relation to Dalcross airport—or Inverness airport, as most of us call it. HIAL is fighting with its hands tied behind its back in its attempt to attract low-cost budget airlines to the airport. In that respect, will the minister directly address paragraphs 213 and 214 of the report?

Mike Watson: I notice the report's specific comments about the public-private partnership aspects of the matter, and I will be having discussions with Lewis Macdonald as the minister with responsibility for transport, and other colleagues in the enterprise and lifelong learning department, to find out what can be done about the situation. However, contracts have already been entered into, which might have implications that might or might not meet what the committee has sought on the matter. I recognise the importance of Inverness airport to tourism and to other aspects of life in the Highlands.

Business tourism is increasingly important in Scotland; I stressed that point when I addressed the Business Tourism Scotland conference last month in Glasgow. After all, business tourists spend one and a half times more than leisure tourists, and encouraging business tourism is a good way of spreading accommodation capacity in Scotland, particularly during the winter months. That is why VisitScotland will put more emphasis on business tourism in the coming year.

VisitScotland's marketing strategy—

Rhona Brankin (Midlothian) (Lab): Will the minister give way?

Mike Watson: I will take one more intervention, but then I really must move on. I have only 12 minutes.

Rhona Brankin: Will the minister assure us that business tourism will form an important part of the major events strategy?

Mike Watson: Yes, indeed. The major events strategy is about not just big sporting or cultural events, but major conferences, some of which are very major indeed. For example, a midwives conference that will be held in Glasgow in 2008

will attract something like 18,000 delegates. Of course, the exhibition market is also an important aspect of the strategy.

On marketing, I acknowledge the remarks that the committee, Annabel Goldie and Kenny MacAskill made about the BTA. We were consulted about the proposed new arrangements. I gave evidence to the Select Committee on Culture, Media and Sport in the House of Commons and have seen its report. From our point of view, the most important matter is to ensure that the BTA structure works for Scotland and chimes with VisitScotland's marketing strategy.

That is why my officials will keep in close touch with the Department for Culture, Media and Sport, and VisitScotland with the BTA, to ensure that the new structure works for Scotland as it is put in place. We are determined that the new structure will result in stronger marketing of Scotland in key overseas markets—it is not as though we can somehow suddenly detach ourselves. The BTA spends about £5 million on marketing Scotland abroad. From VisitScotland's point of view, that is effective. I visited two of the offices and I saw the effort that the staff put into the job. If there is any change in that situation, I will be quick to deal with it, as will VisitScotland. People have to be a little more confident about the new structure and must wait and see how it settles in.

There is a question of utilising new technology in the tourism sector. I welcome the committee's support for the new website, visitscotland.com. I have been impressed by the solid start that has been made by the e-tourism booking service. The latest figures show that nearly £1 million-worth of new bookings has flowed to Scottish tourism businesses and to the new contact centre in Livingston since it was opened only last August. The most dramatic increase has been in the Edinburgh and Lothians Tourist Board area, where there has been a 20-fold increase. Other parts of the country have been good and, in fairness, some have not been so good. These are early days, but a considerable, solid foundation exists upon which to build.

The committee emphasised the importance of better product quality and better skills and training. I have mentioned that consistently in the period in which I have had responsibility for tourism. Just this week, I met Careers Scotland to discuss what it is doing and what it can do to ensure that young people in schools in Scotland are given every opportunity to pursue tourism and hospitality as a career, because there are many worthwhile jobs in the sector.

Mr Andrew Welsh (Angus) (SNP): Will the minister give way?

Mike Watson: I am sorry; I must press on, or I will not get through all the points in my speech.

Much has been done by VisitScotland, Scottish Enterprise, Highlands and Islands Enterprise and other bodies such as Springboard Scotland, to ensure that training takes place and that those who are working in the sector keep their skills up to the mark so that they can maximise the quality of tourism for our visitors to Scotland. That is an important aspect.

Another of our strategic priorities is restructuring. I welcome the committee's recognition of the work done by VisitScotland. It is widely recognised that there is a new energy and direction in the work of VisitScotland and that has been an important factor in the recovery of tourism in Scotland since 2001.

I note from the report that the committee did not take direct evidence on the area tourist board review. However, the views that are expressed by the committee are helpful as we seek to finalise our thinking on that important issue.

The Executive received well over 300 responses to the consultation. Needless to say, there were many diverse views on the subject of the future of support for tourism. Many respondents commented on the important issue of funding, but not so many commented on the functions that will be needed in the future as we develop tourism in Scotland. Certain common themes emerged from the responses. One such theme was that, if tourism is to prosper, there needs to be much better integration between our tourism strategy, as developed and delivered nationally by VisitScotland, and the delivery of that strategy on the ground. I certainly concur with that.

In considering the responses, we started by examining the functions and not the structures and funding, important though those are. I am convinced that local businesses need to be involved in developing the overall Scottish tourism brand and the various products in it, so a key function of the new structure will be to engage those local tourism businesses in the delivery of the national tourism strategy. That links in to the response that I gave to Jamie Stone. Individual tourism businesses, wherever they are, need to understand what is being marketed nationally for Scotland, what the strategy can offer them and how they can build on it locally. That is a key method to ensure that Scottish tourism grows again.

Another key role, which was referred to in the committee's report, is that of major gateways—especially, although not exclusively, in Edinburgh and Glasgow. We want to maximise the gateway effect as well as the dispersal function, which is important to achieving a geographic spread of

tourism throughout Scotland. For example, 75 per cent of visitors to the tourist information centre at Waverley station are not staying in Edinburgh; instead they are using the city as their base.

Those are the kind of issues that are important as we proceed. I am not saying that our tourism support structure must not do anything other than the functions that I have described. However, if it cannot achieve them, it will not operate effectively in support of the national priorities now and in the future.

I am aware that there is a degree of anticipation in the sector over what the outcome of the area tourist board review will be. Naturally, we have taken some time to reach conclusions and have given a great deal of thought to the proposed new model. We are now close to final decisions on the outcome of the review. However, after very careful reflection, including discussions with officials, Cabinet colleagues and VisitScotland, I have concluded that it would not be appropriate to announce any decision prior to the dissolution of Parliament. Given the vital contribution of the tourism sector to the Scottish economy, a new structure for tourism in Scotland deserves to be received and evaluated outwith the glare of an election campaign, where it could become the subject of political point scoring. So the new structure will be finalised, but an announcement will be made as soon as possible after the new Parliament has convened. I believe that that is the right time to make a statement on such an important matter.

Our aim is to have a structure that is flexible and fit for purpose as international markets change. All the indications are that international tourism will continue to expand in the long term, and we want to be able to take full advantage of that and get tourism in Scotland growing strongly again. The committee's report will be of considerable assistance in doing that, and once again I compliment the committee's members and its support staff on a thorough job well done.

11:46

Mr Kenny MacAskill (Lothians) (SNP): There is a lot of good news in the Scottish tourism industry, but we should not be fooled by the figures for 2002. The 2002 figures simply look good because 2001 was such a disaster, and there are long-term structural problems that need to be addressed.

It is fair to say that we welcome the report, particularly because we recognise that tourism is our biggest industry and that its wants and needs are often ignored. That is perhaps part of a cultural hang-up that afflicts our country in recruiting staff and in other aspects of the industry. Scotland and

the Scots must recognise that service is not servility and that tourism is not incompatible with a strong manufacturing base. Many small and large European nations see that as something that is complementary, and perhaps the classic embodiment of that view is the state of California, which has a modern, go-ahead manufacturing economy and which also ensures that its tourism is a high-quality product.

The industry must be welcomed for its worth and benefit, and its denigration, in all sections of our society, must cease. Collectively—I mean nationally, rather than from a specific political position—we must stop lecturing and start listening to the industry. We must stop complaining and start delivering and we must stop going on about the bad aspects and start praising the good aspects. There are problems in tourism in Scotland, but the good sectors are far better than those that are failing to deliver, and there is service in California that is just as bad as that in some areas of Scotland.

Fundamentally, the debate is about the role of VisitScotland. The fundamental role of VisitScotland must be about selling Scotland. If it will not sell Scotland, who else will? At the end of the day, VisitScotland's duty is to ensure not that it sells the product of an individual hotelier or restaurateur but that it engenders the whole concept of coming to Scotland. The individual operator will sell the specific product, but the requirement for VisitScotland is to sell an interest in coming to our country. VisitScotland must be moved away from being a regulatory body and a tourist police force to being a marketing force for Scotland. There are more than enough bodies addressing a plethora of regulation. We do not require VisitScotland to come in with additional bureaucracy on top of that. It must focus on selling Scotland abroad, just as Tourism Ireland is focused on selling Ireland.

Mike Watson: I find those remarks surprising. Surely the quality of tourism in Scotland must be regulated in some way, so that people know when they walk through the door what standards they can expect of the hotel, restaurant or whatever. Surely that is part of VisitScotland's role, notwithstanding the fact that other bodies will do it as well. Regulation is a central part of developing tourism in Scotland. It is about quality.

Mr MacAskil: Those matters are dealt with by local authorities. We have environmental health departments and an array of other bodies to deal with those matters. We should compare how Scotland and VisitScotland punch in comparison with Ireland and Tourism Ireland. Tourism Ireland sells Ireland rather than running round policing Ireland. It ensures that it delivers quality. The quality in Ireland is no better than in Scotland, but

Tourism Ireland outperforms VisitScotland considerably. We must move on and accept that.

There are important matters to mention in relation to the report, such as the necessity of the industry playing a leading role. That is something that should have been viewed as common sense. If it has not been dealt with, it must be. The best folk to advise and deal with the industry are clearly those who work in it. We must take on board the benefits of such an approach.

We support direct air services. I want to talk about two matters in particular in that respect—BAA and HIAL. My colleague Margaret Ewing will speak at length about HIAL—what is happening with the company is a scandal and the Executive and the First Minister cannot shirk responsibility. We are talking about the First Minister's airport—he is the sole shareholder. Everybody now acknowledges the problems with PFIs. There is more than one way to address the matter, but it must be addressed.

On direct routes, we support the growth of a route development fund, but we are rather surprised that its purpose should be to lower landing charges. That seems to me to go against the interests of marketing direct routes. We are in danger of subsidising an airport operator that has a monopoly and imposes landing charges that are outrageous in comparison with the charges at airports south of the border, never mind competitor airports elsewhere. Why should we keep that operator in the standard of living to which it has become accustomed? Mr Donald Dowds, who is the chief executive of BAA, does not like the committee's report. If that is the case, perhaps he should consider whether his position as a VisitScotland board member is compatible with proposals to open up and pursue direct services. If he cannot deliver, he should not remain on VisitScotland's board. BAA has failed Scotland and that matter requires to be addressed.

The position of the BTA must be addressed, too. We do not see a requirement for VisitScotland to have a plethora of offices. We recognise that VisitScotland, as the national marketing body for Scotland, has the best people to sell Scotland. It is absurd to suggest that Scotland can be sold better by the BTA when the BTA is trying to sell an entirely different concept. As others have suggested, if that were true, Tourism Ireland would be lining up to be taken aboard and brought into the bosom of the BTA. No doubt the Portuguese also would seek to be sucked into the benefits that are provided by the Spanish tourism authority. Nobody with a different product seeks to hand it over to their competitors.

Rhona Brankin: Will the member give way?

Mr MacAskil: I am sorry, but I am approaching my final minute.

The situation is unacceptable and must be changed—it simply cannot continue. VisitScotland should decide where it wishes to market. I do not believe that the benefits of using the BTA offices are shown in any statistical information. We should also bear in mind who sits on the BTA's board, in the main. The BTA exists to fly people in on British Airways to a BAA airport down in London and thereafter disperse people north. If people are happy to go beyond York to Edinburgh, we may benefit, but the prospect of their going north of Edinburgh—even beyond the Trossachs—is rare.

On the area tourist boards, it is simply unacceptable for the minister to say that he has kicked the review into the long grass and that a decision will be taken some time after the election. As in other aspects of Scottish society, the Executive is compounding study by consultancy and reviewing us to death.

I have a time line. In February 2000, a new strategy for tourism was launched by the Minister for Enterprise and Lifelong Learning—I think that it was Henry McLeish. The decision to launch that strategy was correct. In October 2000, the PricewaterhouseCoopers report was published. In November 2001, Wendy Alexander announced an area tourist board review at the “Scotland united” tourism conference. In May 2002, the ATB review commenced. In September 2002, the consultation period for the review closed. In December 2002, Mike Watson announced at the “Scotland united” tourism conference in Crieff that he hoped to make an announcement on the ATB review early in the new year.

Today is 13 February and we have been told that, despite the launch of a new strategy in February 2000 and the fact that we have gone through three ministers, no decision will be made until after the election. That is simply unacceptable. There is unity in the industry on what needs to be done. We need a decision, not a minister who is afraid of deciding and is again postponing, studying and consulting us unto death. He is presiding over the death throes of businesses because he will not decide.

11:54

Mr David Davidson (North-East Scotland) (Con): I will start on a warmer note than that on which Kenny MacAskill finished. I praise the Enterprise and Lifelong Learning Committee and its members, clerks and adviser on the work that they have done. I sympathise tremendously with them over the efforts that they made to go to sunny lands, warm lands and cold lands to find out what tourism is like abroad. I know that that was a hard part of their working year.

I might as well mention another bit of good news. I was delighted to hear today that the

tourism expo will move to the north-east this year. I am sure that the industry will be made welcome there. That is a boost for the north-east and the role that it plays in the tourism business.

The key point that I took from the report was the importance of a leading role for the industry. I think that we all knew how important it is that the industry play a leading role, and it was long overdue for that to be stated firmly in a Parliament document. Without the industry's involvement, there will be no future for the industry. If we expect businesses to take an entrepreneurial approach, we cannot enforce on them a regimen that is set down by the centre. It is important that alliances are made. The minister mentioned alliances when he talked about the BTA, and I will come back to that point.

We must ensure that all levels of the industry—including support systems, communications and so on—and all its varied sectors, whether large or small, are involved in the process. Either that involvement must be on a consultative basis or, in particular in VisitScotland, all levels and sectors must be represented as part of the management. Without that connection, VisitScotland is not the exchange and interchange between the industry and the world outside that it must be. I know that work is being done on that aspect in the restructuring, but much more must be done.

Another issue is the amount of money that is being spent on tourism around the world. We do not spend a lot. I will not use the Irish model as an example, because that might cause problems for certain people. However, it is important to recognise that in many parts of the world the money that is spent on tourism comes from businesses putting their hands in their pockets and looking to the state to provide other things. Here, we have an unusual tourism industry, in that a mixture of the public and private sector delivers the product and the taxpayer puts in support. It is important that the Parliament ensures, on behalf of the taxpayer, that the money that is spent is focused meaningfully, in a way that is of use to the industry.

Andrew Wilson (Central Scotland) (SNP): David Davidson mentioned the democratic scrutiny of money that supports the industry. In an alarming development, the Government has taken a decision on the future of the ATB structure but does not want the election and democratic scrutiny to get in its way. Will Mr Davidson comment on that, or at least consult his colleagues on it? What is the Conservatives' position on that development? The election and democratic scrutiny are being viewed as bad and troubling things, but surely we should hear now the Government's plans for the future of the ATB structure. Will the Conservatives back the SNP in

calling for a decision now rather than after the election?

Mr Davidson: I was about to make exactly that comment about the Parliament's role in the review process. I find it insulting that the Minister for Tourism, Culture and Sport can come to the Parliament and say that the Executive has made a decision but is not going to tell the Parliament. The minister is talking about a vital industry for Scotland. The industry, which is Scotland's largest, has great potential. It has the largest employment base—far greater than whisky and oil and gas put together. We are not getting an answer. That is a great disappointment to all those who are involved in the industry. Many people are waiting to see what direction the Government might go in and what decision will be made, because after the decision has been made, we will have to reconsider how we structure support for tourism in general.

My colleague, David Mundell, was particularly concerned—I would not say upset—about one point. He was pushing for recommendation 361 in the committee report on how the enterprise agencies are tuned in to working to the common agenda. On that point, I wrote to the minister recently about a problem with the teaching company scheme for industry placements for postgraduate students. I found out from a constituent that one of the students worked up a programme but was told that tourism is not covered by the scheme as it is not business. We must address that lack of joined-up thinking.

I look forward to the minister responding to that point; perhaps he has not had time to respond to my letter on the matter. I asked for a meeting, and perhaps that will come. We need to sort out the joined-up issues, because Government cannot operate in isolation. I hope that the minister will give a better response in his winding-up speech on why the decision on the ATBs will not be announced today.

We must get people into the country—that is the job of national and international marketing—but we also need a proper dispersal programme to get visitors away from the hot spots and gateways. Tourists must be dispersed, not only throughout the central belt, but to the Borders, the Highlands and the north-east. The Executive has a role in that—it must help to produce an integrated transport system with through-ticketing and to tackle the direct flight issue. Local government also has a role.

Credit must go to BAA for its £60 million investment through the international route development fund. The issue is how the money can be applied to fit the processes that are ahead of us.

Mr MacAskill: Is the member aware that BAA proposes to increase landing charges, which will mean that people from Scotland who fly to London will have the privilege of paying for the construction of Heathrow terminal 5, which will cost £3.8 billion? Is the member aware that whatever BAA has put into the route development fund will be offset by what we will have to pay and that those payments towards Heathrow terminal 5 will help to ensure that we always have to fly into Heathrow?

Mr Davidson: That goes back to the point that I made about the Executive's role as a facilitator in the discussions that must take place with the industry, carriers and other transport operators.

The report does not go far into VisitScotland's role. That body must focus more on international marketing and research. I agree with the minister that we must develop a national quality assurance standard so that people from abroad can see what they will get. I agree with Mr MacAskill that we do not want a police force, but we must support and encourage skills training and development.

Tourist information centres—TICs—have not been mentioned. I believe that the report could have gone further on the issue of modernising TICs through the use of touch-screens and other measures. If touch-screens are set up abroad, will VisitScotland run them or, if they are run in Scotland, will the ATBs run them? We will not know about that until we have an answer on the ATBs.

I would like a thrust in the direction of making membership of ATBs or quality assurance schemes compulsory for those in the industry. Such a measure is long overdue and could be a major factor in raising the quality of the product.

The report shows that we need better responses from the minister and better co-ordination. We also need more action on the ground between the industry and the support bodies for which the minister is responsible. The minister cannot walk away and say that he will be in one place making decisions while the industry is out there struggling. There must be better co-ordination between the two.

Fergus Ewing: On a point of order, Presiding Officer. I gave you brief notice of this point of order, which arises from the remarks that Lord Watson made in the closing part of his speech. He said that a decision has been made on the future of area tourist boards. We have waited for that decision for a long time and it will affect the lives of many people who work for the boards. However, the minister said that, although the decision has been made, it will not be announced until after the impending general election.

Surely people—not least those who will be affected—are entitled to know what the decision is. Under standing order 13, it is up to the Executive to initiate a ministerial statement, but are not there circumstances in which the Parliament and the public may appropriately expect a ministerial statement to be made? Will you invite the minister to reflect on whether that option should be pursued as soon as possible?

Mike Watson: Further to that point, Presiding Officer—

The Deputy Presiding Officer (Mr Murray Tosh): I will rule on the point of order, Mr Watson, although you may make your own point.

I am grateful to Mr Ewing for giving me notice of his intention to raise the matter. In effect, he answered his point of order when he said that it is for ministers to decide when a ministerial statement is due. I do not believe that anything in the standing orders entitles me to instruct the minister to issue a statement. Whether a statement is merited and whether a decision has been made and should be announced are essentially political matters and, as such, they are matters for proper political debate, not the subject of the standing orders.

That is my immediate reaction, but I will reflect further on the point of order in case I have overlooked anything in the standing order in question. Does the minister wish to make a point of order?

Mike Watson: I do. I will provide some clarification, because, in their anxiety, Scottish National Party members have not listened to what I said. I will quote two important passages on the issue from my speech:

“We are now close to final decisions on the outcome of the review.”

All right?

“So the new structure will be finalised”—

I point out to Mr Wilson that I said “will be finalised”—

“but an announcement will be made as soon as possible after the new Parliament has convened.”

I hope that that is clear.

The Deputy Presiding Officer: Further to Mr Ewing’s point of order, it is clear from rule 13.2 of the standing orders, which deals with ministerial statements, that the chair has discretion to respond to a request from the Executive to make a statement. It is not for the chair to prescribe or to instruct.

Andrew Wilson: On a point of order, Presiding Officer. I beg your pardon, but the issue is of grave democratic importance, because the minister—

The Deputy Presiding Officer: Yes, but that is a political matter, Mr Wilson, not a matter for the standing orders.

Andrew Wilson: The minister is already on the record as having said that there would be an announcement early in the new year. Now we are told that there will be no announcement. Did the minister know when he said that there would be an announcement early in the new year that he was misleading Parliament, or is this another example of the Government running roughshod over democracy and playing fast and loose with what should be a democratic chamber?

The Deputy Presiding Officer: Mr Wilson, that is not a point of order.

Mike Watson: It was not—

The Deputy Presiding Officer: Order. The matter is one for political debate, as we can see. Members should refer to the issue in their speeches. It is not a matter for a ruling. The standing orders are clear. If members wish to make political points about the matter, they should do so in their own time. The exchanges have already impacted severely on the time that is available for back-bench speeches and I will have to express regrets to various individuals later in the day.

12:06

Tavish Scott (Shetland) (LD): It is unfortunate that the committee debate will now be overshadowed by the spat over the decision. Of course the matter is important, but to raise it in such a way is unfortunate. Members can make such points in speeches. I wish that they would.

I am hugely grateful to Annabel Goldie for her introduction. I am sure that Gordon Jackson, Alex Neil and I are particularly grateful for her recollections of our foreign jaunts. I associate myself particularly with her remarks on the work that so many people—our clerks and advisers, as well as committee colleagues across the spectrum—put into the inquiry.

That is why Kenny MacAskill’s speech was so disappointing—SNP committee members engaged constructively in a good report and it is unfortunate that Kenny MacAskill did not talk to his party colleagues about the way in which the inquiry was carried out. His speech reminded me of days of yore, when Sarah Boyack had to deal elegantly with debates on transport and we used to hear rants of the same order.

The committee sought to answer three fundamental questions with the recommendations that are in the body of the report. How do we bring more visitors to Scotland? How do we help visitors to travel to and around Scotland? How can the

Government and the other relevant bodies enhance the business environment for tourism operators?

I will deal first with the “more visitors” theme, on which the committee sought to examine the BTA’s role. I share the view of many members that the BTA is a positive force for Scottish tourism. That came out clearly not only in the case studies that Annabel Goldie mentioned, but in the evidence that the BTA gave to the committee.

There have been some concerns about the way in which changes took place—I know that other members are interested in that point. It struck me that Westminster’s Culture, Media and Sport Committee has been more vigorous on the point than we have.

The answer to the problem lies in paragraph 19 of the committee’s report, in which the recommendation is to

“set specific targets for BTA in attracting tourists to Scotland”.

The minister referred to that in his remarks. It is entirely right. Scotland must vigorously ensure through the agencies that are under our responsibility that the BTA delivers for us, however the service-level agreement is described.

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): Does Tavish Scott—unlike Mr MacAskill—agree that there is a real opportunity for Scotland to be a bit mercenary, if nothing else, in our relationship with the BTA? We could piggyback on the infrastructure and expertise of the BTA and gain the best advantage from it, adding value through its activities.

Tavish Scott: I share Brian Fitzpatrick’s view. There is indeed an opportunity—that is how we should look at it—to achieve a lot more than was achieved in the past. That is the focus that the committee is encouraging the Government to take.

The minister and others have spoken about the fact that more visitors are coming through business tourism. That struck the committee, too—I refer in particular to the evidence that Rhona Brankin, Adam Ingram and I took. Business tourism presents a huge opportunity. The minister mentioned the 18,000 midwives who will come to Scotland in 2008—that strikes me as a good year in which to have a baby. *[Interruption.]* I am not going there. Business tourism is an important development for Scotland. The sector is growing; it already accounts for 25 per cent of Scottish tourism spend. For VisitScotland, the average return on the leisure market is about £12 for every £1 of spend; the average return on business tourism in Glasgow is £110 for every £1 of spend. There are significant advantages to be gained in the business market. The committee report’s

recommendations, particularly at paragraph 27, are important in that regard.

A number of bodies are undertaking much proactive work on the subject of travelling to and around Scotland. Given what has been said, it is only fair to quote from the letter that all members received from BAA Scotland in the past week. I was pleased that Annabel Goldie mentioned that the committee would be returning to the matter, as there is more work to be done, and not just by us—there are also important matters for Westminster. BAA’s letter says:

“BAA’s best financial interests, and those we believe of the travelling public, are best served by promoting more direct international services”.

That strikes me as an important sentence. We should look to the opportunity there. On the next page of its letter, BAA points out all the destinations to which Scottish travellers can now fly directly and adds:

“New routes to begin later this year include Barcelona, Cologne and Prague”.

It strikes me that that should be encouraged and enhanced, rather than denigrated.

Mr Gil Paterson (Central Scotland) (SNP): Does Tavish Scott agree that it would be of advantage to the business community and to everyone in Scotland if BAA were out the road? BAA has a monopoly, the effect of which is that the landing charges at its Scottish airports are on average 50 times higher than those at its London airports.

Tavish Scott: I refer Mr Paterson to what I have just read out:

“BAA’s best financial interests, and those we believe of the travelling public, are best served by promoting more direct international services”.

Another important recommendation, to be found at paragraph 189 and thereafter, is on attracting visitors and relates to internal transport. We recommend an evaluation of public service obligations, a subject that is close to my heart. I acknowledge that the minister has picked up on that point, but I draw to his and the Parliament’s attention what a travel company told me the other week in a letter. The company takes Americans—a very important market—on a bonnie Scotland tour, spending 13 days and 12 nights in Scotland at a cost to the individual American of \$3,645. The tour includes two nights in Stirling, two nights in Kyle of Lochalsh, two nights in Inverness, a night in Kirkwall, two nights in Lerwick and back home via Edinburgh. The constraint for that travel company is the internal cost of flying around Scotland. That is why I commend in particular the committee’s recommendation on public service obligations, which I hope the minister will consider in consultation with his colleagues.

The minister referred to the foot-and-mouth outbreak and the events in New York in 2001. As colleagues have said, contingency planning is vital, especially given the international situation and the importance of the American market to Scotland. There is a natural tendency to concentrate on the domestic market, given that it accounts for 90 per cent of the visitors to Scotland. However, the USA spend of £201 million in 2001 is significant. I encourage the minister to be proactive with the appropriate agencies on that issue.

I commend the report to Parliament and encourage colleagues to contribute to a lively debate that is important to the future of the Scottish economy.

The Deputy Presiding Officer: I advise members that business must end at 1 o'clock, which will restrict the number of speakers whom I am able to call.

12:15

Brian Fitzpatrick (Strathkelvin and Bearsden) (Lab): I echo the words of Annabel Goldie and Tavish Scott in thanking the clerk to the Enterprise and Lifelong Learning Committee, the committee's adviser, those who attended meetings of the committee, committee staff and those who took the time to give evidence. The committee has provided people with a real opportunity to get into the entrails of the tourism industry—to find out exactly what is happening and whether the auguries are auspicious.

I thank the committee convener, from whom I hope we will hear at some stage. Obviously there are issues on which we could or should split. It pains me to say this, but—compared with the rant that we have heard today from the nationalist front bench, especially from Mr MacAskill—Alex Neil is often a still small voice of calm. Yesterday, we were told that we should be prepared to have a national consensus, but when Kenny MacAskill came into the chamber today the mask slipped. We might have been more impressed if Mr MacAskill had made a submission to the Enterprise and Lifelong Learning Committee, of which he is no longer a member. There was a problem with his attendance record at committee meetings, but we are pleased to see that he is present for today's debate.

Tourism should not be allowed to become the subject of party political spats. It is one of our largest and fastest-growing industries. It generates £4 billion annually and employs 8 per cent of the work force—more than the oil, gas and whisky industries combined. It is crucial to our economic and cultural well-being and will be of growing importance to the economy. We must all bear in mind the labour-intensiveness of the industry and

its purpose and function as a creator of wealth and jobs. We have great assets—culturally, in our cities, in our people, in our scenery, in our history and in our welcome. We must ensure that we get best value out of those for the industry throughout Scotland.

As has been mentioned, a companion exercise to our inquiry was undertaken by the House of Commons Culture, Media and Sport Committee, which scrutinises the work of the Department for Culture, Media and Sport. Its inquiry, like ours, was spurred on by the effects on tourism both of foot-and-mouth disease and of the events of 11 September 2001. The committee's report was published on 4 February and it is interesting to compare it with the report of the Enterprise and Lifelong Learning Committee. Both inquiries were conducted independently, but they have reached substantially the same conclusions on a number of key points. I take some pleasure from that, as it shows that we are probably travelling along the right rail tracks.

In our report, we probably did not quite capture the diversity of businesses in the tourism industry. We need to discuss more broadly what tourism is. Is it a discrete, distinct business, or is it an amalgam of businesses? We also need to consider the diversity of our visitors—why they come, how they come and what they come for—and the diversity of places in Scotland. It is hard to distil those issues into the text of a committee report, but members did their best to capture the flavour of what is available in Scotland.

As I mentioned, the report covers the impact of foot-and-mouth disease and 11 September. We do not have time for victory laps, but we concluded that Government action had helped the industry to deal with those crises. Although nothing good could have come from either of them, it is clear that they raised the profile of tourism in the Government, in the media and across the country. A spotlight was shone on structural problems in the support for tourism. The challenges of recovery must be met and the report contains some recommendations for doing so.

In the Culture, Media and Sport Committee's report, it is accepted that there was unsatisfactory consultation on the merger of the BTA and the English Tourism Council. SNP members should read what a number of members of the Westminster committee said about the consultation that took place on the issue. They should also read what the Minister for Tourism, Culture and Sport said to the Culture, Media and Sport Committee. If, for a moment, we can get out of the trenches and seek solutions, we will do the industry the kind of service that it deserves from the Parliament.

12:20

Mr Adam Ingram (South of Scotland) (SNP):

As a member of the Enterprise and Lifelong Learning Committee, I support the report's key recommendations. I acknowledge the need further to develop and strengthen the tourism industry. Naturally, the committee tended to focus on tourism matters that are within the remit of the Scottish Parliament, but it would be idle to pretend that reserved issues are not of vital interest to the future of the Scottish tourism industry. Westminster controls the exchange rate policy and a whole swathe of fiscal policy from fuel tax to air passenger duty to VAT. At their current levels, those all have a major impact in putting up the price of the Scottish tourism product and in reducing the competitiveness of our industry in the international marketplace.

Action to cut VAT on hotel accommodation is long overdue. All the research shows that, in a highly prized, sensitive industry such as tourism, there is a clear negative correlation between high VAT and consumer demand. With VAT on hotel accommodation more than double the European Union average of 8 per cent, the UK is the odd man out in Europe. If the Scottish Parliament had the powers, it could follow the Irish example. Cuts in VAT that were introduced in the late 1980s, together with other initiatives, quadrupled tourism revenues in Ireland.

Perhaps the most impressive part of the report is the internal research that was conducted by Stevens and Associates, which identifies lessons to be learned from comparable competitor countries that are performing much better than Scotland. The clear message from that research is that strategic intervention and leadership on the part of the Government combined with a fully engaged private sector are critical for success. I suggest that we still have a long way to go in that respect.

For example, our Burns heritage is a key part of Scotland's brand image. A year or two ago, Allan Wilson suggested that Burns promotion was to be a major focus for Executive action. I assume that he was not talking about putting up statues. However, I have seen little or no action apart from the setting up of a small-scale Burns festival in Ayrshire. In the meantime, the Burns museum and visitor centre project in Alloway is being endlessly delayed as funding applications grind through the system and the definitive collection of Burns artefacts deteriorates for want of appropriate accommodation. There is not much evidence of joined-up working within the Executive in that instance.

Still wearing my Ayrshire hat, I emphasise the importance of developing direct air links to provide easy access to Scotland for international visitors

and I highlight the continuing success of Prestwick airport in attracting low-cost operators to do that. I trust that the Executive and its agencies will not stint in offering any support that is required to build on that success.

12:23

Mary Scanlon (Highlands and Islands) (Con):

I welcome the committee's report. As an economist, I was drawn to specific figures in paragraph 58 of the report. I was alarmed at the reduction in tourism in Scotland between 1997 and 2001. The minister talked about the situation in 2002—perhaps the figures have improved, but I can judge only by what is in the report.

In 1997, there were 23.3 million trips to Scotland; in 2001, there were only 19.1 million. In 1997, there were 97.3 million nights' accommodation in Scotland; in 2001, there were only 78.2 million. In 1997, tourism expenditure in Scotland was around £5 billion; in 2001, it was down to around £4 billion. This week, the Scottish Tourism Forum's manifesto confirmed that there was a decline of 24 per cent in the number of overseas visitors to Scotland between 1997 and 2001, along with a 21 per cent loss of spend in that period. I am, therefore, delighted to speak in the debate, as I think that the Enterprise and Lifelong Learning Committee's report has come not a moment too soon.

Brian Fitzpatrick: The committee acknowledged the challenges, but we also have to acknowledge the good things that are going on. In the past four years, Greater Glasgow and Clyde Valley Tourist Board has increased its annual convention sales by more than 200 per cent. We must acknowledge the good things that are going on and consider how we can encourage and support them. I hope that Mary Scanlon will agree with me on that.

Mary Scanlon: Yes, I certainly welcome any increase. However, Mr Fitzpatrick's statistic emphasises the problem—if business tourism in Glasgow is going up by 200 per cent while the overall decline in Scotland is 24 per cent, we must ask what is happening in constituencies such as Jamie Stone's and elsewhere. If the average reduction is 24 per cent but there is a 200 per cent increase in Glasgow, there are serious problems outwith Glasgow and Edinburgh.

Paragraph 104 of the report says of Estonia and Slovenia:

"Both countries saw an increase of around 25% in 2000 compared to the previous year."

It continues:

"Scotland on the other hand, experienced the largest decline in ITAs"—

international tourist arrivals—

“of 11% in 2000”.

We certainly need to work together to do something about that.

An issue that is guaranteed to infuriate people living in the Highlands is extortionate air fares, particularly those for going to the Highlands. Things have improved in recent years, but when airlines advertise seats at £29, for example, they do not always tell people that the price applies only to a few seats, which must be booked months in advance. I note that the committee report states that low-cost airlines have

“created a new dynamism within tourism.”

I acknowledge what members have said about PSOs, particularly the PSO that safeguards the air link from Inverness to London. Given that tourism contributes to more than 11 per cent of employment in the Highlands, the recommendation that the Minister for Enterprise, Transport and Lifelong Learning should aid HIAL is fitting.

I have prepared so much but I do not have enough time.

There was great enthusiasm for doing business with Ryanair because all its seats are cheap and the airline would give people in the Highlands the same access to cheap flights as is available to people in cities elsewhere in Scotland.

I will leave the issue of HIAL just now by saying that the problem always was that HIAL cried for more subsidies. However, I bring to the minister's attention a farmer in Orkney called Andrew Banks, who bought a second-hand Caledonian MacBrayne ferry, built two piers, offered cheaper trips to and from Orkney and, as a result, increased tourism enormously there and gave local people the opportunity to visit the mainland at a reasonable price. That example shows the difference between public organisations waiting for more subsidies before doing anything and a true entrepreneur working to benefit his business and his community of Orkney and the Highlands. The difference could not be starker.

12:28

Maureen Macmillan (Highlands and Islands) (Lab): I welcome the opportunity to speak in the debate. I congratulate the members and the clerks of the Enterprise and Lifelong Learning Committee on the report. I am particularly pleased that the committee took the opportunity to get out and about. The committee visited Shetland—I hope that that visit was as enjoyable as the visit to California was. I am sure that the Shetlanders were delighted to host the committee and to make their views known. I have never visited California,

but I have often been to Shetland and I am always delighted to be there.

I am pleased that the committee recommended re-examining the PFI contract for Inverness airport, which inhibits the development of budget routes. I ask the minister to explore that matter seriously, although I realise, as the SNP obviously does not, that contracts cannot be changed just by waving a magic wand at them. However, attracting new direct air services to the Highlands and Islands is one of the keys to the development of tourism. The air industry has experienced turbulence lately, but there is still an appetite for flying. However, the downturn in transatlantic travel is well documented and the current international situation will not improve matters.

Mrs Margaret Ewing: Maureen Macmillan referred to direct links. Does she realise that, since easyJet started its service from Inverness to Gatwick on 5 February, it has carried 1,000 passengers? The difficulty with the PFI is that other airlines that would be interested in coming to Inverness cannot negotiate appropriate terms.

Maureen Macmillan: Yes, I realise that, which is why I asked the minister to consider seriously whether the contract could be changed. However, as I said, a contract cannot be changed just by waving a magic wand at it.

For the Highlands and Islands, the Inverness to Gatwick link is key. In our submission to the consultation exercise on air transport, Rhoda Grant, Peter Peacock and I made the case for retaining the link and asked for the imposition of a PSO. I hope that ministers at Westminster will give the matter full consideration. I know that the Scottish Executive backs us. Moreover, as Margaret Ewing said, we must be able to persuade budget airlines to operate out of Inverness as frequently and on as many routes as possible.

In all the debates on tourism, the same issues seem to crop up. At yesterday's meeting of the cross-party group on tourism, the Scottish Tourism Forum expressed concerns that there is not enough profit in the industry to fund training, which, in turn, affects the quality of service that can be provided—small profit margins mean that quality is cut and that refurbishment is put off for later years. The Scottish Tourism Forum would like VAT on tourism businesses to be reduced. Perhaps the minister could raise that issue with Westminster colleagues.

Some of the most effective marketing is done by word of mouth. The converse of that is that, if people have a bad experience, they will pass that information on to friends and family. Quality, therefore, has to be improved and I hope that the Executive will seriously consider compulsory

registration on licensing. Although education and training is one way of driving up standards, we might be getting to the point at which compulsory registration is the only way in which to ensure a step change in quality and standards so that Scotland does not lag behind other areas. The Scottish Tourism Forum would like a common quality standard across Scotland and the UK.

The report makes important recommendations with regard to the Executive's strategy and targets. Evaluating the effectiveness of VisitScotland's marketing is important and I know that the Highlands of Scotland Tourist Board is keen that there should be greater integration of marketing between it and VisitScotland. Marketing makes a difference and I am confident that VisitScotland is focusing on the right targets, such as ancestral Scotland.

With the current international climate, there is a critical need to encourage the English, Welsh and Irish to holiday in Scotland and Scots to holiday at home. I know that VisitScotland has turned its attention to the matter.

We must capitalise on Scotland's assets and recognise the importance of the tourism industry to Scotland. Communities that are dependent on the industry for income need to view tourism more as a community activity than as something that is of interest only to individual businesses. There should be more community-based TICs.

The Deputy Presiding Officer: I have to hurry you.

Maureen Macmillan: I have great optimism for the future of tourism in Scotland and I am sure that it will be an important factor for many years to come.

12:33

John Farquhar Munro (Ross, Skye and Inverness West) (LD): I am pleased to be taking part in a debate on tourism. There is no doubt that tourism in all its forms is a major part of the Scottish economy. That was clearly demonstrated by the critical decline in visitor numbers into the UK, particularly Scotland, which was aggravated by the events of 11 September 2001 and by the restrictions imposed throughout much of the country in the attempt to control the spread of foot-and-mouth disease. Many tourism businesses and those related to them struggled to survive at that time; only by their hard work, determination and willingness to adapt to the changing circumstances were they able to continue in business.

Fergus Ewing: Does John Farquhar Munro agree that one problem for businesses in the Highlands, particularly in Inverness, is the burden

that is placed on them by high business rates? The Forum of Private Business argues that rateable values of hotel premises are higher in Scotland than they are in England. Does the member agree that that serious burden must be addressed?

John Farquhar Munro: I agree that the rates burden is a significant element of the problem. I am glad that the report suggests that the rates burden could be reduced considerably. I am sure that that would be good news.

As I was saying, and as others have said this morning, Scotland has a unique experience to offer, which could and should be promoted on the world stage. Much has been done but more needs to be done to ensure that we have a vibrant and viable tourism industry, which is essential—I do not think that anyone would argue with that.

I accept that the BTA continues to promote the UK as a tourist destination. However, we have our own agency in VisitScotland, which has been tasked with attracting visitors to Scotland. It must be given the support and resources to promote Scotland not only in the United Kingdom and Europe, but worldwide. VisitScotland has the relevant experience and capability and, in my opinion, is best suited to undertake that function on our behalf. It should not be under the direct control of the BTA.

The BTA and travel agents must be made aware that Scotland has its own identity on the world map. We have excellent airport facilities, which can be accessed from all major international airports. Visitors to Scotland do not have to be directed through London Heathrow, as tends to happen currently. I have talked before about all the difficulties that that creates for increasing the number of visitors to Scotland. Our peripheral airports are capable of accepting increased traffic, so let us promote that.

As we develop all sections of our tourism industry, let us make sure that our tourists enjoy their visits and that their experience of Scotland is unique. That is how we should promote our industry. We should extend an invitation and welcome to the world at large and say that Scotland is now the place to visit.

12:37

Gordon Jackson (Glasgow Govan) (Lab): Any strategy to improve our tourism industry will have to operate on at least two levels. We have to improve the product and to take a hard look at, for example, quality control and the proper development of skills. I am not entirely sure that the committee got to grips with that properly.

We must also be clear about how we market Scotland as the product—it was in that context that Alex Neil and I made the much talked about visit to California. I say right away that that visit was tough. We learnt a great deal from visiting the British Tourist Authority and other marketing agencies that Scotland has out there and we were also able to consider some set-ups that market California's local facilities in the United States and internationally. We did that in Pasadena, we saw the Californian state set-up in Sacramento and we were able to go to the San Francisco Convention and Visitors Bureau. Those operations were all different but they were all there to market either a city or the state of California. It is fair to say that we were impressed on each occasion. Even making allowances for the the-grass-is-always-greener syndrome, we felt that there was something to learn from each of the operations that we considered.

Alex Neil and I often disagree, but today Annabel Goldie moved a motion in Alex Neil's name and if that is the sort of day we are having, Alex Neil and I can agree about one thing that stood out from the trip. We might disagree about the role of the private sector in some contexts, but we agreed totally that the main lesson from each visit was the pivotal role of the private sector and industry. That has been mentioned by David Davidson and other speakers and it appears at the beginning of our key recommendations on the first page of the report—that is how important the committee thought the issue was.

The importance of the private sector was reflected in the structures of the local organisations, which were designed to maximise the ideal of working together; it was interesting to see how that is done. The structure of the California state operation in Sacramento is innovative and demands a much longer discussion than we have time for now, but the success of the operation was not just about its structure, but about attitudes. That applies equally to the industry and the Government.

What we saw was a real sense of partnership and shared common interest and purpose. Indeed, the overwhelming impression was not only that the private sector is truly and genuinely involved, but that it is actually driving the process. We got the impression that that partnership and emphasis is vital. I know that that is understood here. Not only is Peter Lederer chairman of VisitScotland; he is a major figure in the industry. I looked again at his evidence and he understood clearly that the partnership must work properly and is committed to that. I also got the clear impression that he accepts that there have been weaknesses. I could read what he said. I do not really have time—

The Deputy Presiding Officer: Do not.

Gordon Jackson: He said:

"The industry must speak with fewer voices and pull together".—[*Official Report, Enterprise and Lifelong Learning Committee*, 11 December 2002; c 3011.]

He was prepared to be critical of his own industry, but there are two sides to that, and I would perhaps be more balanced than he was. The industry might not be properly engaging with its problems but, on the other hand, it is important that Government agencies do not just consult the industry; rather, they must include it properly as a main driving force in the process. It is not just about changing the structure—we must ensure that expertise and commitment are properly harnessed.

The industry must be involved not only in marketing its own hotels and businesses, but in marketing Scotland, because the two are not mutually exclusive. The Government must put in place structures—the committee recommended this—that will ensure that the industry is brought into the process. Alex Neil and I tried to emphasise commonality of interest following our visit.

12:41

Mr Andrew Welsh (Angus) (SNP): Tourism is a key contributor to the Scottish economy, Deputy Speaker—I am sorry; old habits die hard. I meant to say "Deputy Presiding Officer". Despite an increasing budget for VisitScotland, Scottish tourism has declined in terms of visitor numbers and revenue since 1997. Given the industry's significance to the Scottish economy, that is clearly a worrying trend.

I congratulate the Enterprise and Lifelong Learning Committee on addressing those problems and I welcome the recommendations on setting targets for attracting international and domestic tourists, attracting new direct air services and improving business tourism. Although those form a basis for progress, a great deal more will be needed to develop the cutting-edge tourism policy that is required to turn round the fortunes of this sleeping giant of an industry.

We must, in building for the future, fully utilise the latest technology. An estimated 9.3 per cent of the world's population are currently online, and online travel is one of the fastest growing areas of the travel industry. Over the past 12 months, nearly 30 per cent of UK internet users have gone online to access travel routes. In addition, 94 per cent of Ryanair ticket sales are made on the internet and easyJet makes about half of its bookings via the internet. Indeed, online travel sales are predicted to reach a total of \$29 billion by 2003.

Scotland must be in there as a major player. How will the Government ensure that Scottish small and medium-sized enterprises are not simply squeezed out by major conglomerates and tour operators? How will e-tourism allow native Scots businesses to build up individual tourism enterprises and locally based projects, such as Pictavia in Angus, Seafest in Arbroath and other initiatives? Scotland must be in there as a major player.

I ask the minister to address those points today, and also to address the issue of how technology can overcome the massive language skills deficit in the Scottish hotel industry. One survey showed that 97 per cent of hotel staff could not answer a question in French or German. Such basic language skills are an essential part of a welcoming and helpful approach. That issue was ducked by the minister in his opening speech, but it must be addressed.

I am happy to note that already, some e-commerce initiatives are solidly coming through. This week, through ScottishGolf.com's "tee-time" booking system, any golfer anywhere in the world can book a time and pay a deposit through a secure internet connection, then all they have to do is turn up on the day and enjoy a round of golf. That system will soon incorporate courses all over the country. Using the internet to book golf tee times is just one example of how e-tourism should be utilised. There is nowhere better to do that than on the tremendous range of golf courses in Angus.

The visitscotland.com venture is a welcome development in Scottish tourism, but we must now ensure that it is developed ahead of competitor destination sites. We in Scotland know that we have a product that most other countries envy. The key question is about how to market it properly and that is the question that the committee's report asks. Marketing the product properly is the task of those who will act on the report.

The Deputy Presiding Officer: I am obliged to two members who have removed their names from the list of speakers. We are still running behind time. Iain Smith has four minutes; I ask him to keep his speech tight.

12:45

Iain Smith (North-East Fife) (LD): No one can dispute the tourism industry's importance to Scotland for its economic contribution and the jobs that it creates. Furthermore, no one can dispute that the tourism industry has suffered from a decline in recent years.

It is important to bear it in mind that we tend to focus greatly on the overseas tourism market and that we sometimes forget that domestic tourism

has the biggest share of the market and is its most important part. The domestic market supplies 90 per cent of our visitors and 80 per cent of tourism income. It is obvious that a 1 per cent increase in the domestic market could be matched only by a 5 per cent increase in the overseas market. It is important not to forget that.

Short breaks—particularly those that are taken by older people and people who take early retirement—are an important part of the tourism business. Some concern must be felt about their future, given the state of the pensions industry. Many of our businesses are also concerned about the trend of booking later, which causes them great uncertainty about the season ahead.

I come from north-east Fife, so I must refer to the Enterprise and Lifelong Learning Committee's important visit to St Andrews to study golf and business tourism. The tourism businesses in St Andrews greatly welcomed that visit and the useful exchange that they had with committee members. Perhaps a little disappointment was felt at that study's not being reflected much in the report's recommendations, but the visit highlighted important matters.

I am sorry to say to Andrew Welsh that the Old course in St Andrews is the course that attracts visitors to Scotland. In places such as Carnoustie and Troon, people say that when the Old course is closed for maintenance or before the Open Championship, their businesses suffer. We should therefore recognise the Old course's importance to golf tourism marketing and the importance of encouraging golf tourists to visit and play on many of the hundreds of excellent golf courses throughout Scotland.

I am slightly disappointed that the result of the area tourist boards review is not yet known. That is causing uncertainty and concern in the industry. Those boards are important parts of the industry and are business led—the majority of board members are business people. The boards are not just accommodation agencies. As the committee's report says, the boards should reflect the interests of the retail, transport and visitor attraction sectors.

Transport links are vital. In the past year, we have welcomed the Rosyth ferry, which has increased tourism. Tourism businesses have seen car-based overseas tourists come to Scotland and travel not just in Fife, but as far as the Borders and the Highlands, although Fife has benefited from the ferry. I am pleased that, as part of its partnership with other tourist boards, the Kingdom of Fife Tourist Board has attracted £4.1 million of European money to help to market tourism in some parts of Scotland. That will be used to attract up to an estimated £100 million of new tourism business.

The Deputy Presiding Officer: The member has one minute.

Iain Smith: That is an example of tourist boards working well together to attract money that might not be available from Government agencies. That is an important part of the tourist board network's role.

We must improve transport links and the quality of transport throughout Scotland. The links to Glasgow and Edinburgh airports are vital, but why should people have to go through Edinburgh to visit Fife? That is nonsense and must be sorted out. We must improve the integration of transport through the use of multimodal tickets and we must ensure that visitors to Scotland can buy travel passes that allow them to travel on any form of transport at a reasonable cost. That is all part of improving the quality of the service.

If we are to attract more visitors to Scotland, we must continuously improve the quality of the tourism product that we offer—that means not only accommodation, but attractions and packages. We must also examine the industry's competitiveness. We should note that many tourism businesses are small and locally based. They will benefit from the small business rates relief scheme that is to be introduced, but we must consider the fact that VAT on hospitality services in Ireland is only 5 per cent, which puts our businesses at a competitive disadvantage.

The Deputy Presiding Officer: I must hurry the member.

Iain Smith: We must also consider the euro. We should be in the euro, which would help our tourism businesses. As the report recommends, we must also do all that we can to assist Scottish tourism businesses in using the euro.

The Deputy Presiding Officer: I do not know about the principle of introducing entirely new material after a member's time is up, but there we go.

12:50

David Mundell (South of Scotland) (Con): I would like to ensure that the *Official Report* records the fact that I had the most glamorous assignment of all of the members of the Enterprise and Lifelong Learning Committee. I was sent not to California or Denmark and I was sent not even to St Andrews—I was sent to VisitScotland's headquarters in Ravelston Terrace for a day. However, that visit gave us an opportunity to analyse material on visitscotland.com, which has been highlighted today as being a very important initiative. I hope that the recommendations in the report in that respect will be followed through so that the website is monitored to allow us to

discover how much real new business—not displacement business—is generated by visitscotland.com. Many people out there have reservations about visitscotland.com, particularly small accommodation providers.

I agree with Tavish Scott that it is very disappointing that the minister's announcement—or non-announcement—overshadows the debate, because the review of the area tourist boards has been under way for a considerable time. We have heard today how important business and business leadership is to tourism. One thing about business is that it knows that it has to make hard decisions, some of which are unpopular, but business does not bottle out of making decisions just because it thinks that the decision might attract electoral flak.

I understand why the deputy minister does not want to have to go around defending a decision to abolish Dumfries and Galloway Tourist Board and to merge it into a larger board based in Glasgow, if that is to be the decision, but why not tell the Parliament the decision and allow the tourism industry to debate its future during the election period?

Fergus Ewing: Will the member give way?

David Mundell: I am sorry, but I am very short of time.

I was very disappointed by the tone of Mr MacAskill's remarks, although they did not surprise me. Most of the things that he has said in the chamber on previous occasions could not be substantiated by the committee's inquiries. Mr MacAskill has come to the chamber time after time to slate the BTA, but the evidence that the committee took did not substantiate what he says.

The committee was, however, prepared to address the issues around, and the serious concerns about, the British Airports Authority. Rather than engage in a rant against individuals, we put forward the reasoned position that the BAA should be inquired into so that we get at the facts, but Mr MacAskill does not like the facts and neither does he like the committee system, hence his appearance at the Enterprise and Lifelong Learning Committee only as a tourist rather than as a substantial member. He does not like inquiring into the facts, because they do not back up his rants.

One of the most important aspects of the report, although I am disappointed that it does not appear at the beginning as a key recommendation, is that Scottish Enterprise and Highlands and Islands Enterprise funding be co-ordinated within our tourism strategy. The reality is that funding for tourism from Scottish Enterprise and Highlands and Islands Enterprise is considerably greater than VisitScotland's budget. If those budgets are not co-ordinated, we will be missing a trick. I would

like to see that important recommendation followed through.

At the end of the day, we must acknowledge the importance of tourism, as Annabel Goldie did in her opening remarks. Everybody says that tourism is important, but it is the most important indigenous business in Scotland and we must start proving that that is the case. The report is a good opening to that process, but we have to follow it through.

12:54

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): First, on a local note, my constituency and Dumfries suffered more than other areas from the decline in tourism that resulted from foot-and-mouth disease. The local tourist board made excellent use of the money that it was given; it ran an excellent campaign to get visitors back to the region.

Given that tourism is a major industry, it is clear that some of the figures in the report are not encouraging. The recent figures that Grant Thornton Ltd published also show a 143 per cent increase over the past year in insolvencies in tourism-related hotels and catering businesses. My friend Fergus Ewing spoke about the rating system and the differential burden that we have in Scotland, which might be relevant to that issue.

Mr Mundell referred to the enterprise network. I note the committee's recommendation in paragraph 361 of the report that the enterprise network's contribution to tourism should be "consistent." I highlight that paragraph because I have been receiving complaints about differences in the treatment that is offered by different local enterprise companies, and especially about differences between that which is offered by Highlands and Island Enterprise and Scottish Enterprise. It is suggested that the former is much more flexible in its approach to helping out tourism development, although I do not know why that should be the case. It is clear that tourism is not simply a Highlands and Islands activity, although some people might think that it is. It is not even simply a rural activity because, as we have heard, city tourism is just as important, if not more so. We need, therefore, a consistent approach. The relationships between area tourist boards are clearly a difficult matter; there are tensions between membership organisations—perhaps this applies only to some members of the industry—and an organisation that has quasi-public duties. Any mechanism must have the industry at its heart.

Many people find it easy to see what is wrong with the current system but, as I am sure the minister is finding out, it is much less easy to come

up with a better alternative. Boundary changes would not necessarily be the answer, and Mr Mundell made a valid point about the Dumfries and Galloway Tourist Board.

Uncertainty is bad, so we need to conclude the review. It is a bizarre argument to say that we should not discuss the review before or during an election campaign—such discussion is what democracy is all about. If we were to extend that principle to other areas, we would be in for a very quiet election campaign.

I welcome the development of electronic marketing of tourism, because we in Scotland are clearly in danger of falling behind. The report refers to some initial difficulties in Dumfries and Galloway, which I think are largely down to a lack of communication. The vast majority of businesses in my region have now signed up to the idea to some extent. However, I am concerned that we still do not have a go-live date for the public version of the new website, which is important given that we are already into the season in which people make bookings over the internet. I am also not convinced that e-tourism will reduce work for tourist information centres—the two are complementary, rather than being alternatives to each other.

On the BTA, regardless of what has been said in the chamber, there is a fundamental incompatibility in one organisation trying to market two competing products. I think that that is unsustainable.

My final point is on skills. Tourism was the cinderella industry, but there have been changes made to increase its professionalism. I was worried by David Davidson's point that the teaching placement scheme still does not regard tourism as an industry. It is shocking that that attitude should still prevail. Tourism is a hugely important industry and I hope that the report will contribute to increasing its success.

The Deputy Presiding Officer: Because of the business motion under which I am operating, I must have Alex Neil on his feet by 1 o'clock, so I call him now, and thank those members who co-operated in allowing this to happen.

12:58

Alex Neil (Central Scotland) (SNP): It is an indication of the success of today's debate that Brian Fitzpatrick has joined the SNP benches for the final speech.

I begin my reiterating and reinforcing the "thank yous" that Annabel Goldie read out at the start of the debate and I supplement them with three of my own. First, I thank Annabel Goldie for calling me gallant, which is the first and probably the last

time when that will happen. Secondly, I thank Brian Fitzpatrick for saying that I am a calming influence. That is certainly the first time, and probably the last time when I shall be called that. Thirdly, in relation to the visit to Shetland, I thank Tavish Scott and Shetland Islands Council, which provided excellent hospitality. I got a feeling for Up Helly Aa.

I shall concentrate on two or three key issues. I say quickly, by way of background, that the inquiry took place about a year after the committee was being put under enormous pressure to hold the inquiry during a time of crisis—if I can call it that—in the Scottish Tourist Board, which was undergoing a change of chief executive and suffered the resignation of the new chief executive. The committee took a clear decision not to hold an inquiry at that time.

The purpose of our inquiry was not to hammer a nail into the coffin of the Scottish Tourist Board, to run down Scotland, to reinforce failure or to get a cheap headline. Instead, the purpose of a parliamentary committee is to examine a subject's long-term future. In this case it was the tourism industry—we had to find out where we need to be in four, five or 10 years and we had to consider our position in the international tourism market.

We are all aware of the problems of the past four or five years, such as the reduction in tourist numbers, the additional problems that were caused by the events of 11 September 2001 and other unforeseen circumstances, such as foot-and-mouth disease. However, the challenge to us all is not to sit moaning and groaning and wondering why all of this has happened; instead, we must look to the future and do something about the situation. The tourism industry in Scotland has enormous potential.

Last year, I did a calculation—on my own, believe it or not—based on Ireland's overseas visitor numbers, which include visitors from the UK mainland. If Scotland had the same overseas visitor numbers as the Irish, that would inject an additional £1 billion a year into the Scottish economy. That is the scale of the opportunity that is open to us through the tourism sector. So, the key question is: what do we need to do to get from where we are to where we want to be?

The committee report addresses three fundamental strategic issues in that respect. First, as the independent research that the committee commissioned concluded, it is high time that we stopped contemplating our internal navel over the Mason-Dixon lines between this area tourist board and that area tourist board. To be quite frank, tourists from Germany, Norway, America and Canada could not care less about where the boundary lies between this toon and that toon in area tourist board terms—they want to visit

Scotland. They want to have the experience of coming to this country to see the scenery, meet its people, enjoy their ancestry and all the rest of it. The first clear message has to be that we should look outward, rather than inward. Our future lies in beating the competition in the international marketplace, not in examining our internal structures for ever and a day.

However, the question thereafter is how we can best promote Scotland. There has been a lot of discussion about the BTA. No doubt there is concern south of the border—as there is north of the border—about the way in which the Department for Culture, Media and Sport south of the border failed to consult on the recent changes and simply implemented them. Indeed, there is much concern about that among MPs in London whose report called for the establishment of an English tourism board. I support that proposal: England needs its own tourism board, but there must be a consequential change to the BTA's role.

We are simply saying—the BTA agrees—that we are not getting the benefits of the resources that have been invested in some hub offices to the extent that we could and should. VisitScotland needs urgently to piggyback on that resource much more than it is by putting its Scottish focus into those offices and promoting Scotland. If Gordon Jackson was able to promote to me the benefits of the private sector while we were in California, I at least got him to agree that, on the question of a Scottish focus, he was a nationalist. Indeed, he agreed with everything that the SNP said on that point. That was a real conversion.

Our proposal is very practical. Of course, it has budgetary implications, because there would be staff involved; however, perhaps only one person and a secretary is all that is needed. After all, the other resources already exist—we simply need a Scottish focus.

David Mundell and I took evidence from Eddie Friel, who used to run the Northern Ireland Tourist Board and now runs the Glasgow Tourist Board. Mr Friel was Northern Ireland's man in America at the time of the hunger strikes. During the year in which the hunger strike deaths happened, tourism to Northern Ireland from north America jumped by about 10 per cent. Eddie Friel went into the BTA office in New York as a Northern Ireland representative. He piggybacked on the research that had been done, but he put a Northern Ireland focus on it, as a result of which he was able to promote Northern Ireland. At that time, the Northern Ireland Tourist Board was much more independent than the Scottish Tourist Board.

There is a possible case for VisitScotland to have its own representation in some markets where the BTA has no representation—it is horses for courses. It is like running any business; one

sends the sales and marketing people to where they can generate the most interest.

The second major point that I want to make before I wind up is on transport links. There is no doubt whatever that one of the two fundamental prerequisites to realising potential is encouragement of the growth of low-cost airlines. Some 80 per cent of the people coming to Scotland from Oslo are Norwegian. I know and others know that—we see them in the pubs in Ayr and even in Prestwick every weekend, Presiding Officer. They come from Norway for the cheap drink. It is £8 a pint in Oslo, but it is £2.50 a pint in Ayr and probably £1.50 in the Labour club in Allison Street. It is a lot cheaper for them to spend forty quid getting into Ayr for the weekend from Oslo and save a bob or two on drink. We are talking about tourists to Scotland spending money in Scotland.

I will be clear about what the committee is saying about BAA. It says that there is on the face of it, based on the evidence that we received, a *prima facie* case—as the Latin people used to say—for an inquiry into the monopolistic position of BAA. It does not have only one monopoly; it has two monopolies. It has a monopoly in Scotland and a monopoly in London. On the basis of the evidence, the combination of those monopolies might present the problem. We suggest that there needs to be a thorough inquiry, but BAA is coming back to us and saying that it is not true; however, if members owned a monopoly company, they would say the same. Unfortunately, monopoly and competition are—temporarily, I hope—reserved matters. Therefore, it is up to the House of Commons Scottish Affairs Committee or whatever to investigate the matter, but it must be investigated. Our tourism industry is too important for the future of Scotland for us to continue to receive only a fifth of the number of flights that Dublin receives, for example.

This has been just a sketched conclusion of our report. I hope that the minister will take decisions based on our report. I do not care whether that happens before the election or whether someone else takes them after the election—as long as our report is implemented, the Scottish tourism industry will flourish.

The Deputy Presiding Officer: I should have stopped that speech earlier, but I sensed that people were enjoying it.

The next item of business would ordinarily be the business motion, but as members will be aware, this week's business motion was taken yesterday. Therefore, there is no more business.

13:08

Meeting suspended until 14:30.

14:30

On resuming—

Question Time

SCOTTISH EXECUTIVE

Primary Schools (Swimming Lessons)

1. Kay Ullrich (West of Scotland) (SNP): To ask the Scottish Executive what plans it has to ensure that every local authority provides at least one course of swimming lessons to all pupils prior to their leaving primary school. (S10-6409)

The Deputy Minister for Education and Young People (Nicol Stephen): The Executive has now published its audit of swimming in Scottish schools. It shows that, although there are some excellent examples—such as Glasgow, which now has free swimming for all children and free lessons for children in primary 7—swimming provision varies considerably from one local authority to the next. Ministers want every child in Scotland to get the opportunity to learn to swim. I will be writing to each local authority asking them to take action on the audit report.

Kay Ullrich: I thank the minister for instructing the audit of school swimming. I know that he shares my disappointment that the report shows that more than a quarter of schools make no provision at all for swimming lessons. Will he assure me that sufficiently robust guidelines will be put in place to ensure that local authorities can no longer cut swimming lessons as a soft option when budget savings are required? After all, swimming is one subject on the curriculum that could save a life.

Nicol Stephen: I agree with Kay Ullrich. That figure of 25 per cent or more is unacceptable. I will consider the suggestion of guidelines or guidance on that area.

I point out that, through the quality of life funding, for example, a number of local authorities—17 in all—have improved swimming provision. For example, Renfrewshire Council has used £550,000 to give swimming lessons and improve access; Aberdeen City Council has used £180,000 for primary school swimming; Dumfries and Galloway Council has used £130,000 for free swimming for under-18s. Other authorities can therefore access funding if they wish to use it for that purpose. I encourage them to do so.

Margo MacDonald (Lothians) (Ind): Does the minister agree that he will find it much easier to meet his target of every primary school child being instructed in swimming if sufficient physical education specialists are recruited to teach in primary schools?

Nicol Stephen: I agree that we need to extend the number of PE specialists in Scotland's schools. That means examining carefully the number of PE specialists we train and the nature of that training. I would like there to be much more of a cluster approach in which the secondary school PE teams are also able to go into our primary schools and give the quality, specialist education that many members would like to see. For that reason, we have increased the priority that will be given next year to the recruitment of PE teachers in the advice that has gone out to the Scottish Higher Education Funding Council.

National Health Service (Ancillary Workers)

2. Pauline McNeill (Glasgow Kelvin) (Lab): To ask the Scottish Executive what plans it has to promote harmonisation of the terms and conditions of national health service ancillary workers. (S1O-6424)

The Minister for Health and Community Care (Malcolm Chisholm): If it is accepted, the modernised pay system—set out in “Agenda for Change: Modernising the NHS Pay System”—will introduce harmonised terms and conditions for all NHS non-medical staff.

Pauline McNeill: I welcome “Agenda for Change”, which holds the prospect of a minimum wage for non-clinical staff in the NHS. However, I raise concerns about the disparity that continues to exist in some other conditions of service, such as sick pay and pensions. Some porters and domestics still do not have the occupational sick-pay schemes that clinical staff enjoy. That is not justified. Therefore, will the minister assure me that there will be a programme in future to eradicate those inequalities so that our poorest paid are protected?

Malcolm Chisholm: One of the many changes from “Agenda for Change” will be that sick pay will start from day 1 of employment, unlike the present situation.

Pauline McNeill raises wider issues, some of which relate to differences between staff who are employed on NHS conditions and those who are employed by private contractors. At the recent staff partnership forum, I said that the new minimum health service wage of £5.18 hour—an 11 per cent increase on the previous rate—should be paid by all employers in the health service, including private contractors. There are other issues relating to pension and sick-pay rights, which are sometimes different for contracted-out staff, and the same principle ought to apply there too.

Recycling (Fife Council)

3. Iain Smith (North-East Fife) (LD): To ask the Scottish Executive what recent discussions it has

had with Fife Council on improving the council's record on recycling. (S1O-6421)

The Minister for Environment and Rural Development (Ross Finnie): The most recent discussions between Executive officials and Fife Council have covered the expenditure profile for an application submitted by the council to the strategic waste fund and the council's proposals for use of the £374,000 recycling grant that was awarded in December 2002.

Iain Smith: The minister will be aware that, according to the performance indicators that were recently published by the Accounts Commission for Scotland, Fife generates more waste per head than any other council in Scotland and recycles less than most. Does the minister think that Fife's Labour administration is aware of the national waste strategy's waste hierarchy, which is to reduce, reuse, recover and only then dispose? What bids has Fife Council made to the strategic waste fund to address its appalling record?

Ross Finnie: A number of councils may be under the illusion that, by simply moving towards a greater recycling target, they will solve the problem. The member's general point about every council in Scotland having to address the question of waste minimisation is crucial to the success of the national waste strategy.

On Iain Smith's question about applications from Fife Council, it is my understanding that the council has applied for about £4.5 million from the strategic waste fund to help with its plans over the next three years in meeting the strategy's aim and objectives.

The Presiding Officer (Sir David Steel): Before calling further supplementary questions, I remind members that this question relates to Fife Council.

Robin Harper (Lothians) (Green): My question is very relevant, but it is not on Fife.

The Presiding Officer: In that case, I call John Scott. Is your question about Fife, Mr Scott?

John Scott (Ayr) (Con): Well, it is about recycling.

The Presiding Officer: I am sorry, but it has to be about Fife Council. We will move to question 4.

Locally Based Companies (Investment)

4. Donald Gorrie (Central Scotland) (LD): I have a more general question.

To ask the Scottish Executive what plans it has to increase investment in building up locally based companies, especially in areas that have suffered from large job losses. (S1O-6438)

The Minister for Enterprise, Transport and Lifelong Learning (Iain Gray): Growing businesses is a key priority of our strategy for the enterprise networks. Local economic forums provide a mechanism for driving forward an agreed economic development agenda in each local area. We have refocused our regional selective assistance scheme to help locally based companies access support.

Donald Gorrie: That is encouraging. What other measures are in place to help people to set up companies and develop them, other than money, although money is important? Many people have good ideas, but not the technical, legal or planning skills to implement them. Is there enough support to help such people to develop their new companies?

Iain Gray: The small business gateway has been key to streamlining and increasing the effectiveness of the kind of support to which Mr Gorrie refers. It ensures that services and support can be provided by accredited business advisers or by lawyers and accountants—whichever are required for the various aspects of people's plans—and can be accessed through one website or one telephone number. We have worked hard with those involved to ensure that it is much easier now compared with how it used to be for people who have a good idea for starting up a business to access not just grants and money but expertise.

Alex Neil (Central Scotland) (SNP): As the minister said, one of the main measures for helping businesses to grow is regional selective assistance. How much of the funding for the current financial year is still left in the RSA budget? In other words, what has been neither committed nor spent? How will that money be recycled to help local businesses?

Iain Gray: As Mr Neil will understand, the RSA scheme operates day by day, and discussions on potential grants, applications and so on take place every day, so I do not have a figure to hand. Mr Neil will also know that one of the changes that I have made on RSA has been to publish quarterly reports, so that details about the grants that have been offered and accepted are clear and transparent.

The amount of money that we allocate in the budget to RSA is less than it was. That is the case simply because it operates in an inward investment market that is much smaller. I assure Mr Neil that no project has ever been turned down because of a lack of money in the RSA budget. As long as I have anything to do with it, that will not happen.

Miss Annabel Goldie (West of Scotland) (Con): The minister will accept that a congenial business environment would help local investment

in locally based companies. If the minister and the Scottish Executive accept the need to mitigate the rates burden—which they have done by conceding a freeze on business rates—why will they not go the whole hog by restoring a uniform business rate to achieve real competitiveness and to give real help to locally based companies?

Iain Gray: Miss Goldie knows the answer to that question. There is a difference between both the rates poundage and rateable values in Scotland and England. For that reason, the burden imposed on businesses is the same in Scotland and England. We have said that we will freeze business rates. That measure will come into force in the next financial year and will help businesses. However, all the other measures that we are taking to improve the skills of the work force are also important. If we took money from those programmes simply to reduce business rates, we would be cutting off our nose to spite our face.

Karen Whitefield (Airdrie and Shotts) (Lab): In the light of the recent decision by the Boots Company to close its Airdrie factory, does the minister agree that the workers in Airdrie require a two-pronged approach? Such an approach will ensure that they receive the maximum redundancy package, assistance in retraining and new job opportunities. It will also involve a strategy to support and nurture local companies, so that employment opportunities can be created locally.

Iain Gray: Karen Whitefield is absolutely right. She has already been involved in discussions with the company, local agencies such as Scottish Enterprise Lanarkshire and North Lanarkshire Council about how to do what she suggests. There is no point in going over old ground, but we all wish that we could have started those discussions at a much earlier stage in the process.

Boots has made a commitment to support regeneration in the Airdrie area. It is important that it works with the efforts that have produced such good results in Lanarkshire in recent years, to give the area the boost that it requires.

Rail Services (Aberdeen and the North-east)

5. Nora Radcliffe (Gordon) (LD): To ask the Scottish Executive what action it is taking to improve rail services around Aberdeen and the north-east. (S10-6434)

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald): Our investment in rolling stock, announced in December, will result in new trains operating on the Aberdeen to Edinburgh and Aberdeen to Glasgow routes. In addition, the Scottish Executive has supported the cost of progressing the Aberdeen crossrail proposals and is working with the Strategic Rail Authority to improve services on the Aberdeen to Inverness line.

Nora Radcliffe: As the minister knows, the railway line passes through industrial areas to the south and north of Aberdeen and through Dyce, where the work force for offshore oil channels. Given the enormous potential of the crossrail project to tackle congestion, which is one of the top 10 transport priorities, will he assure me that he is doing everything possible to advance it?

Lewis Macdonald: I agree entirely about the potential benefits of additional services on this route. Nora Radcliffe mentioned Dyce and other industrial areas around the city. The challenge is to link improved rail services to other aspects of the public transport network, such as the evolving strategy for public transport access to Aberdeen airport, which is important. We will consider the crossrail proposals as they evolve to the next stage and encourage work on them to continue. We will examine the proposals with a clear view of the important contribution that they may make to the public transport network in and around the city of Aberdeen.

Mr Kenny MacAskill (Lothians) (SNP): The minister will be aware of reports that seem to suggest that, rather than trying to improve services, the Strategic Rail Authority is seeking to reduce them by instructions that it is giving to ScotRail. Did the minister give directions and guidance to the SRA to do that? If not, on what basis did the SRA act? Is that not clear proof that we need to take the ScotRail franchise back into public ownership?

The Presiding Officer: Order. That question is well wide of the mark. The minister need not answer it.

Elaine Thomson (Aberdeen North) (Lab): How does the minister see the proposed Aberdeen crossrail scheme complementing the western peripheral route, to which the First Minister made a very welcome commitment when he was in Aberdeen recently? Both are part of the modern transport system that is being developed for Aberdeen and the north-east.

Lewis Macdonald: As Elaine Thomson is aware, we will proceed with the construction of the western peripheral route around Aberdeen. That is one of the key projects in the modern transport strategy that has been developed by Aberdeen City Council and Aberdeenshire Council. The strategy comprises both public transport and roads investment, which is a good, balanced approach and we will continue to work with the authorities in carrying it forward. Of course, we will continue to provide direct instructions to the Strategic Rail Authority on matters relating to the Scottish rail passenger franchise.

Recycled Aggregates

6. Alex Johnstone (North-East Scotland) (Con): To ask the Scottish Executive what provision it has made to support the increased use of recycled aggregates. (S10-6433)

The Minister for Environment and Rural Development (Ross Finnie): Improving Scotland's resource use is a key priority in our approach to sustainable development. We have allocated £1 million from the aggregates levy to the aggregates programme to be run by the Waste and Resources Action Programme, with the objective of reducing the demand for primary aggregates through the greater use of aggregates from recycled and secondary sources. The programme will provide a comprehensive information service to stakeholders in the aggregates supply chain, support research into aggregates-related issues and provide capital support to stimulate the development of secondary and recycled aggregates infrastructure in Scotland.

Alex Johnstone: Further to the answer that I received from the Deputy Minister for Enterprise, Transport and Lifelong Learning two weeks ago, does the minister believe that the pursuit of the use of recycled aggregates will in any way offset the cost to the Scottish economy of the aggregates tax? Is he in a position to calculate what the cost of that tax will be to the Executive's road building programme?

Ross Finnie: Mr Johnstone is obviously very persistent in pursuing the matter, on which Lewis Macdonald gave what I thought was a comprehensive reply.

I remind the member that the whole purpose of our aggregates tax is to increase the use of recycled materials, with regard to meeting our environmental objectives. The cost to the Scottish economy of not improving our environmental use of finite resources is almost incalculable, which the member would do well to remember in asking about the cost to local authorities. As Lewis Macdonald pointed out, in order to assess the balance between how the UK Government imposes a tax and impost and the use of that revenue, we have to look at the budget as a whole. That is the answer that Lewis Macdonald gave and I still think that it was the right answer.

The real question for Mr Johnstone to answer is whether he is against the use of recycled aggregates material, given the cost to the economy and the environment that would ensue.

The Presiding Officer: Order. The minister must not start asking questions.

Dr Richard Simpson (Ochil) (Lab): I ask the minister to comment on the fact that cullet is being

used extensively for road fill rather than as recycled glass. United Glass Ltd in my constituency has found the local authorities to be very tardy in responding to its proposal, which would significantly increase the recycling of glass. Will the minister undertake to work with the glass industry to ensure that local authorities do more to promote the recycling of cullet for glass bottles? Will he meet representatives of United Glass and the Convention of Scottish Local Authorities to examine how his department can help match the French and Dutch in effective recycling?

Ross Finnie: Yes. I am well aware of the potential for using recycled cullet in road building materials. I am disappointed that there has been tardiness in co-operation between United Glass and the respective local authorities. I am certainly happy for my officials to work with local authorities and private companies to try to bring them together.

Low Pay

7. Tommy Sheridan (Glasgow) (SSP): To ask the Scottish Executive how many employees are officially low paid and what action it is taking to address the issue of poverty because of low pay. (S10-6457)

The Minister for Enterprise, Transport and Lifelong Learning (Iain Gray): Around 100,000 people are entitled to rises as a result of the October 2002 increase in the national minimum wage. The new lifelong learning strategy, which I launched on 11 February, shows our determination to create a Scotland in which people have the knowledge, creativity and skills to participate fully in economic, social and civic life and enhance their earning capacity.

Tommy Sheridan: That is rather inadequate. Is the minister aware that the number of Scots living below the official poverty line is now greater than it was five years ago and that the single biggest growth area is among the working poor? Will the Executive take the radical action that is required and introduce a proper Low Pay Unit-set minimum wage of £7.32 per hour for public sector workers to eradicate the scourge of low pay within the public services?

Iain Gray: In the past, Mr Sheridan has shown that he is happy to move between relative and absolute measures of poverty as and when it suits his argument. The first step towards the eradication of poverty in Scotland is the eradication of mass unemployment. We have taken that step. That must be built on by eradicating the lowest pay. We have done that by introducing the national minimum wage. The next step is to provide support for families in particular circumstances through measures such as the child tax credit. Next we must give Scottish workers the

opportunity to increase their skills, so that we can aspire not only to full employment in Scotland, but to the most fulfilling employment that it is possible to provide for our people. That is our strategy.

Andrew Wilson (Central Scotland) (SNP): The minister made reference to the eradication of mass unemployment. Is he aware of the findings of the Scotcon study at the University of Stirling—funded by the Scottish Executive—which reveal that Scotland has one of the highest rates in the industrialised world for the number of households with no one in employment? Does he acknowledge that although many families might be off the Government's unemployment statistics, that is not a reason to put them out the Government's mind altogether? When one in four households in Strathclyde has no one in employment, how can the minister say that he has conquered unemployment? Is it not the case that, for too many families in Scotland, Labour is not working?

Iain Gray: Mr Wilson will no doubt also be aware of the labour market figures that came out earlier this week, which show further falls in unemployment and the claimant count to levels that have not been seen for almost 40 years. That gives us the opportunity to focus support on those who are furthest from the labour market and have the greatest barriers to overcome to access the opportunities that we have created.

We will continue to work with Whitehall colleagues. I met the Secretary of State for Work and Pensions earlier this week. We discussed the pathways to work project, which will move willing people from relying on inactive benefits into the labour market and will provide them with the necessary support that they need to do that, which they could not even have dreamed of 15 years ago.

Johann Lamont (Glasgow Pollok) (Lab): I am sure that the minister is aware that a significant majority of low-paid workers are women. That is partly because of their need to be flexible to meet their disproportionate care responsibilities and partly because of job segregation, which means that women's jobs are less valued and therefore lower paid. What steps are being taken to address the underlying inequality in the work force that creates the pay gap? I seek the minister's assurance that any strategy to address the problem of low pay will recognise the particular and pressing needs of women.

Iain Gray: We are fully engaged in the "Close the Gap" initiative, which is a UK-wide initiative. My colleague Margaret Curran and I have been involved in that. When we talk about improving skills and providing more opportunities for the work force, it is important that we pay particular attention to creating such opportunities for women. We can use a range of means to do that. For

example, we have provided additional support for child care for those who study in further or higher education. As I have said, the enterprise networks have particular targets for helping women to start new businesses. It is pleasing that there has been significant success in that area.

Phil Gallie (South of Scotland) (Con): Can the minister confirm that all employers in Scotland are meeting the minimum wage requirements? If that is the case, can he explain why Jobcentre Plus staff ask every employer whether they are prepared to guarantee such payments and register some surprise when people enthusiastically embrace the targets? What effect has the minimum wage had on poverty?

Iain Gray: The Low Pay Commission is in no doubt that although the national minimum wage has not been the only contributor to the reduction in poverty that has taken place, it has been one of the most significant contributors. The national minimum wage is a powerful tool. We have to ensure that employers are aware of and are complying with the requirements of national minimum wage legislation because we had to wait a very long time for a minimum wage in this country. It is right and proper that we are always vigilant that it is being complied with.

Out-of-school Care

8. Dr Sylvia Jackson (Stirling) (Lab): To ask the Scottish Executive what plans it has to support out-of-school care provisions. (S10-6454)

The Minister for Education and Young People (Cathy Jamieson): Earlier today I launched "School's Out", which provides information, examples of good practice and guidance to help to develop out-of-school care. I have asked local authorities to review local out-of-school care provision and to set targets, agreed with us, to meet shortfalls in provision by 2006.

Dr Jackson: As the minister knows, a lot of good work is happening in the Stirling constituency. Will she give an assurance that long-term sustainability will be central in future policy making, especially for clubs such as Playhaven in Raploch, where parents need to be able to take advantage of education, training and work opportunities as part of the regeneration of that area?

Cathy Jamieson: I agree with Sylvia Jackson that sustainability is important. That is why sustainability is a central feature in our recommendations.

I also acknowledge the contribution that was made at today's launch of the document by Eilidh Brown, who is a young person who has used out-of-school care provision and who is in the public gallery today. Eilidh is from Peebles. She made it

clear that she wants the provision that was available to her to be made available to the rest of her family and to other young people in the future. That is why we have made such a commitment to that in the document.

Dennis Canavan (Falkirk West): Is the minister entirely happy that some out-of-school care projects are very dependent on the vagaries of lottery funding? In view of the fact that lottery sales have decreased by over 5 per cent since last year, would it not be better for such projects to be funded from the education budget, so that more lottery funding would be available for sport and the arts?

Cathy Jamieson: A range of funding provision is available for out-of-school care and additional funding has been made available through child care strategy moneys over the next three years. Money is also available through the changing children's services fund and through a number of other funding streams. The New Opportunities Fund has relaxed some of its restrictions so that some out-of-school care provisions are now able to secure three-year funding rather than the one-year funding that was previously the case. Out-of-school care provision makes a huge and welcome contribution to young people's involvement in sports, drama, the arts and a whole range of other activities.

Housing Associations (Insolvency)

9. Mr David Davidson (North-East Scotland) (Con): To ask the Scottish Executive what procedures it follows if a housing association becomes insolvent. (S10-6412)

The Minister for Social Justice (Ms Margaret Curran): The procedures for dealing with a housing association that becomes insolvent are set out in detail in schedule 8 to the Housing (Scotland) Act 2001. They impose an immediate moratorium on the disposal of land or properties held by the landlord. The moratorium enables Scottish ministers—working through Communities Scotland as the housing regulator—to step in and work with all interested parties to develop proposals for the future ownership and management of the landlord's land and properties. The procedures are designed to secure their continued proper management within the housing association sector.

Mr Davidson: I thank the minister for her full answer. She will be aware that housing associations hold a funding pot for repairs and maintenance that is made up of contributions from residents, both tenants and those who have bought their homes. Will she give a guarantee today that such funds will not be lost if a housing association becomes insolvent?

Ms Curran: I am sure that, like many in the chamber, David Davidson is aware that we in Scotland have never faced the situation of a housing association becoming insolvent. That is largely because of the work of Scottish Homes, the powers of which were enhanced through the Housing (Scotland) Act 2001 and the creation of Communities Scotland. I am sure that I can give the guarantee that we could protect the moneys of tenants to ensure that proper works are carried out.

If the member wishes to draw anything to my attention, I would be more than happy to look at it.

Fishing Industry

10. Tavish Scott (Shetland) (LD): To ask the Scottish Executive when it last met representatives of the fishing industry and what matters were discussed. (S1O-6428)

The Minister for Environment and Rural Development (Ross Finnie): I last met representatives of the Scottish Fishermen's Federation on 11 February, when the main topic of discussion was the implementation of the Executive's package of support measures for the industry.

Tavish Scott: On that support package, if there must be some decommissioning of the white-fish industry, as the Scottish Fishermen's Federation agrees, will the minister accept that white-fish quota must be retained in Scotland's fishing communities? Given the fact that beef quotas are subject to a siphon, which means in effect that the Government owns the quota as a tradeable asset, does he accept that there must be a mechanism for the Government to purchase white-fish quota to prevent other European Union member states from buying that entitlement to fish?

Ross Finnie: Since the measures emerged I have always accepted that there were serious issues to be addressed in relation to quotas. The member is right to say that it was one of the issues that were discussed on Monday evening. He will also agree that it is an extraordinarily complex measure and, although I am grateful to him for drawing the potential parallel with the beef quota, there is a slight difference between that and a siphoning mechanism that deals with a very small percentage.

We await with interest the outcome of the European Commission's investigations into the Shetland Islands Council's quota purchase scheme. I expect that that outcome might emerge by the end of this month and it would help us to form our view as to how to deal with the quotas issue. We will continue to discuss with the industry how we can protect quotas.

Mrs Margaret Ewing (Moray) (SNP): Did the minister discuss with the Scottish Fishermen's

Federation the fishing communities' strong views that the Executive's proposed package is balanced far too much in favour of decommissioning and that it is not a recovery plan but a redundancy plan? Will he accept that there is a need for flexibility in considering how that money is spent to ensure that we will have a fleet that can go to sea and bring back the catches that we all want?

Ross Finnie: As a starting point, I have set out that there are two sides to the equation that have to be addressed. One is to deal with the conservation measures and the need for us to address the serious issue of conserving stocks in the North sea. The other is to address the need to have a sustainable fishing fleet. I believe that the Executive's £50 million package of measures is one of the largest that has been directed to an industry of that size. It is a real expression of the earnest will of the Executive to sustain the fishing industry. We can compare that amount with the cost of the last decommissioning scheme, which removed 10 per cent of the fishing effort. The target this time is 15 per cent so, by using very simple arithmetic, we can see how we have come to the balance.

We are discussing those matters, but I have reminded the member of our two objectives and I repeat that the £50 million that is being allocated by the Executive is a real statement of our earnest will to protect the industry.

Mr Jamie McGrigor (Highlands and Islands) (Con): The £10 million part of the package that has been allocated to transitional funding presumably covers the six months of interim measures that will, hopefully, end in July. Bearing in mind the fact that the European Union has rejected cod recovery plan proposals on more than one occasion in the past, is the minister confident that those draconian interim measures will end in July? What provision has he made if they do not?

Ross Finnie: I am not in a position to speculate on exactly what is going to happen in the new council. Even after the council had ended, I was conscious that there were going to be some difficulties. There are a number of options for addressing those difficulties and we began discussing those with the fishing industry on Tuesday evening. It is imperative that the Executive gets alternative proposals on the table and begins those discussions and we gave the industry an undertaking that we would.

Caledonian MacBrayne

11. Mr Duncan Hamilton (Highlands and Islands) (SNP): To ask the Scottish Executive when it last met the management of Caledonian MacBrayne and what issues were discussed. (S1O-6407)

The Deputy Minister for Enterprise, Transport and Lifelong Learning (Lewis Macdonald):

Scottish Executive officials meet the management of Caledonian MacBrayne whenever necessary, most recently on Monday of this week, when the future investment programme for Clyde and Hebrides ferry services was discussed.

Mr Hamilton: The minister will be aware of the European Union regulations that encourage and require bids for public service obligation services to be at the lowest possible cost to the public purse. The evidence of the Deloitte & Touche report was that the removal of the frequency restriction on the Gourock to Dunoon ferry run would allow more sailings, more profit and so lower subsidy and greater competition. Given that, does the minister recognise that unless he removes the frequency restriction, he might be in breach of the EU regulations and might leave the Executive open to a legal challenge?

Lewis Macdonald: I am afraid that Mr Hamilton is slightly out of date with developments. Some weeks ago, I announced that we will issue shortly a draft service specification for the Gourock to Dunoon service that will separate it out from the overall network. The requirement that the service should be let to the operator that provides the service at the lowest possible cost accompanies the requirement that the service should be compliant with the terms of the tender. In letting the service specification and the tender, it is for the Executive to define the terms of the tender. We will accept the bid that is compliant with the requirements of the tender and that comes in at the lowest possible cost.

George Lyon (Argyll and Bute) (LD): When will the consultation on the draft specification for the Gourock to Dunoon route begin?

Lewis Macdonald: We expect to begin that consultation shortly. We will have to ensure that the necessary amendments are made to the wider draft service specification, as well as prepare the current draft service specification for the Gourock to Dunoon route.

Maureen Macmillan (Highlands and Islands) (Lab): On the restriction of services, I point out that young people who use public transport are particularly disadvantaged if the Gourock to Dunoon ferry does not operate into the late evening. I ask the minister to examine whether it is the passenger aspect or the vehicle aspect of the ferry service that the European Commission wishes to restrict with the new contract. If it is not the passenger aspect, will he consider how he might deliver public transport later into the evening for young people in Dunoon?

Lewis Macdonald: The point on restrictions is similar to the one raised by Duncan Hamilton. It

was made clear in our most recent discussions with the European Commission that a proposal that was founded on the existing restrictions on the service would be more likely to survive any challenge that might be made by a third party. That advice and the discussions that we had drew us to reach our conclusions and to produce the proposals. Clearly, we will take into account the need for public transport services on the route when we produce the final service specification.

Public Transport (Access for Disabled People)

12. Mr John Home Robertson (East Lothian) (Lab): To ask the Scottish Executive what its policy is on promoting access for disabled people to public transport. (S10-6430)

The Minister for Enterprise, Transport and Lifelong Learning (Iain Gray): The Executive is committed to an accessible public transport system that allows people with disabilities to enjoy the same opportunities to travel in Scotland as other members of society. To achieve that, we will work with public transport providers and others to improve access to services and facilities across Scotland.

Mr Home Robertson: Does the minister share my concern that Prestonpans, Longniddry, Drem and many other railway stations are still not accessible to passengers with physical disabilities? Railtrack Scotland has told me:

"The funding of fully compliant accessible stations is the on going subject of discussion involving Network Rail, Train Operating Companies, the Strategic Rail Authority and the Rail Regulator Office."

Does he agree that those on-going discussions must not be allowed to go on indefinitely? How about applying a bit of coercion, as well as incentives, to let disabled Scots travel by rail?

Iain Gray: I agree that we expect the providers to sort out whatever differences they have to sort out, and to make the facilities accessible. On coercion, there is the ultimate coercion of the Disability Discrimination Act 1995. We expect providers to understand their obligations under that. On occasion, we have received applications to fund such improvements, through the public transport fund for example, and we have looked positively on many of them.

Mr Gil Paterson (Central Scotland) (SNP): It goes without saying that there are barriers in the way of people with wheelchairs. We need to do something about that soon. With the Disability Discrimination Act 1995 due to be fully implemented in 2004, what action has the Executive taken to ensure that public transport is also fully accessible to people with learning disabilities, hearing difficulties and sight problems?

Iain Gray: The DDA covers all forms of disability, not just wheelchair use. Three sets of

regulations have added further detail to that, including the Rail Vehicle Accessibility Regulations 1998, and other regulations that cover buses and so on. I believe that there is still some discussion around the final form of the regulations covering taxis, but in all cases those disabilities should be addressed. One support in aid that we have is the Mobility and Access Committee for Scotland. We look forward to its first annual report towards the end of this month, and we will take up its suggestions.

John Young (West of Scotland) (Con): There are plans to replace existing rolling stock over the next few years. Has there been any consultation on the iniquitous design of many railway carriages, which makes it difficult for normal pedestrians to get on and off the train, irrespective of people who are disabled? Have there been any specific discussions with the authorities on the matter of a redesign? Most foreign railway carriages, in particular those on the continent, are far superior to the ones that we have here.

Iain Gray: The new rolling stock will have to meet the new Rail Vehicle Accessibility Regulations 1998. If anyone is aware of a continuing difficulty, I am happy to be made aware of it. The fact is that the new rolling stock should be as accessible as is rolling stock anywhere else in the world.

First Minister's Question Time

15:10

Prime Minister (Meetings)

1. Mr John Swinney (North Tayside) (SNP):

To ask the First Minister when he next plans to meet the Prime Minister and what issues he intends to raise. (S1F-2493)

The First Minister (Mr Jack McConnell): I plan to meet the Prime Minister in the next few days and we will discuss a number of important issues. *[Interruption.]*

The Presiding Officer (Sir David Steel): Order. There should be no interruption from the public gallery. *[Interruption.]* Order. The people who are creating a disturbance will leave the gallery. I will allow injury time, as we have lost a minute. *[Interruption.]* Let us settle down. I want to hear what is happening on the floor, not upstairs.

Mr Swinney: Today, the First Minister met chief constables to discuss domestic security, and I welcome those discussions. Does he accept the concern in our community that a unilateral strike on Iraq might increase the risk of a terrorist attack in this country?

The First Minister: It would be wrong to preempt the important discussions that will take place at the United Nations in the next few days, which will determine the situation. What is important now and has been important since September 2001, which was almost 18 months ago, is that we in Scotland are as prepared as people in any other part of the developed world should be for the possibility of a terrorist attack somewhere in the United Kingdom.

The chief constables of Scotland are well prepared for that eventuality. The meeting this morning was comprehensive and thorough. I am sure that they have the resources at hand that will help them to deal with such a situation.

Mr Swinney: On the day when the First Minister took office, he told the chamber that he would always

"stand for and speak for ... the people of Scotland".— *[Official Report, 22 November 2001; c 4154.]*

This week, it was revealed that nine out of 10 people in Scotland oppose a unilateral military strike on Iraq. Will the First Minister be true to his pledge to the Parliament, speak for the people of Scotland and tell the Prime Minister that when it comes to the Prime Minister's plans for war, the people of Scotland say, "Not in our name"?

The First Minister: The opinion polls also showed that the majority of people in Scotland would back the United Nations if it passed a resolution that supported action against Iraq. That is not the Scottish National Party's position and Mr Swinney should be consistent. If the United Nations is good enough to support, it is good enough to support when it wants to take action. I urge Mr Swinney and his party to change their position and to back the United Nations. *[Interruption.]*

The Presiding Officer: Order.

Mr Swinney: If the First Minister had attended the parliamentary debate on the international situation, he would have heard the position of the Scottish National Party, which is not as he misrepresented it.

This weekend, the people of Scotland, the Church of Scotland, the Catholic Church, the Scottish Trades Union Congress, four political parties and many other organisations will gather to oppose unilateral military action. On this vital question, and given that nine out of 10 people in Scotland oppose unilateral military action, does the First Minister back the people of Scotland or the Prime Minister in London? The Prime Minister is lobbying for war. Will the First Minister join the rest of us in arguing for peace?

The First Minister: The Prime Minister is not lobbying for war. He is lobbying to ensure that the United Nations carries out action, if that is required, to implement its previous resolutions, which require action by Saddam Hussein and the Iraqi Government. It is simply not good enough to play party politics with such a serious issue. *[Interruption.]* I attended the debate. I heard it said that the Scottish National Party would not support the United Nations if it decides to take action in Iraq. Mr Swinney reserved the right to contradict the United Nations in that situation.

The majority of the people of Scotland support the idea that if the United Nations makes the decision, the United Nations should act. If the United Nations does act, I hope that Mr Swinney will back it.

Cabinet (Meetings)

2. David McLetchie (Lothians) (Con): To ask the First Minister what issues will be discussed at the next meeting of the Scottish Executive's Cabinet. (S1F-2507)

The First Minister (Mr Jack McConnell): Among a number of important issues, at its next meeting the Cabinet will discuss health issues and children's services.

David McLetchie: I hope that, following the First Minister's meeting this morning, the Cabinet will

also consider the security situation in Scotland. Does the First Minister agree that language has become so debased, has been used so manipulatively and has been elevated to such a fine art in recent times that the public in many instances no longer know what to believe?

That was exemplified yesterday and this morning in the furore over Mr John Reid's statement, which has confused and worried the public. Does the First Minister agree that we need clarity of purpose and expression if we are to reassure the public at this time? Will he do everything he can to ensure that a measured approach is adopted in Scotland to issues of public safety?

The First Minister: I agree with Mr McLetchie on the matter. I believe that it is vital, in Scotland as it is elsewhere, that we are clear not only in reassuring the public that there is no specific threat to Scotland at this time but in saying that there is a general threat to the United Kingdom. In that situation, we have to be well prepared, not only at our airports, as was identified this week, but in other parts of our country and in our lives here in Scotland. I want to ensure that the arrangements are properly in place. I believe that this morning's meeting with the chief constables— *[Interruption.]*

I believe that the Scottish Parliament has conducted itself well in the debate on the matter. It was right and proper that we had a debate on the subject and it was right and proper that we conducted the debate in a proper way. *[Interruption.]*

The Presiding Officer: Order. It is bad enough having shouting from the gallery; we do not want it in the chamber as well.

The First Minister: Those who seek to suggest that the Parliament does not represent the views of the people of Scotland on the matter are wrong. It is important that we take the issues seriously.

Tommy Sheridan (Glasgow) (SSP): You were not prepared to debate the matter.

The First Minister: These are not issues for catcalling in the chamber or for abuse of the sort that we have seen today; these are issues that have to be taken very seriously indeed. That is why, in the face of public concern about a security threat, clarity was as important yesterday as it is today and why we will continue to have the clarity that Mr McLetchie has requested. I will ensure, as the Deputy First Minister will ensure, that we work closely with the chief constables and other services in Scotland. To do so will ensure that Scotland is as safe a place as it can be.

David McLetchie: On matters concerning the state of preparedness, is the First Minister aware

of the National Audit Office report into national health service planning? The report, which was published last November, exposed significant shortcomings in the preparation for major casualty incidents south of the border. In particular, it highlighted concerns about a lack of communication between the NHS and the emergency services. Will the First Minister tell me how effective the NHS in Scotland has been in putting our equivalent guidelines in place? Is he satisfied that the NHS is prepared for contingencies?

On a wider note, following the meeting this morning to which he referred, is the First Minister satisfied that everything that can realistically be done to protect the public is being done? Are we striking the right balance between giving the public adequate information on the one hand and not causing undue alarm or compromising police operations on the other hand?

The First Minister: On David McLetchie's second point, there is, at times, a difficult balance to strike. It is not just a matter of confidentiality of information, but of not compromising police operations or the court proceedings that are likely to happen in Scotland this year in relation to the terrorist suspects that are currently accused and in Scottish jails.

Tommy Sheridan: Six have been released.

The First Minister: If Mr Sheridan thinks that it is a joke that people in Scotland are accused of terrorist crimes—

Tommy Sheridan: Seven were arrested, but six have been released.

The Presiding Officer: Order. Mr Sheridan, you must stop shouting during answers.

The First Minister: I would not take anybody's name in vain, and it is important to use the words "suspects" and "alleged" in relation to these matters. The reality is that there are people currently charged with terrorist offences here in Scotland. Therefore, we need to be alert and vigilant to the overall threat that exists in the United Kingdom, and we are. As part of that, we have a proper emergencies committee, which includes the health service, that is examining all eventualities. I believe that the state of preparedness is significantly better than it was 18 months ago at the time of 11 September 2001. I have every confidence in our health service, our police forces, our Army and anybody else who might need to be involved in ensuring that we have in Scotland good co-ordination and preparedness in the event of any terrorist attack on Scotland or the rest of the United Kingdom.

Thomas Hamilton (Release of Papers)

3. Dr Sylvia Jackson (Stirling) (Lab): To ask the First Minister what time scales have been set for the release of papers relating to the Central Scotland police investigation of 1996 regarding Thomas Hamilton. (S1F-2512)

The First Minister (Mr Jack McConnell): It is imperative that personal data are not made available during the lifetime of the children who are named or identified in the reports and their families. However, I can confirm that the Lord Advocate is actively considering what access can be made available to productions lodged with Lord Cullen's inquiry, including police reports, that are closed for 100 years.

Dr Jackson: Obviously, the matter is very sensitive and affects a great many of my constituents. Will the First Minister reassure them that the public inquiry had unrestricted access to all papers relating to the police investigation? Clarity is needed on the matter, but I hope that any review would take on board primarily the views of those most affected by the tragedy.

Will the First Minister also reassure Parliament that the confidentiality and privacy of those involved will not be breached, because the feelings of those involved in the tragedy must be paramount? I hope that those in the chamber will respect that.

The First Minister: I am happy to give those assurances. I know of Sylvia Jackson's interest in the matter, not least because I am an ex-resident of Dunblane.

One of the most important aspects of the situation since 1996 is the way in which representatives of all parties have done all that they can to ensure that no one has made political capital or points out of any events relating to the tragedy. Michael Forsyth, the then Secretary of State for Scotland, conducted himself impeccably at the time in liaising with other parties. I certainly commit myself to doing the same.

The ultimate interest has to lie with the children and their descendants. I want to ensure that anybody who had contact with Thomas Hamilton over the years, and who may be mentioned in the reports, is not in any way compromised or embarrassed by that in the future. That said, it is also important that we make available, if at all possible, any information that relates to people who are in the public eye, not just to reassure the public, but to make sure that nobody's position on the matter can be distorted in years to come.

Lord James Douglas-Hamilton (Lothians) (Con): Does the First Minister accept that the original decision was a matter for Lord Cullen and the Crown Office, and that whatever view is taken

of the terms of that decision, it was made to protect the children concerned, and made in good faith?

The First Minister: I am not just happy, but keen, to give that assurance. I believe that the decisions made by Lord Cullen at the time were made in the interests of the families in Dunblane. Any decisions subsequent to that have been made with the same interests firmly in mind.

The tragedy happened only seven years ago, and the memories will be very sharp indeed for the families. I urge all members in the Parliament to remember that and to respect the fact that it is important to put the interests of the children and families of Dunblane first.

Michael Matheson (Central Scotland) (SNP): The First Minister will be aware that the 100-year rule has been applied to a number of documents relating to the Dunblane incident, some of which make absolutely no reference to children. Will the First Minister confirm today that the Lord Advocate's review will include all documents that have had the 100-year rule applied to them? Will he also explain to the chamber the procedure and tell us who is responsible for deciding whether the 100-year rule will be overturned?

The First Minister: The rule has been sensibly applied, and indeed was applied partly on Lord Cullen's advice. I do not think that anyone over the years has criticised Lord Cullen for the way in which he handled his inquiry and set out his recommendations, or for the entirely appropriate manner in which he dealt with sensitive information not just about families in Dunblane but about the many people who had been in contact with Thomas Hamilton in the years before. It is important to remember that decisions were made on that basis.

In his review, the Lord Advocate will be happy to take up matters of concern where those have been properly expressed. That said, I urge members in the chamber not to make the matter into a party-political issue but to put the interests of the children and families first.

Prevention of Illegal and Sectarian Activity

4. Michael Russell (South of Scotland) (SNP): To ask the First Minister what arrangements the police and other agencies are making to ensure that convicted or suspected criminals from Northern Ireland are prevented from continuing illegal and sectarian activity if they choose to take up residence in Scotland. (S1F-2492)

The First Minister (Mr Jack McConnell): As the chamber knows, I want to end sectarian activity in Scotland in any form. In this instance, there should be no doubt that those who commit criminal offences, wherever they come from, will

be pursued with the full force of our current laws. I am also certain that the proposed new law to deal with sectarianism will provide Scottish police forces with an additional advantage in the fight against sectarian crime.

Michael Russell: There has clearly been a great deal of reporting on the links between some of those who have come to Scotland—not just in recent weeks, but before now—and organised crime in Scotland, specifically drug dealing. Certainly in Ayrshire, as in many other parts of Scotland, drug dealing is out of control and is causing an absolute disaster in many communities. Will the First Minister assure me, the chamber and Scotland that the police will be extra vigilant on this matter and will ensure that any money that comes into Scotland is not used to finance drug dealing and the death of our young people?

The First Minister: I am happy to give that assurance.

Bill Aitken (Glasgow) (Con): Does the First Minister agree that, notwithstanding the established freedom to travel within the UK, some of those who have recently come to Scotland bring with them attitudes that are alien to the vast majority of Scots? Does he further agree that it is essential that people do not react to any provocation that is caused by their presence?

The First Minister: Yes, that is certainly the case. I think that it would be very easy to react to the presence in Scotland of people who are associated with criminal activity, sectarian crime or terrorism in Northern Ireland. I hope that people in Scotland will not overreact to the situation, but will support the police in their job, which they did very well in Cairnryan and south-east Scotland last week. They will do so again when they are called upon and needed to do so.

Her Majesty's Government Initiatives (Consultations)

5. Robert Brown (Glasgow) (LD): To ask the First Minister what arrangements are in place for advance consultations on initiatives by Her Majesty's Government that impact on Scotland. (S1F-2501)

The First Minister (Mr Jack McConnell): The memorandum of understanding and bilateral departmental concordats underpin all consultations and information exchange between the UK Government and the Scottish Executive. Consultations on UK Government initiatives that are likely to have an impact on Scotland take place frequently at official and ministerial levels.

Robert Brown: In the light of the recent controversy over fire service settlement legislation and matters such as the effect on Scotland of top-

up fees being imposed on universities in England, does the First Minister accept that current arrangements are not working as smoothly as they might? Does he envisage any change in those arrangements to strengthen the direct links between the Scottish Executive and the UK Government? Furthermore, does he regard the role of the Secretary of State for Scotland's office as a help or a hindrance in that context?

The First Minister: The Scotland Office is certainly of great assistance to the Scottish Executive in such matters and regularly represents Scotland's interests in the UK Government, even when we are not directly involved. That is for the benefit of Scotland.

There have been recent instances—for example, in relation to fire services legislation—where there could have been closer liaison in both directions. It is important that we learn from those examples and that we improve the situation. I believe that one of the remarkable successes of devolution is the fact that relationships between the Parliament and the Executive and the Government in London have been cordial and satisfactory during the past four years. That is the strength on which this young Parliament can build in its second term.

Alex Neil (Central Scotland) (SNP): A few months ago, the First Minister announced that there would be an announcement soon on initiatives—presumably in relation to reserved and devolved matters—to deal with the falling population in Scotland. In the light of the census report this morning, will he tell us when those measures will be announced?

The First Minister: I expect to refer to those matters in the very near future.

The Presiding Officer: I said that I would allow injury time. Question 6 is from Bill Butler.

Health Policy

6. Bill Butler (Glasgow Anniesland) (Lab): To ask the First Minister when the Scottish Executive's policy paper on health will be published. (S1F-2511)

The First Minister (Mr Jack McConnell): We will publish a health white paper in the next few weeks, setting out how we will improve health and deliver better health services for the people of Scotland.

Bill Butler: I thank the First Minister for his succinct answer. Most of my constituents would say that reducing waiting times is the central challenge facing the national health service. Undoubtedly, some progress has been made with the purchase of the former Health Care International hospital, but other factors impact on

cutting waiting times, such as staff recruitment. Given the socialist belief in a health service that is freely available to all at the point of need, will the First Minister assure the chamber today that meeting the Executive's target of no one waiting more than nine months for surgery by the end of this year will be central to the strategy outlined in the coming white paper?

The First Minister: Mr Butler raises two issues. The first was in relation to the former HCI hospital—now the Golden Jubilee national hospital—in Clydebank. I confirm that the new hospital is well on its way to reaching its target of 5,000 additional operations in its first year of operation. That is of remarkable benefit to the people not just in the west of Scotland but throughout Scotland who are undergoing those procedures.

On the wider issue of waiting times and the target of nine months by the end of this year for those with a guarantee, I confirm not only that we are well on the way to reaching the target by the end of the year, but that if any health boards in Scotland do not reach the target, they will pay for people to have their operations carried out elsewhere.

Nicola Sturgeon (Glasgow) (SNP): When finalising the health white paper, will the First Minister reflect on the news that the former HCI hospital was forced to send hundreds of patients away in December because of a shortage of staff? Will he guarantee that the white paper will include a series of practical measures to tackle the very serious recruitment crisis that lies at the heart of many of the problems facing the NHS today?

The First Minister: The Golden Jubilee national hospital did not turn away hundreds of patients—that is a distortion and one that demeans the staff in the hospital. It is wrong to repeat it in the chamber. I met staff from the former HCI hospital in Clydebank last night at a reception in Edinburgh Castle to celebrate the work of NHS staff. Their commitment to working inside the national health service and to delivering a national service was very good to see. It was also good to see their appreciation of the wider range of staff available in the hospital, the additional operating theatres and the additional operations that are being carried out. They see the benefits for patients, not just in the west of Scotland, but throughout Scotland. The thousands of patients who will benefit from the purchase in the years to come will not be happy with the sort of statements that have been made today.

The Presiding Officer: That concludes question time. Since we were interrupted several times, I assure the chamber that I will discuss the implications with our security staff.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): On a point of order, Presiding Officer. In the debate on the international situation that was sponsored by the SNP on 16 January, the member for Hamilton South, Mr McCabe, said that he was moving his amendment on behalf of the Labour party and went on to say:

"The question is not whether the SNP is entitled to pursue its aims, but how and when it should do so and whether it should be able, without being open to the charge of opportunism, to raise issues for which this Parliament has no responsibility."—[*Official Report*, 16 January 2003; c 17024.]

He went on to talk about "unpardonable folly".

In the light of that, will you tell me whether you think that the First Minister is in breach of the ministerial code and misled Parliament when he said today that he thought it right and proper that Parliament discussed the matter and that he supported having the debate?

The Presiding Officer: There are two answers to that. First of all, the ministerial code is not a matter for me—it is not a matter of order in the chamber. Secondly, I think that Mr Morgan is trying to continue the argument after we have finished question time. We must move now to our next item of business.

Budget (Scotland) (No 4) Bill: Stage 3

15:35

The Deputy Presiding Officer (Mr Murray Tosh): The next item of business is stage 3 consideration of the Budget (Scotland) (No 4) Bill. There being no amendments to the bill, we will move straight to the debate on motion S1M-3886, in the name of Mr Andy Kerr, that the bill be passed.

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): On a point of order, Presiding Officer. This is stage 3 of the bill, and we had the stage 2 debate in committee on Tuesday this week. I wanted to refer in my speech—in a helpful and consensual manner, as you would expect—to some things that the minister said in that debate, but the *Official Report* of the debate in committee is not available today. I understand that it will not be available until next week, either in printed form or on the web. Will you rule on whether it is proper to proceed with a stage 3 debate when we do not have a record of the stage 2 debate?

The Deputy Presiding Officer: The answer is yes, it is proper so to do. It is not a matter of standing orders that the information should be available from the earlier *Official Report*. It may be regrettable that it is not, but I am afraid that there is nothing I can do to assist. Let us celebrate the fact that, at least on this issue, we will know what the Executive is proposing before the election. That was an in-joke referring to this morning's proceedings.

Karen Whitefield (Airdrie and Shotts) (Lab): On a point of order, Presiding Officer. Is it in order for the Presiding Officer to make comments about what will or will not be in any political party's manifesto? It seems somewhat partial in your position.

The Deputy Presiding Officer: It was probably somewhat partial, so I should not have said it.

I call Peter Peacock.

15:37

The Deputy Minister for Finance and Public Services (Peter Peacock): This debate marks the final stage of this year's budget process. I should probably pause for cheers at that point, at least from all the finance spokesmen around the chamber. I know that the process can sometimes seem like an endurance test, particularly at this time of year, but that should not detract from the importance of the work that we do and the way in which we handle important financial matters.

During the past three years, we have established a consultative budget process that has achieved a genuine degree of engagement from the wider public. It is transparent and open, and there have been many opportunities not just for the Parliament but for the public to have a say in our deliberations and in the debate about the budget. That is due not only to the Executive, but to the diligence of the Finance Committee and the other committees of the Parliament. I would genuinely like to thank them again, not only for the diligence that they show but for the constructive attitude that the Finance Committee has always shown in relation to the budget process and how it can be improved.

I have previously mentioned my view that the budget process could be further improved. Indeed, I rehearsed many possibilities with the Finance Committee during its stage 2 consideration of the bill on Tuesday. I look forward to the committee's work on that in the future. The Executive will work closely with the committee to make what could be fairly fundamental changes to the procedures as we move into future years, without in any way compromising the openness and scrutiny of the process.

The constructive attitude of the Finance Committee was evident on Tuesday. For the first time, the Executive proposed a number of amendments to the bill to alter the presentation of student loans in the 2001-02 budget and to correct some minor errors in this year's budget. I am glad to say that the committee accepted all the Executive's amendments and I am grateful to committee members for their assistance in that process.

Members will be delighted to know that I do not intend to speak for very long this afternoon. Other members will want to contribute to the debate and I have already spoken for a considerable time in the four previous debates on this budget and on the spending review. Nevertheless, it is worth summarising what the budget will achieve.

Today's budget is one for growth and opportunity for the people of Scotland. We are aware of the need to improve Scotland's economic growth rate and we have put in place a series of measures to achieve that, focusing on skills and investment, which are closely aligned to the business agenda in Scotland. This morning, I took place in a debate organised by the Confederation of British Industry, looking at its manifesto for business in the future. Much of the Executive's activity is aligned to that agenda.

Through the budget, we will increase the number of people in work and undertaking training. The budget will trigger improved access to modern technology through broadband technology in urban and rural Scotland, for

example. We will close the gap in employment rates between those in the worst 10 per cent of areas and the Scottish average and we will assist 150 joint academic and industry ventures by 2006—that will be enabled by the budget. As members know, we have made a commitment to freeze Scottish business rates, limit future rises in rate poundages to the rate of inflation and institute a system of rates relief for smaller businesses throughout Scotland.

Stewart Stevenson (Banff and Buchan) (SNP): I refer the minister to page 143 of "Scotland's Budget Documents 2003-04", which mentions Highlands and Islands Enterprise and digital connectivity. It shows 30 per cent of the population in the Highlands and Islands having broadband access in the current year and exactly the same proportion for 2003-04. That does not seem to square with the minister's suggestion that broadband access will be increasingly available in rural areas—at least in the Highlands and Islands—and it is somewhat curious, given the programme of aggregated public sector demand that we always believed would deliver additional broadband access in the Highlands and Islands. When will there be greater availability?

Peter Peacock: I am happy to reassure Stewart Stevenson that he has no reason to be concerned about such matters. The budget and our future spending plans provide for a dramatic increase in broadband connectivity. Only a week ago, I saw television adverts that were funded by the Executive through Highlands and Islands Enterprise. They sought to target businesses and individuals in the Highlands to encourage them take up broadband technology and therefore create the demand that will help to roll out broadband.

Mrs Margaret Ewing (Moray) (SNP): Will the minister take an intervention?

Peter Peacock: I would like to finish what I am saying.

On the second point that Stewart Stevenson made, significant progress is being made more widely in the Highlands and Islands in relation to the aggregated procurement exercise. That will see the whole of the Highlands and Islands—every school and library in the area and many public buildings and public authorities—connected to broadband technology. In fact, adverts for expressions of interest have been put out and a great number of expressions of interest have been received. Those are being sifted and we will move to the next stage of the procurement process very quickly indeed. There is no reason to be alarmed, but there is every reason to be encouraged.

Mrs Ewing: I certainly hope that the legislation will be enabling legislation. The linkage into

broadband must be emphasised. There cannot be linkage if there are no links. Does the minister realise how irritating it is for constituents in remote parts of my constituency who see such television adverts and submit an application? They want to be a part of things, but are told, "There is no link and we do not see it coming for a long time." Will that matter be resolved?

Peter Peacock: I think that it will, as the strategy that HIE is rightly pursuing is one of targeting advertising in particular locales, so that expressions of interest are generated that allow investments to be made. We have learned about such strategies from contact with the telecommunications companies. In addition, part of the logic of investing in broadband technology in the Highlands and Islands more widely through the aggregated procurement exercise is to allow the private sector to make further investments on the back of that, which will give the very connections that Margaret Ewing and all members seek.

Through our budget, we will invest heavily in education and transport, which are crucial to our long-term economic performance. In education, we will deliver unprecedented investment in schools and children's services and continue to spend significantly more per pupil than the United Kingdom average. Spending on transport will increase by more than 15 per cent next year. That means that we can complete four major trunk road schemes, meet our targets for increasing local bus passenger journeys in Scotland and provide funding that will allow ScotRail and Strathclyde Passenger Transport to improve rail services.

We will also deliver in our other priority areas of health and crime. In real terms, health spending will increase by almost 8 per cent next year. That investment will help us to invest in modern hospitals and equipment, train additional nurses and midwives and achieve our targets for improving the health of the Scottish people. On crime, we will maintain the record numbers of police officers, work towards further reductions in serious violent crime and continue the war on drug dealers.

The investment in public services meets the aspirations of the Scottish people and will help us to ensure that everybody in Scotland has access to education and health care in the kind of social environment that they need to prosper. By creating the conditions in which everyone in Scotland is able to fulfil their potential, we can take further steps towards closing the opportunity gap.

Our investment in services is made possible by the outcome of the 2002 spending review, which provided for an average increase in public spending in real terms of 4.6 per cent over the next three years. The budget is delivered through the operation of the Barnett formula, which

ensures that the extra resources are spent wisely within Scotland. The budget links resources to the Executive's priorities and it sets targets that demonstrate what we will achieve with the spending. We have set in place mechanisms to monitor performance against those targets. We expect to be scrutinised on delivery against those targets.

The budget is prudent in its approach, but ambitious in its aims. It combines a clear vision for the future with the resources to match that and the leadership to deliver. It will improve the quality of life of the people of all of Scotland—rural and urban.

I move,

That the Parliament agrees that the Budget (Scotland) (No.4) Bill be passed.

15:45

Alasdair Morgan (Galloway and Upper Nithsdale) (SNP): I know that this is stage 3, but for some of us it feels like stage 93.

I have said before that I think that the budget documents are becoming much more helpful to members. They are a great improvement on what they were some years ago. However, I have one little caveat that also applies to most Executive documents and to many parliamentary reports; they could do with having a date of publication on them. The documents may have the year to which they refer on them but, once there is a series of those documents—given that the spin doctors keep changing the titles they give them; this one is called "Making it work together"—it is difficult in retrospect to discover which of them came first and which is the latest. Publication dates would be helpful.

The minister made a serious point about the repetitious nature of many of the finance and budget debates. I welcome the fact that he will look, along with the committee, at the number of debates that there are in the process. The experiment that we will have later in the year, when we will reduce the number of debates because the election will make it necessary for the process to be encapsulated in a shorter time scale, will indicate whether it is feasible to reduce the number of debates. It is clearly important that we still ensure that there is ample time for parliamentary scrutiny. All the indications are that we could still have the parliamentary scrutiny, but have fewer set-piece debates.

In the context of scrutiny, I welcome the fact that this year at one of the earlier stages we had for the first time a reasoned amendment, which suggested that the Executive make a change to the budget.

If it does not prove possible to reduce the number of debates, I suggest that some of them become more member oriented rather than party oriented. Individual members could, on a non-partisan basis, raise issues that are of concern to their constituencies and have a financial edge. That used to be the habit in the House of Commons many years ago: the consolidated fund debates were occasions for members to raise any matter of interest in their constituency. We could perhaps consider that approach.

I will introduce a slight element of controversy by raising two points about business rates, both of which I raised before but to neither of which I received a satisfactory answer.

First, we know that the business rate is higher in Scotland. We are told that because rateable values are lower in Scotland, due to the revaluation south of the border the bill for businesses north and south of the border is effectively the same. The problem is that for some sectors—small hotels and chemical plants are two examples—the valuation basis is the same north and south of the border. In the first case that is because it is done on the basis of turnover and in the second case valuers north and south of the border have agreed a harmonised basis on which to put their valuation. In those cases, because our rate is higher, such places north of the border get a higher bill than do similar premises south of the border. Will the minister at least admit that that is a problem in those sectors, even if he cannot guarantee that he will do something about it?

I have raised my second point several times before. We have been given the promise that the uniform business rate will not go up more than inflation over the next few years, but the rates bill depends on the rateable value. So, when the next revaluation in Scotland takes place shortly, some rateable values will go up and some will go down—but I suspect that the expectation must be that the total rateable value for the whole of Scotland will go up.

Given those circumstances, does the minister intend to adjust the UBR to ensure that the total Scottish business rates bill does not go up by more than inflation when the revaluation takes place or is he entertaining the notion of putting up the total bill by more than inflation? It should be simple for the minister to answer that question without committing himself. He has committed to raising the business rate by the level of inflation, so surely he could give that extra commitment. I would appreciate answers on those points.

To allow other members to speak, I will restrict my comments. I look forward to the day on which we finally discuss a complete budget, not one that concentrates on only part of Government expenditure in Scotland.

15:50

Mr David Davidson (North-East Scotland)

(Con): In the spirit of the debate, I, too, will refer back to the discussion that the Finance Committee had on Tuesday. I have been on the committee since the beginning and I have aged remarkably in that time. The budget process seems to be never-ending, but we are beginning to see a glimmer of usability in the documentation. Until this year, the subject committees found it difficult to participate in the budget process, which is why I look forward to the refinements that the minister mentioned on Tuesday. The idea is that we will have the statutory document that is required for audit purposes, but that something will be attached to it to allow the committees easily to access the level 3 information, which is what they need to do their work.

On a political note, I turn to the issue of business rates, which has been mentioned. As everybody knows, we would seek to return to the uniform business rate. I recently attended a business breakfast in Aberdeen at which Jack McConnell spoke. He seemed to realise that there is an element of overkill in the present situation, which is why there has been a freeze. That is an acknowledgement of the problem, but I want ministers to go further, to consider the matter thoroughly and to remove an anti-competitive element of the taxation on Scottish businesses.

The budget is based on tax, but there is an awful lot of waste. I welcome the money that has come to Scotland, much of it through the generous Barnett formula, which we have supported consistently, unlike the SNP. It is interesting that, at Westminster, the SNP supported the increase in national insurance contributions—I wonder how Mr Morgan will explain that to the business community. I welcome the extra money, but what extra services do we receive for it? As always, Peter Peacock was selective in telling us how wonderful the budget is and what will and will not happen. More taxes than ever are being taken from Scottish people and businesses and Gordon Brown is taking money out of pension funds—the list goes on. One would think that we would get much more for that extra money.

As the Minister for Health and Community Care is in the chamber, I ask him why accessible health services are not expanding, waiting times are up and staffing positions in the health service cannot be filled when extra money is going into the system. People are beginning to wonder about the amount of tax that they pay and the statements of how much is being spent, because they do not see differences in the street. The minister ought to focus more on that in the next budget process, assuming of course that he gets back to power and that he has responsibility in that area.

Council tax rates are being announced today—some of the announcements have come through already. In one council there is a 5.3 per cent increase and many others have increases of between 4 and 5 per cent. Again, money is going into the system, but what do we get for it?

Collection rates for council tax are poor and many law-abiding people who do their best to pay their council tax on time are carrying the burden of late payment and late collection by Scottish councils. That is unfair. We had a statement the other week about how we all paid the uncollected £133 million in the following year. What about the councils' cash flow? Councils in my part of the world are screaming about cash flow and the fact that they cannot repair the roads on time. The council in Aberdeenshire, where I live, and the neighbouring council in Aberdeen have made 37 per cent increases—

Alasdair Morgan: I listen to what David Davidson says with interest. However, presumably, if the collection and late payment rates stay roughly the same, the cash flow stays pretty static. It is not affected.

Mr Davidson: Collection rates are assumed. The Minister for Finance and Public Services has told us that. Andy Kerr has also said that he is disappointed at the collection rate. Ministers agree with me on that point.

We look at the justice budget and see that we are arguing over the priorities. The Executive parties have increased the justice budget by only 1.3 per cent when the justice system needs more money.

We have mentioned business rates. I do not know what we will see in the Executive parties' manifestos. I have no idea whether the Liberals will propose measures such as the dog tax, the caravan tax—perhaps they will return to that—or a local tax. Iain Smith even managed to bring the euro into this morning's debate on tourism, although he had to struggle to do it.

The SNP has made many pledges. When Mr Adam speaks, will he quantify for us exactly how much the SNP's additional spending commitments add up to, where exactly that money will come from and how it will be funded? I think that Mr Adam is shaking his head, so perhaps the SNP has not worked that out itself. I have no doubt that the Scottish Executive can give him a running total.

The coming election is not about devolution and it is most certainly not about the constitution. It is about our economy and how we invest in our public services. I hope that others in the debate will take it down that route. In the meantime, an awful lot of money is going out and there is not a lot of improvement in the services coming back in.

15:57

Mr Mike Rumbles (West Aberdeenshire and Kincardine) (LD): I am pleased to speak on behalf of the Liberal Democrats in support of the bill. The budget delivers strong growth for public services such as health and education, sustains the highest ever number of police officers and, I am particularly pleased to say, distributes more resources to our hard-pressed local authorities.

It is interesting to follow David Davidson, who spoke for the Conservatives. He talked about tax cuts. The Conservatives have promised to cut taxes and put those cuts before the delivery of our much-needed public services. We all just heard David Davidson talk about the election being about how we invest in our public services. I was rather taken aback by that. It is astounding to hear that from the Conservatives.

David Davidson talked about waste and taxation. The Conservatives have not proposed to increase investment in public services beyond what the Executive has outlined in the bill. That is plain. It is as plain as the nose on David Davidson's face.

Mr Davidson: I think that Mr Rumbles missed a point that I made on priorities.

Mr Rumbles: Oh no I did not.

Mr Davidson: Our priorities are more about spending on infrastructure than the Executive parties' are. We have said what the figures are. That is only one example of how Mr Rumbles chooses to be different, I suppose.

Mr Rumbles: David Davidson cons only himself with such comments. I refer to what he said in his speech. I wrote it down. He talked about poor council tax collection rates. In fact, excellent collection rates exist. For instance, Aberdeenshire Council, the authority that covers his and my areas, has a council tax collection rate of over 94 per cent. That is a long cry from poor collection rates under the poll tax, which the Tories introduced disastrously during their time in government.

We take no lessons from the Conservatives on how to produce a budget bill. It is a bit rich for them to criticise the bill and then talk about how they will invest our money in increased public services when their whole intention is to reduce taxation and reduce spending on public service. That is somewhat dishonest—I am not sure whether I can use the word "dishonest" in the Parliament—although perhaps not deliberately so. However, anyone listening to the debate would be very surprised to hear David Davidson's comments.

The bill is clearly beneficial to the people of Scotland. Overall, investment in public services is

increasing in real terms. I wish in particular to highlight the increased investment in health, and I am pleased to see that the Minister for Health and Community Care is here to listen. Investment in health is, as the Deputy Minister for Finance and Public Services said, up by more than 8 per cent. The local government budget, which includes investment in schools, has increased dramatically too. That is real investment for improved public services.

While I very much welcome the increase in funds that the Executive has made available in the health budget, which means that the national health service in Grampian has more investment than ever before, it would be remiss of me not to take the opportunity to press once again for an early review of what I consider to be the inequitable Arbutnott formula.

For the benefit of colleagues who are not aware of the problems faced by the NHS in Grampian as a result of the Arbutnott formula, I will outline them in straightforward terms. Although Grampian has 10 per cent of Scotland's population and 10 per cent of the work load of the NHS in Scotland as measured by the NHS itself, we receive only 9 per cent of health funding—because of the Arbutnott formula. A deficit of 1 per cent may not sound much, but I can assure the Parliament that that results in a missing £44 million in the budget of the NHS in Grampian.

The Arbutnott funding formula is simply not just. Health spending should be arranged on an equitable basis throughout Scotland.

Brian Adam (North-East Scotland) (SNP): Will the member acknowledge that the Arbutnott formula and some of the other financial strictures that have applied to the NHS in Grampian in recent years have led to an increase in waiting times and to a significant deterioration in the health service in Grampian relative to other parts of Scotland?

Mr Rumbles: The Arbutnott formula is only just kicking in at the moment. I am more concerned about what happens from now on, which is what we should focus on.

Dr Richard Simpson (Ochil) (Lab): Will Mr Rumbles give way?

Mr Rumbles: I will in a minute, but I have just taken an intervention.

Dr Simpson: It is on that point.

Mr Rumbles: Later on.

The easy way to end postcode prescribing is to ensure a level playing field in NHS funding across the country. It cannot be right that access to NHS services depends on where someone lives and is perhaps affected by the fact that their local health

authority is underfunded in comparison with others. It is not enough simply to say that there is more money for everyone—I accept that there is more money for everybody—when some people are effectively more equal than others.

Apart from my obvious disagreement with the Executive over the Arbutnott formula—and I note that the Minister for Health and Community Care is at least listening to what I am saying—and over the distribution of funding, I very much welcome the record level of investment in the NHS.

Dr Simpson: Does Mr Rumbles agree that life expectancy in Glasgow—which is not of course my area—is substantially lower than it is in his constituency, that unemployment is substantially higher there and that the extent of multiple deprivation there is massive? Does he agree that the Arbutnott formula does not go far enough in tackling areas of multiple deprivation and that there have been real increases in funding in his constituency?

Mr Rumbles: Here we come to the nub of the question. I am glad that Richard Simpson intervened to make that point, which illustrates the argument over what the Arbutnott formula is doing. People must regularly appear in Richard Simpson's constituency surgeries, as they appear in mine, talking about the lack of funds that holds back access to health services and about how the health service in other parts of the country can provide access to particular treatments. He and I, and indeed the Minister for Health and Community Care, are well aware of that.

Nobody doubts that the extent of social deprivation is higher in Glasgow than it is in West Aberdeenshire and Kincardine—I would be the first to accept that. The point, however, is that people should have access to NHS services at the same level, wherever they live. If we want to tackle social exclusion—and I do—we should tackle it on issues of housing, social security and so on, but not through the health budget.

Johann Lamont (Glasgow Pollok) (Lab): Will Mr Rumbles give way?

Mr Rumbles: No—I think that I have given way quite well on that point.

Johann Lamont: It is on another issue.

Mr Rumbles: No. I would like to come to a conclusion.

The Liberal Democrats support the Budget (Scotland) (No 4) Bill, as it is good news for Scotland. It underpins the real achievements of the Executive, including the abolition of student tuition fees, the implementation of free personal care for the elderly, the McCrone deal for our teachers and the free central heating initiative for our pensioners to name just a few of them. The

budget is delivering for the people of Scotland and deserves the full support of the Parliament.

The Deputy Presiding Officer: Given the time that is available to us and the number of members who have indicated that they wish to speak, I expect to be able to call everyone. Members may speak for six minutes, if they wish—although that is not compulsory.

16:05

Mr Tom McCabe (Hamilton South) (Lab): I will be as brief as possible, to assist my colleagues.

The Finance Committee has examined the budget for a number of months and has built up a good, co-operative relationship with the Executive. I hope that that relationship will continue in the new session, once our successor committee has been established.

I agree with Alasdair Morgan about the quality of the documents that are now provided, which are considerably clearer than those that were provided in the past. At our stage 2 meeting with the Deputy Minister for Finance and Public Services, we discussed that matter. Both the minister and his officials acknowledged that we still have some way to go in making the budget documents clearer.

On any objective analysis, this is a stunning budget for Scotland. It produces a £1.8 billion increase over the year. It provides funding for vital services, such as education, health and local government, with increases that were undreamed of just a few years ago. It maintains record numbers of police officers on our streets and raises the care of our elderly population to levels of excellence that a few years ago we could only dream of. In short, the budget provides a basis for significant improvements in the level of services and sustainable improvements in the quality of people's lives.

The budget is very welcome; scrutiny of the budget is not only welcome but necessary. I acknowledge the comments that have been made by some of my colleagues on the Finance Committee, who have suggested that the processes that we employ are occasionally repetitive. From the discussion that we had with the minister in committee a few days ago, I know that the Parliament and the Executive have a shared commitment to the continual review of our budget-setting processes, to ensure that we eliminate poor use of time and repetition. It will not do the Parliament, the committee system or any of us good if, so soon after the Parliament's creation, we do not review continually the processes that we employ.

I am not saying that significant advances have not been made—of course they have. Our

processes for budget scrutiny are far in advance of those of many other parliamentary institutions. However, we should never be complacent and we should always be prepared to review those processes.

I am concerned about our processes not just for the sake of the Parliament, but because I have genuine concern for our colleagues on the SNP and Conservative benches. It must be particularly difficult for them to have to discuss week after week a budget that delivers such a success story throughout Scotland. If that were not bad enough, we are required to do it again today—just a few short weeks before the election.

Alasdair Morgan: Does it occur to Mr McCabe that, if we have a problem filling up the time, we could usefully spend it discussing the entire amount of Government expenditure in Scotland and the entire amount of Government income raised in Scotland?

Mr McCabe: Given the size of the increase in this budget and the very substantial increases to the overall Scottish budget, I would be happy to spend all night discussing the entirety of expenditure in Scotland. People the length and breadth of Scotland are delighted by the extent of that expenditure. They know in a real way how their quality of life has improved over the past few years. Alasdair Morgan has made a very good suggestion.

In a spirit of consensus, I suggest that the Executive and the Minister for Finance and Public Services accept that they have won the battle. It is now starting to look as if they are rubbing salt into the wounds of our colleagues on the Opposition benches. We have discussed the budget long enough. Let us accept that it is an exceptional budget. People throughout Scotland already know that and I am happy to endorse it.

16:09

Stewart Stevenson (Banff and Buchan) (SNP): After the humour of McCabe comes the harsh reality of the numbers in the bill. In fact, I find numbers desperately exciting. The discovery in recent times of the 39th Mersenne prime—which is $2^{13,466,917} - 1$, a number of 4 million digits—is exciting beyond belief. I am sure that members share that excitement.

I am afraid that, as members would expect, I will refer to fisheries. I note that in the coming year we will see a reduction in expenditure from £67.8 million to £48.2 million, according to the budget documents. Perhaps that explains why, in the answer to my colleague Richard Lochhead's question S1W-33536 on where the £50 million for the fishing industry was coming from, the Executive had to say—and I paraphrase—that it is

not possible to tell at this stage what will deliver the resources required. The Executive has to examine how it is funding its spending commitments. We will have no more talk about uncostered spending commitments from the SNP.

I will make a brief comment about the small business rates relief. One of my constituents has a retail outlet that is in two premises on opposite sides of the street. It is a small business but, because there are two premises, it does not qualify as such.

I refer to page 16 of the budget documents. I ask the minister whether, in calculating the percentage payments that are being made in the agriculture budget, the Executive is excluding claims that are being made and rejected because of the inefficiencies of the British Cattle Movement Service. It is easy to achieve objectives in completing the making of payments if we reject large numbers of claims through administrative inefficiencies.

I have a little question about pensions—the minister had better have several pens. One of the first things that Gordon Brown did when Labour came to power in 1997 was to change the tax position of pension funds. That has taken some £31 billion out of pension funds, which is roughly equivalent to the current shortfall in the funds. On page 23 of the budget documents, we see a sudden uplift in pension outgoings, which more than double under a heading on that page. I ask the minister what is going on there.

Rural transport is a matter of considerable interest in my constituency. The budget for rural transport measures in the coming year will rise from £5.9 million to £6.3 million. That is good, but it does not sound like an awful lot of money. I see that reflected in my area. When I get the bus from Aberdeen to Peterhead, the journey of 34 miles costs me £4. The village of Whitehills, where I have stayed since being elected, is but 3 miles from Banff and the return bus fare is roughly the same. Therefore, a journey of 6 miles in a very rural part of my constituency costs much the same as a journey of 34 miles elsewhere.

We have heard today that Gaelic is on the downturn. On page 110 of the budget documents, we see a standstill budget for Gaelic education of £2.8 million. On page 121, we see a standstill in grants. On page 112, we see a 5 per cent uplift in the number of users of Gaelic education, despite a standstill budget. It would be interesting to hear the minister explain that.

Maureen Macmillan (Highlands and Islands) (Lab): Is the member aware that Gaelic education has not taken a downturn? The downturn seems to have come about because of older people no longer being with us. In the younger generation, there is a big increase in the use of Gaelic.

Stewart Stevenson: I thank Maureen Macmillan for making my point for me. Given that the census shows that the overall number of Gaelic speakers is dropping—a matter that I very much regret—it seems perverse that the budget to help to develop the next generation of Gaelic speakers is at a standstill, although even within that there seem to be conflicts.

In my intervention on the minister about broadband in the Highlands and Islands, I was making the point that availability of access will, according to the budget documents, remain at 30 per cent next year. Of course advertising will increase the uptake, which is good news. However, given that the Welsh Executive has found £115 million to create a level playing field for business use of broadband—it is subsidising the use of satellite broadband in areas of Wales where cable broadband cannot be provided, so that the cost of satellite broadband is the same as the cost of ADSL connections, which cable provides—it is disappointing that we are far short of that.

Rhoda Grant (Highlands and Islands) (Lab): I have a point of information for Stewart Stevenson. Highlands and Islands Enterprise provides funding to allow businesses to access broadband on satellite. That has been a successful programme in the Highlands.

Stewart Stevenson: Indeed it has been. The rest of Scotland—in particular, my part of Scotland—has no access whatever to broadband. It is interesting that even parts of Edinburgh do not have such access. The point is that, in spite of “A Smart, Successful Scotland”, there has been no uplift in the Highlands and Islands.

The Deputy Presiding Officer: You are over time now.

Stewart Stevenson: So I am. I must put my glasses on. I was using Tom McCabe's time.

To close, I will latch on to a point that is mentioned on page 180 of the budget documents. Earlier today, some observations were made on dental practice. I note that the income from charges that are collected by dental practitioners is expected to fall in the coming year. Does that mean that national health service dentistry will be less prevalent in the coming year?

16:16

Lord James Douglas-Hamilton (Lothians) (Con): I will speak about the justice element of the budget. On 26 September, the First Minister admitted to the Parliament that police numbers would simply be maintained and would

“increase and decrease slightly over time”.—[*Official Report*, 26 September 2002; c 14199.]

The Conservatives believe that that is simply not acceptable.

There are growing resource pressures on the police and added responsibilities—for example, the incorporation of the European convention on human rights has had implications on search warrant procedures. Those implications, together with the impending introduction of victim statements under the Criminal Justice (Scotland) Bill, the monitoring of the sex offenders register, the administration of alternatives to custody and other short-term initiatives, will mean that fewer police officers will be available at any given time.

"Narrowing The Gap: Police visibility and public reassurance—Managing public expectation and demand" was published by HM inspectorate of constabulary last year. It noted that only 22.6 per cent of the total number of police officers are available for patrol or to attend incidents at any given time and that only 4 per cent of duty time is allocated to foot patrol. That means that, throughout Scotland, only 138 police officers are on foot patrol at any given time. The report also noted that more than 80 per cent of people agree that a more enhanced, targeted and visible police presence would make people feel safer and reduce and help to prevent crime.

In spite of the police service's increased responsibilities and the increasing demands from the public, the justice budget is set to increase by only 1.3 per cent, according to the Scottish Executive's projections in *"Building a Better Scotland: Spending Proposals 2003-2006"*. That is simply not good enough, when violent crime is rising. The number of crimes involving handguns rose by 40 per cent in 2001. In that year, 343 people were killed or injured in shootings in Scotland. The block grant has increased by some 22.5 per cent since 2000-01, so an increase of only 1.3 per cent for the justice budget in the projected period is not enough.

The police are not the only ones who are suffering. There is little point in police officers solving crime and arresting criminals if it takes for ever and a day for the cases to come to court. As we discussed this morning, our entire justice system is cracking at the seams. Lengthening delays help offenders to evade justice. We believe that an overhaul of the whole process is long overdue. The resources that are available should be given particular attention.

Alasdair Morgan: In relation to police numbers and expenditure on the police, the member said twice that what was on offer was not good enough. I ask him to provide his definition of what would be good enough.

Lord James Douglas-Hamilton: We have given a commitment that we would increase resources for the police service by some £25 million. If the member wishes to know where that money would come from, I can tell him that it

would come from more streamlined government—we would cut the cost of government—and from savings in the social justice budget.

We believe that our youth justice system is facing a crisis. Panel members must often make decisions based not on what is best for the young person or on what would achieve the best outcome, but on what resources are available. That is not the best way in which to conduct justice. In his written evidence to the Justice 1 Committee, Douglas Keil of the Scottish Police Federation stated:

"A properly based decision to send someone to prison should not be frustrated through a lack of finance. Similarly, an alternative to custody should not be chosen because it is cheaper."

Another frustration of the system has been the use of initiative policing. One such example was part of the Executive's 10-point action plan on youth crime for a safer Scotland—the initiative took place in October to December last year. During the campaign, there was to be high-visibility policing, which would be supported by a media campaign. I am interested to hear from the minister what happened to that campaign. Was there any higher-visibility policing? If there was, it was scarcely noticeable.

Johann Lamont: I must point out that the successful high-visibility policing campaign in Pollok has reassured my constituents that those questions are being addressed at a local level.

Lord James Douglas-Hamilton: I am glad to hear that, because it means that the member's campaign has had an effect. I would like to add to that effectiveness by ensuring that much greater resources are made available to make certain that the benefits that Johann Lamont's constituents have received are applicable to all constituents the length and breadth of Scotland.

As I mentioned, we want to see far more resources allocated to the justice budget, to the police force, to the criminal justice service and to children's hearings.

Mr Rumbles: Will the member take an intervention?

Lord James Douglas-Hamilton: No, I have already taken two questions and I must sum up.

That is one area where greatly increased funding will make a difference. We believe that we must have more police officers and fiscals operating at the sharp end. Crime disproportionately affects the poorer and more vulnerable persons in the community. We want to create a society that is free from crime and free from the fear of crime. To do that, more resources need to be put in place.

The Deputy Presiding Officer: I call Richard Simpson. Having done some calculations, I am

quite happy to compensate for intervention time in addition to the six minutes for speeches, as we have a little bit of a margin.

16:22

Dr Richard Simpson (Ochil) (Lab): For a minute, I thought that the Presiding Officer was about to call someone else to speak.

I welcome this important budget, which provides for growth in our public services. In particular, I welcome the proposed increases in the health service budget. However, we need to recognise that such an investment will bring with it a number of challenges.

The first challenge is, quite correctly, the need to invest in staff. Earlier today, we heard about the agreement on the minimum wage for the poorest paid within the health service. That is an entirely appropriate measure, which recognises the real contribution that has been made to the service by porters, cleaners, auxiliary nurses and others who have been badly paid in the past.

The need for effective integrated team working is absolutely crucial. It is vital that we break down the boundaries between primary and secondary care if we are to have a modern service. However, I must tell the minister that, only the other day, I heard of a secretary in my constituency whose job was advertised only in the week on which she was due to leave, despite her having given three months' notice. Not only does that indicate the value that managers place on secretaries, but it shows that managers fail to appreciate how their actions can place patient care in jeopardy. In that case, the result was that one of my constituents did not receive the results of a 24-hour heart monitor for two months. I ask members to imagine what anxiety that must create.

Alongside the challenge of using the money to make the additional necessary investment in our staff, there is the challenge of modernisation. Lord James dealt with justice, which I will return to in a minute. In relation to health, however, it is vital that, if the massive investment is to be utilised, it must go alongside innovation. I strongly commend the creation of the change and innovation centre, which I hope will be given the teeth and authority to tackle those health boards that fail to respond to best practice and innovation, that fail to meet the challenges set by of the Clinical Standards Board for Scotland and that fail to respond to the Audit Scotland reports that we repeatedly receive. Change and innovation are needed and must be monitored in relation to the performance assessment framework.

Let me give some concrete examples. Cardiac surgeons in Glasgow continue to insert pacemakers when that is done by physicians in

most parts of the world. That costs my health board £25,000 an implant, when the same service could be provided for £15,000. That is like setting a light under £200,000 of my local health service's money. However, the local health board cannot get out of their contracts with the Glasgow surgeon. We have to cut those Gordian knots.

We have nurse endoscopists in various parts of the country, including Fife, which led the way—Margaret Jamieson's constituency now has such nurses, too. The use of those nurses reduces endoscopy waiting lists to zero. In my health board area, where there are no nurse endoscopists, there are apparently hard-pressed gastroenterologists and the waiting lists are massive.

I say to Mike Rumbles that the issue is as much about modernisation and the effective use of money as it is about increasing real resources. Health boards across the country are not achieving the optimum number of day cases and far too many people are still having in-patient procedures. That creates major problems. We allow restrictive practices to prevent change. We do not employ one nurse anaesthetist in Scotland and yet, in America, nurses account for 25 per cent of anaesthetists. Such restrictive practices challenge our budgets even when we are having very real funding increases. We should consider that issue closely.

The change and innovation centre must consider the proposals that are coming through and deal with them quickly. For example, there is a proposal for day care knee arthroscopy, under a local anaesthetic. It has taken two years to consider that innovative practice, the use of which would substantially reduce the waiting lists in my area, which are the longest in Scotland. That is just one example of many that I could give. We need to ensure that innovations are at the top of health boards' agendas, given that often it is the health boards that are blocking the innovations.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): As Dr Simpson says, there is a lot of good practice in the health service. However, professional barriers are not coming down to allow patients to benefit from the record levels of investment. I ask the minister to ensure that there is enough detail in the budget to allow us to measure outcomes. Previously, although money has been going in, we have not been able to measure the results. Through facilities such as Audit Scotland and clinical audit, we should be able to see the health benefits of what we are putting in.

Dr Simpson: In the brief time that I have left, I will turn to two other issues. Having been off the Finance Committee for a year and then returned, I am still disappointed that the Opposition parties

are not coming up with fundamental proposals to change the budget. They suggest such projects as the A9 dualling, which would cost £500 million, but where was the proposal to amend the budget?

David Davidson talked about the changes that the Conservatives would make. Why were those changes not proposed earlier? The Parliament gives members that opportunity. It is much more democratic than Westminster. However, over the past four years, Opposition members have singularly failed to make any significant proposals for changes to the budget, so they cannot complain about it.

I will finish by talking about justice. The issue is not just about increasing money for the police; it is about the use to which the police are put. We have to alter the core functions of the police and remove from them escort duties, court custody work, serving of citations, lost property work—my God, are they still doing that?—and finding lost dogs. The Government's additional investment—in improved communication, among other things—will not just increase the number of police, but make those that we have much more visible and available in the community.

I hope that that investment, combined with the work of Bonomy and McInnes—who should report this year—will reduce the number of police personnel abstractions, which make it difficult for the police forces to work. We need to take into account—I say this sincerely to the Deputy Minister for Finance and Public Services—the working time directive in relation to police duties. The way in which the police are required to attend court at the moment has a profound, negative effect on our system. We cannot allow the police to ignore the working time directive. They have to be brought into the proposals, which will cost us a lot of time and money. We need to examine that issue carefully.

16:30

Tavish Scott (Shetland) (LD): I am not a member of the Finance Committee, and in entering this rarefied air of consideration of the budget in such detail I feel somewhat of an interloper, but I agree with Richard Simpson's point about the need for the Opposition parties to illustrate what they would do differently. My party does that at Westminster, and while the Government of the day disagrees with it, at least the debate is about alternative proposals. It is an important principle of opposition politics in Parliament that Opposition parties produce their own fundamental budget proposals.

First, I will concentrate briefly on a small area of the environment budget—the Scottish community renewables initiative—which is a new area of

expenditure funded from that budget block. It is a grant scheme for communities and individuals to provide for the installation of green energy supplies for projects such as community halls or homes. The days in my part of Scotland, or indeed in many members' parts of Scotland, where the condition of old snooker tables in community halls gets worse because there is no heat can be done away with under the scheme, because it can provide for a clean, renewable energy source that is always on. That ensures that heating is available for youth clubs and sports clubs where communities are unable to afford the cost of heating such facilities. The initiative is important in policy terms and in terms of practical improvements for the people who live in our communities.

For community projects, the green power can come from a wind turbine, solar panels, hydro, wave, geothermal or biomass. For such projects there is a £10,000 maximum grant for a feasibility study, followed by up to £100,000 grant aid for the capital cost. The community projects must, of course, be non-profit distributing. That is an important area, and it is an important grant scheme that is being provided by the Scottish Executive in this Budget Bill. There is a householder scheme on top of the community scheme.

The feedback from Highlands and Islands Enterprise's energy office in Kirkwall, which is handling the scheme, is that it is generating such high demand that the budget may not meet the demand. I ask the minister to work with colleagues in other departments to examine extra funding for the scheme, because it is precisely the sort of scheme that can make a big difference to community groups and individuals the length and breadth of Scotland. Community and domestic renewable energy schemes are welcome and valued in their own right, but they are just the tip of the renewables iceberg.

My second point relates to Scotland's ability to target and harness renewable resources. There are currently only 13 operational wind-farms in Scotland, but as many as 760 new wind turbines in up to 40 wind-farms will be needed over the next 10 years if the Executive is to meet its renewables targets. The 40 per cent target that is currently being consulted on is even more challenging. That is why tidal and wave technologies are so important.

Renewables offer the chance to do something for the environment and future generations; at the same time, they offer enterprise opportunities, which must be important in the context of debates that are happening, and have happened this week in Parliament, on economic growth and gross domestic product figures. Scotland has the

chance, which must not be missed, to take a lead in wave and tidal current power. The Danes in particular have already grasped the immense benefits of leading in wind turbine manufacturing.

Scotland's universities can be at the forefront of wave power research. It is particularly important that the enterprise budget concentrates on that area, and that the excellent work of the research assessment exercise ensures that research is married to engineering and construction skills. There is an opportunity to transfer the hard-won skills of our offshore oil industry to offshore renewables. In the week when BP made it clear that its long-term strategy was to move away from Alaska and the mature North sea fields towards investments in Russia, it is vital for the north-east not to lose the skills in Aberdeen and the surrounding communities as companies take strategic decisions to transfer to other parts of the globe.

Tidal power has great potential and a prototype was tested successfully in my constituency in Yell sound last year. The 1993 Department of Trade and Industry survey found that 10 per cent of the UK's electricity demand could be met by harnessing the tidal currents of the Pentland firth alone, which would provide enough electricity for the whole of Scotland.

I hope that, in future budget bills, the Deputy Minister for Finance and Public Services will make proposals that concentrate on and harness renewable energy resources. To provide power where it is needed—in the population centres in the central belt of Scotland and throughout the United Kingdom—the Scottish Executive and the UK Government have an important role in providing subsea cables. Investment in such strategic infrastructure will be needed from public money, European money and private money to benefit the energy policy that the country needs.

The budget delivers much throughout the public services, but it is in the detailed matters, and particularly projects such as the Scottish community renewables initiative, that MSPs and Parliament can make a difference to people from Shetland to Stranraer and can show that budget bills are about not only vast quantities of money, but real differences to people in their local communities. On that basis, I have great pleasure in commending the bill to Parliament.

16:36

Ms Wendy Alexander (Paisley North) (Lab): In the spirit of Richard Simpson's speech, I did not want to miss the opportunity to liven proceedings up a little. Harold Wilson once said:

"A week is a long time in politics",

and I thought that I might review the past week from the Executive's perspective. This week, interest rates were cut to their lowest level for almost 50 years and the level of unemployment in Scotland fell again. Since 1997, 134,000 more people have found employment, and more than 1,000 people per constituency have gone back into work since the Parliament was established. This week, a series of public spending announcements has been made. All that was delivered in a week that has seen darkening days for the world economy. It has been a sound week indeed.

Alasdair Morgan: The member said that she would review the Executive's week. She is now talking about delivery. Did the Executive deliver the interest rates reduction?

Ms Alexander: As the member knows, the Executive is committed to the current constitutional settlement. He timed his intervention beautifully to allow me to move on to the fact that a week is a long time in politics for Opposition parties. For the next 10 weeks, the case that I imagine Alasdair Morgan will make is for the right to govern Scotland, interest rates included.

What have we learned about the SNP's budget proposals in the past week? Members will recall that, in the 1970s, the SNP bandwagon stalled because, suddenly, people in Scotland realised that the SNP was all things to all people. In the past four years, we have heard from the Opposition that all that has changed. We should review that in the light of the past week.

Last Friday, Andrew "Gizza job" Wilson, who is not here—perhaps he is looking for a job now—announced that he agrees with "A Smart, Successful Scotland". It is more than two years since the document was published, but we welcome all converts, even late ones.

The SNP's only difference on enterprise policy is that it wants to cut £150 million from the enterprise budget. No other budgets would face cuts from that pro-enterprise party, but £150 million will be slashed from the enterprise budget by amalgamating local enterprise companies. Members with long memories will remember that, sometimes, the SNP has trouble with its arithmetic—calculators and all that—so this morning, I read Scottish Enterprise's operating plan. It has a total administration budget of £90 million and the LECs have a total administration budget of £40 million. We can assume that if the LECs are amalgamated, half the LEC admin budget will be saved—a princely £20 million. That means that the SNP has to find another £130 million to fund its promised 1 per cent cut in public spending.

I have good news for the SNP—it can manage that. If the SNP were to cut Careers Scotland in its

entirety, along with every single one of the 25,000 modern apprenticeships, and if it were to cancel all the institutes of technology, that would get the figure up to £128 million. The SNP would still have to find another £2 million, but perhaps Brian Adam will enlighten us in his closing speech. Today's debate is a chance for the SNP finance team to tell the chamber where the money will come from. Those of us on the coalition benches will hound the SNP at every business breakfast up and down the country until we have the answer.

If a week was a long time in politics for Andrew Wilson, what about John Swinney on Thursday, parading the fact that the SNP is opposed to public-private partnerships? The SNP tells the private sector that it can be involved in building Scotland's infrastructure only on a not-for-profit basis; I am sure that that will have the shareholders queuing up.

The SNP finance spokespeople should do their duty today and tell the chamber which of the contracts that are currently under negotiation—I am thinking of the PPPs for all the schools in Edinburgh or Renfrewshire or the PPP for the primary schools in Glasgow—will be cancelled under its plans, or whether its convictions of today will be casually discarded in the weeks ahead.

When it comes to a week being a long time in politics, the SNP's third finance proposal of the past week was made as recently as Tuesday. Kenny MacAskill announced the re-nationalisation of all of the train companies' operating assets on, and I quote, a "cost neutral" basis—300 trains and sleepers for free?

It has been a revealing week when it comes to opposition politics. The only budget that the SNP proposes to cut is the enterprise budget. The SNP is going to cancel PFI schemes up and down the country and re-nationalise ScotRail without compensation. Is that a pro-enterprise agenda? The SNP is not pro-enterprise; it is simply pro-promises. It is every bit as much all things to all people today as it was 30 years ago. The SNP has already proposed one public spending cut to the enterprise budget. If it were to tell the truth, how many more cuts would follow?

The coalition will not cut spending to punish the poor. We will not cut public spending to curry favour with this or that group in Scotland. The SNP tells us that it wants to be a grown-up party and that it wants to show fiscal prudence and financial responsibility. I say to the SNP that, in 5 minutes' time, it should take its chance to be a grown-up party.

I would like the SNP to tell me how, with the one cut that it has promised to make in public spending—which happens to be in the enterprise budget—it will pay for everything. So far, the SNP

has told the chamber how it will pay for £20 million. I look forward to hearing about the rest.

16:43

Brian Adam (North-East Scotland) (SNP): We are having yet another debate on the budget. Some members have contributed positively and some serious speeches have been made. Other speeches were of a more light-hearted nature—I am thinking of the Finance Committee convener's contribution—and some members continue to pose questions of the Opposition. Wendy Alexander's speech was interesting, although this is the lady who suggested that the Labour party had not come up with one good idea in the past 100 years. Perhaps posing questions, when the answers to those questions are a matter of public record, was the height of the contribution she was able to make.

She set out to peddle a series of lies—*[Interruption.]*

The Deputy Presiding Officer: The term "terminological inexactitude" springs to mind.

Brian Adam: Yes, indeed. I take your point, Presiding Officer. I apologise for the misuse of language, although misuse of language might be something with which the member to whom I was referring is familiar, particularly in the light of her clear ignorance of how the railway system works.

There were significant problems with the permanent way and the privatised arrangements. The Government, very sensibly, took the railways into a not-for-profit trust. The suggestions that were made by the SNP this week are precisely the same—

Ms Alexander: Will the member give way?

Brian Adam: Let me finish my point. The member has had her opportunity.

The SNP is suggesting precisely the same for the ScotRail franchise. Currently, ScotRail is a franchise, and that franchise will come to a conclusion, so why is there any suggestion of compensation? The member's level of economic ignorance and her deliberate attempt to mislead are disappointing.

Angus MacKay (Edinburgh South) (Lab): Will the member give way?

Brian Adam: What would Mr MacKay like to ask me?

Angus MacKay: I should like to repeat one of the questions that was asked by Wendy Alexander. Will the SNP cancel the Edinburgh schools PPP—yes or no?

Brian Adam: The SNP has set out precisely what it intends to do with regard to PFI/PPP, which

is, as several audit reports have clearly identified, the most expensive alternative. [MEMBERS: "Yes or no?"] Do members want the answers or not?

PPP does not work. We heard a great exposition this morning of why the Highlands and Islands Airports Ltd arrangements at Inverness airport do not work. The height of ambition in the budget documents is that, during the next four years, the Executive hopes to increase passenger numbers by 5 per cent, whereas most airports are looking for double-digit growth. That is exactly the sort of lack of ambition and failure to deliver that PPP represents. Indeed, Labour members were complaining about that.

Mr Davidson: Does Mr Adam agree that the SNP group on Aberdeenshire Council voted overwhelmingly to support PPP for schools?

Brian Adam: The SNP has proposed, and Aberdeenshire Council has accepted, that because the SNP will not go down the PPP route, the council will look at a not-for-profit trust. Mr Davidson knows that well.

My colleague Mr Morgan made reference to business rates. We have failed to hear sensible answers from ministers on several occasions, but the Budget Bill shows that a clear increase is expected from non-domestic rate income in the coming year. There has been no sensible explanation of why that will be the case. It could be the result of great confidence in growth of the economy, which the figures do not support, or it could be that there will be an increase in tax levied on business in the coming year as a consequence of the forthcoming valuation. Which is it?

Ms Alexander: Will the member give way?

Brian Adam: No, thank you.

We heard some significant contributions today from Mr Rumbles. He spoke eloquently about why the budget arrangements do not work, but then said that he supported the budget. He made a complaint, rightly, about how the distribution formula does not deliver for his constituents, who also happen to be my constituents. In terms of how the distribution formula works, we do not have appropriate and robust measures to determine whether the additional funds that are given to address deprivation and other factors are delivering.

Dr Simpson was right to suggest that the Glasgow area has significantly more problems with health than almost anywhere else. However, we do not have evidence to show that additional funding targeted at that area is delivering. We do not know the outcomes. It is true to say that more money is being allocated to various areas of the budget, but we are not seeing the changes in outcomes that the public are looking for. People

are looking for changes such as reductions in crime, more convictions, and more staff to deliver faster service in the health service. However, we do not have any evidence that such things are happening.

Tom McCabe was certainly at great pains to suggest that the budget was fantastic: he tried to create the perception of success. The problem is that the public do not have such a perception, which is a reflection of the outcomes so far, not of the amounts of money that are available.

It is true to say that we tend to focus a lot on the budget process. Dr Simpson suggested that one of the problems with the process is that there are no amendments before Parliament today. However, that is because we were not allowed to lodge any amendments for today's debate. The Public Finance and Accountability (Scotland) Act 2000 does not allow any amendments to be lodged at this stage in the process. This year, for the first time ever, a properly reasoned amendment to the bill was lodged. It did not attract sufficient support, but at least some progress has been made along those lines.

The Finance Committee had an interesting discussion about the future of the budget process. The minister indicated that he was willing to review the process and, indeed, to have another look at the Public Finance and Accountability (Scotland) Act 2000. I suggest that, in that regard, the zero-sum budgeting arrangements do not allow adequate debate or give an adequate opportunity for individual members, parliamentary committees or the political parties to develop alternatives. However, I should point out that not everything in the budget has been decided on a party-political basis; much of the work that has been done on the budget in the subject committees and in the Finance Committee has had a consensual basis—and rightly so. [*Interruption.*]

I see that you are telling me that it is time for me to wind up, Presiding Officer. I am more than happy to do so.

Mr Rumbles: On a point of order, Presiding Officer. Will you advise me whether it is the case that amendments to the Budget Bill are not allowed? If they are allowed, will you tell us when they should be lodged?

The Deputy Presiding Officer: Offhand, my opinion is that it is not possible for anyone other than the Executive to amend the budget process at this stage.

Mr Rumbles: At this stage?

The Deputy Presiding Officer: Yes.

Brian Adam: And at stage 2.

The Deputy Presiding Officer: Yes. However, I think that there was an amendment at stage 1. It is possible to lodge amendments at that point.

Johann Lamont: On a point of order, Presiding Officer. Am I right in thinking that there is nothing to preclude any party in the chamber from publishing its own document to stand beside the Parliament's budget document?

The Deputy Presiding Officer: I do not think that that is a point of order. Indeed, I think that the member knows the answer to her own question.

Now that Mr Adam has finished, I should thank members for overrunning on their speeches for once. Minister, you have eight minutes to respond to the debate.

16:53

Peter Peacock: The debate has risen well beyond the expectations that we had before it began, particularly with the speeches from Tom McCabe, Wendy Alexander and Richard Simpson, to which I will return in a minute.

I will try to pick up as many points as I can. Alasdair Morgan requested that we should put a date on future documents. I am sure that we can rise easily to that challenge—it is considerably easier than dealing with proper amendments to the budget. Notwithstanding what I think Mr Morgan said from a sedentary position a minute ago, it is entirely possible for members to lodge amendments to the budget at an earlier stage. Indeed, one SNP member did so. Regrettably, we could not agree to the substance of the amendment itself, but the example serves to highlight the point that Richard Simpson, Johann Lamont and others raised, which is that the SNP and the Tories have made not one suggestion about how they would change the budget in any material respect. None of the promises that they have made the length and breadth of Scotland over the past few weeks has been backed up with any supporting evidence in the chamber and there have been no proposals that would affect Scotland's expenditure plans. People should see such promises in that light.

Alasdair Morgan raised the issue of business rates yet again. I am happy to confirm that, as part of next year's budget, the Executive will freeze business rates. That will further continue a process of harmonisation north and south of the border. Mr Morgan also mentioned the future non-domestic rates revaluation. He knows as well as I do that revaluations per se do not affect the total amount of money in the Executive's yield. Instead, they affect distribution between sectors of the economy. The yield difference comes from growth in the economy and from new businesses starting and expanding. That also answers the point that David Davidson made on that matter.

David Davidson for the Tories indicated that there was a lot of waste in the budget, but he did not identify a single item that he would cut. If he makes such points, he has a responsibility to indicate where the cuts would fall. We know full well that the Tory plans to cut public services are apparent to everybody who wants to examine them.

Mr Davidson: Perhaps we might return to some of the points that I raised in the earlier parts of the budget process, such as the amount of money that seems to be wasted on administration in the Scottish Executive. That is not to mention the building project down the bottom of the road, which adds up to several million pounds.

Peter Peacock: Again, those are sweeping generalisations. It is dead easy for the member to say that he would make savings in Government administration without pointing to a single way in which he would seek to do that.

In relation to the point that David Davidson made about council tax rises, there is comparatively good news throughout Scotland today. As he indicated, the council tax increases are between 3 and 4 per cent, but at the same time spending on local services is growing by more than 8 per cent. That seems to be a good deal for the local taxpayer. It is exactly the opposite to what used to happen under the Conservative Administrations of the past.

Angus MacKay: While the minister is on the subject of improving local services, is he aware that when the City of Edinburgh Council's budget was being announced and the Labour group's budget was being adopted today, the Conservative and Liberal Democrat opposition members voted against a proposal for 36 additional police officers in Edinburgh to focus on antisocial behaviour? Sadly, the Scottish National Party member was not present for the budget debate.

Peter Peacock: That is extremely revealing information, particularly in the light of what Lord James Douglas-Hamilton told us earlier about the Conservatives' commitment to justice. Perhaps Angus MacKay's point reveals their true intentions in that respect.

Mike Rumbles made a number of good points about the budget providing growth and opportunity for Scotland and the good news contained in the budget. He also pointed to the good news in relation to local authority budgets and highlighted extremely well the Tories' service-cutting intentions.

Tom McCabe made a scintillating contribution to the debate. Not only was he full of praise for the Executive and its co-operation with the Finance Committee and not only did he illustrate that the

budget process is improving, but he revealed that it is a stunning budget for Scotland. It tackles Scotland's priorities and increases police numbers, among many other things. He pointed out the significant improvements over a sustained period of time that will be brought about by this budget and budgets to come. He also pointed out the extreme difficulties of the SNP and the Tories in having to discuss the budget eight times in the course of the budget process because it contains such good news. Far from me rubbing salt into the wounds, Tom McCabe did that extremely effectively himself.

Stewart Stevenson raised so many points that I will have to write to him about them in due course, although preparing answers to what were ill-informed questions might come under the category of disproportionate cost. If he cares to speak to his colleague Brian Adam, he will find that we have already written to him about most of the points Stewart Stevenson raised and that we qualified and satisfied those points.

Richard Simpson made a thoughtful contribution about the budget, not only in relation to the extra cash for health and police services. He made the point that it is not money alone that will improve services, but innovation and modernisation. It is about rolling out best practice throughout Scotland and rolling it out much faster than we have in the past. It is about ensuring that everybody in the public sector is up to the standards of the best.

Mr Davidson rose—

Peter Peacock: I have already given way and I will not do so now.

Margaret Jamieson also made an extremely important point about the outcomes of health spending in the Scottish budget. I tell her that there have been recent discussions between the Finance Committee and health department officials to try to ensure that there is more visibility in exactly those kinds of areas.

Wendy Alexander made an extremely helpful contribution in pointing out that Scotland has a huge opportunity for future prosperity arising from our firm place in the United Kingdom. The consequences of our stable place in the United Kingdom are the lowest interest rates on record, consistently low inflation and lower unemployment than we have had for generations. That is in stark contrast to the risk and uncertainty that would arise from the divorce from the UK that the SNP promises and all the cuts in public services that would follow that strategy.

Through the Budget (Scotland) (No 4) Bill, the Executive is making record investments in health, education, reducing crime, improving transport and supporting jobs. The Executive is building a better Scotland, and the bill provides the means to do so. I commend it to Parliament.

Salmon and Freshwater Fisheries (Consolidation) (Scotland) Bill: Stage 1

17:00

The Presiding Officer (Sir David Steel): The next item of business is motion S1M-3680, in the name of Colin Boyd.

Dennis Canavan (Falkirk West): On a point of order. Is it correct that we are not allowed to speak for or against the Salmon and Freshwater Fisheries (Consolidation) (Scotland) Bill, because it is a consolidation bill? Are you aware that the bill attempts to consolidate, inter alia, the Freshwater and Salmon Fisheries (Scotland) Act 1976, which is currently under review? That act ought to be repealed, rather than consolidated, because it criminalises angling in many parts of Scotland. Instead of improving access it has, in fact, deprived many ordinary people of the right to fish the rivers and lochs of Scotland. Will you therefore consider a suspension of standing orders so that we can debate that repressive legislation at a later date?

The Presiding Officer: No. I am afraid that I cannot do that. Mr Canavan will not be surprised to know that I spend my spare time reading the standing orders. Standing order 9.18.5, which I read this afternoon and which is being used for the first time in this chamber, says that a consolidation bill is not open to debate. However, the Salmon and Freshwater Fisheries (Consolidation) (Scotland) Bill Committee's report recommended that the Procedures Committee should have a look at the standing order, and I have no doubt that that will be part of its current review. At the moment, however, I am bound by the standing order, and I therefore call on Colin Boyd simply to move the motion, although there will be no debate on it.

Motion moved,

That the Parliament agrees that the law which is restated in the Salmon and Freshwater Fisheries (Consolidation) (Scotland) Bill should be restated.—[*Lord Advocate*].

Parliamentary Bureau Motion

17:01

The Presiding Officer (Sir David Steel): The next item of business is consideration of Parliamentary Bureau motion S1M-3891, on the approval of a statutory instrument.

Motion moved,

That the Parliament agrees that the draft Child Support Appeals (Jurisdiction of Courts) (Scotland) Order 2003 be approved.—[*Euan Robson*].

Decision Time

17:02

The Presiding Officer (Sir David Steel): There are five questions to be put as a result of today's business. The first question is, that motion S1M-3893, in the name of Pauline McNeill, on the Justice 2 Committee report on the Crown Office and Procurator Fiscal Service inquiry, be agreed to.

Motion agreed to.

That the Parliament notes the 4th Report 2003 of the Justice 2 Committee, *Report on the Crown Office and Procurator Fiscal Service Inquiry* (SP Paper 747), and agrees that progress in implementing the committee's recommendations and the Crown Office and Procurator Fiscal Service's programme of change should be kept under close review.

The Presiding Officer: The second question is, that motion S1M-3869, in the name of Alex Neil, on the Enterprise and Lifelong Learning Committee report on the future of tourism in Scotland, be agreed to.

Motion agreed to.

That the Parliament notes the 1st Report 2003 of the Enterprise and Lifelong Learning Committee, *Report on the Future of Tourism in Scotland* (SP Paper 740), and commends the report to all stakeholders in the tourism sector.

The Presiding Officer: The third question is, that motion S1M-3886, in the name of Mr Andy Kerr, that the Budget (Scotland) (No 4) Bill be passed, be agreed to. Are we agreed? [*Interruption.*] The people in the public gallery will have to leave. [*Interruption.*] Order. I do not want to suspend the meeting. It is better that we proceed. I shall put the question again as soon as there is silence.

The question is, that motion S1M-3886, in the name of Mr Andy Kerr, that the Budget (Scotland) (No 4) Bill be passed, be agreed to.

Motion agreed to.

That the Parliament agrees that the Budget (Scotland) (No.4) Bill be passed.

The Presiding Officer: The fourth question is, that motion S1M-3680, in the name of Colin Boyd, on the Salmon and Freshwater Fisheries (Consolidation) (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)
 Brown, Robert (Glasgow) (LD)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Campbell, Colin (West of Scotland) (SNP)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Craigie, Cathie (Cumbernauld and Kilsyth) (Lab)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North-East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Ferguson, Patricia (Glasgow Maryhill) (Lab)
 Fergusson, Alex (South of Scotland) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fitzpatrick, Brian (Strathkelvin and Bearsden) (Lab)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Mr Kenneth (Glasgow) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Godman, Trish (West Renfrewshire) (Lab)
 Gorrie, Donald (Central Scotland) (LD)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (Edinburgh Pentlands) (Lab)
 Hamilton, Mr Duncan (Highlands and Islands) (SNP)
 Henry, Hugh (Paisley South) (Lab)
 Hughes, Janis (Glasgow Rutherglen) (Lab)
 Hyslop, Fiona (Lothians) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (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)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 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)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Matheson, Michael (Central Scotland) (SNP)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McCabe, Mr Tom (Hamilton South) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGugan, Irene (North-East Scotland) (SNP)
 McIntosh, Mrs Lyndsay (Central Scotland) (Con)
 McLeod, Fiona (West of Scotland) (SNP)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Monteith, Mr Brian (Mid Scotland and Fife) (Con)
 Morgan, Alasdair (Galloway and Upper Nithsdale) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Muldoon, Bristow (Livingston) (Lab)
 Mulligan, Mrs Mary (Linlithgow) (Lab)
 Mundell, David (South of Scotland) (Con)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Paterson, Mr Gil (Central Scotland) (SNP)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Quinan, Mr Lloyd (West of Scotland) (SNP)
 Radcliffe, Nora (Gordon) (LD)

Raffan, Mr Keith (Mid Scotland and Fife) (LD)
 Reid, Mr George (Mid Scotland and Fife) (SNP)
 Robison, Shona (North-East Scotland) (SNP)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mr Mike (West Aberdeenshire and Kincardine) (LD)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland) (LD)
 Simpson, Dr Richard (Ochil) (Lab)
 Smith, Iain (North-East Fife) (LD)
 Smith, Mrs Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Thomson, Elaine (Aberdeen North) (Lab)
 Tosh, Mr Murray (South of Scotland) (Con)
 Ullrich, Kay (West of Scotland) (SNP)
 Watson, Mike (Glasgow Cathcart) (Lab)
 Welsh, Mr Andrew (Angus) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)
 Wilson, Andrew (Central Scotland) (SNP)
 Young, John (West of Scotland) (Con)

AGAINST

Canavan, Dennis (Falkirk West)
 Harper, Robin (Lothians) (Grn)
 McAllion, Mr John (Dundee East) (Lab)

ABSTENTIONS

Adam, Brian (North-East Scotland) (SNP)

The Presiding Officer: The result of the division is: For 94, Against 3, Abstentions 1.

Motion agreed to.

That the Parliament agrees that the law which is restated in the Salmon and Freshwater Fisheries (Consolidation) (Scotland) Bill should be restated.

The Presiding Officer: The final question is, that motion S1M-3891, 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 Child Support Appeals (Jurisdiction of Courts) (Scotland) Order 2003 be approved.

The Presiding Officer: That concludes decision time. I assure members that I am just about to have the meeting with our security people that I promised earlier. We have already identified a number of ways in which our security needs to be tightened in the light of today's events.

Water Supplies (Lead Pipes)

The Deputy Presiding Officer (Mr George Reid): The final item of business is a members' business debate on motion S1M-3774, in the name of Robert Brown, on lead pipes in drinking water supplies. The debate will be concluded without any question being put. Members who wish to contribute to the debate should press their request-to-speak buttons now.

Motion debated,

That the Parliament notes the continued presence of lead pipes in both parts of the Scottish Water infrastructure and many domestic and business water supplies; notes the serious health hazards associated with lead in drinking water; notes the implications for the treatment of water supplies by Scottish Water and the unreliable nature of information as to the location of such lead pipes, and considers that an urgent review of the issue is needed and that action should be taken to ensure the removal of all lead pipes from drinking water supplies in Scotland as soon as possible and, specifically, to tackle the removal of lead pipes in Glasgow's older tenement areas.

17:07

Robert Brown (Glasgow) (LD): For a moment, I thought from the number of people in the gallery that a large number of people were interested in the debate, but that has turned out not to be the case.

Nevertheless, lead in water supplies is a serious problem, particularly for babies and children. It is recognised as a priority for public health action at national and international level and is a child development issue, as lead stays in the tissues for long periods and has long-term effects.

In the United States, a recent study found that around 4.4 per cent of children between one and five years old have blood lead levels above 10 micrograms per decilitre—members should pay attention to the figures that I mention. Elevated levels of lead were found significantly more often in black children, children from low-income families and children who live in urban areas. Lead toxicity was found to be associated with decreases in intelligence quotient test scores—a two to three-point decrease in the test score for every increase of 10 micrograms per decilitre in the blood lead level.

Elevated blood lead levels are also associated with neurodevelopmental abnormalities, including attention deficit disorder, behavioural disturbances, learning disabilities and deficits in fine and gross motor development. Toxic effects on the central nervous system and resultant long-term neurobehavioural and cognitive deficits occur even with mildly elevated blood lead levels.

The European Union's drinking water directive 98/83/EC requires compliance with tighter

standards by 25 December 2003. A maximum level in water of 25 micrograms per litre will replace the current level of 50 micrograms per litre. The standard will be further reduced to 10 micrograms per litre by the end of 2013.

In Scotland, a report from the Scottish Centre for Infection and Environmental Health, which was commissioned by the Scottish Executive, is due within the next few weeks. However, an earlier SCIEH report in November 2000 found that 15 per cent of new homes in Scotland had excess lead levels—in fact, that figure rose to 30 per cent in the houses most recently built at that time.

Like most people, I was broadly aware that lead in water is bad and that lead pipes in domestic water supplies were gradually being removed, but I confess that I had not considered or pursued the issue further, but a few weeks ago I was invited to a meeting—organised by Hillhead community council—with a representative of Scottish Water, at which people from the council and the Scottish Environment Protection Agency were present. Pauline McNeill and Sandra White were also there.

What I heard alarmed me greatly. Essentially, Scottish Water does not know where there are still lead pipes in its infrastructure, but it thinks that there are probably quite a few connections into the water supply in which its bit, as well as the house owner's bit, are still made of lead. Just as bad is the unknown extent to which non-lead pipes have been joined by lead solder.

I understand that the use of lead solder in domestic water pipes is illegal under 1986 byelaws, but that it is cheaper and easier for plumbers to use. To its credit, the Scottish Executive tried to tackle the problem after the November 2000 report, but the problem is by its nature extremely difficult to stop and remedy. To complicate matters more, some people have lead-lined storage containers in their attics.

The lead solder problem showed up specifically in new houses but, as the American study implies, it is probable that the worst problems arise in old tenements such as those that predominate in many parts of Glasgow, not least in areas such as Hillhead. Scottish Water confirmed that it has discovered highish levels of lead content in water in areas such as Hillhead, but since it does not know the extent or location of lead pipes or lead soldered pipes it has to flush phosphate through some parts of the supply to control the extent to which there is lead in the system.

It will probably not be possible to attain the 2013 standard by using phosphate treatment; it will be necessary to go further and look for different methods of tackling the problem. It seems to me that this serious issue has to be tackled

comprehensively. It is necessary to stop plumbers using lead solder by whatever means are necessary. We must bear in mind that lead solder is commonly used—because it is cheaper—for central heating systems. It is also necessary to identify areas where there is a concentrated problem, such as the old tenements, to establish what technical issues there are in replacing the pipes and to declare some areas free of lead if possible. Above all, we need to target the specific issue of lead in drinking water in tenements. There is a heavier concentration of people in tenements and there are more likely to be relics of old pipes either in the supply from the street or, more likely, in the main supply pipe going up and down the building and in the individual domestic supplies.

When renovation has been done to the building, it may have been difficult to get at the main supply for the tenement, which might therefore have been left where it was. I am bound to say that the information that I got put me off tap water altogether and I would be unenthusiastic about using tap water in old offices where the same problems apply—perhaps to an even greater extent.

I understand that in West Lothian there is a joint scheme between Scottish Water and West Lothian Council to replace tenement pipes. In Clermiston in Edinburgh, a pilot scheme that links replacement of Scottish Water's pipework with encouragement to owners to replace their pipes at the same time has had modest success and has thrown up lots of specific problems.

This problem has been with us for many years; it is high time that we dealt with it properly. The matter is bedevilled by technical problems, illegal activities by plumbers and inadequately completed modernisations. We pride ourselves on the purity of water in Scotland; we certainly have plenty of it. The reality is that a significant part of the supply to our homes—in new houses and more insidiously in old houses—is contaminated by lead. I hope that the minister is able to give us some degree of comfort on those issues in his reply.

17:13

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

I will make a brief speech. I was not very aware of the issue, so I tried to make myself a bit more aware of it before tonight. I found an article on the BBC news website about the situation back in 2000 when the "Frontline Scotland" programme investigated the problems of lead in new developments. I must admit that I was not highly aware of that aspect of the situation. I am shocked by the figures. Up to 30 per cent of new homes built in 2000 had drinking water contaminated by lead. That was caused, as Robert Brown said, by the illegal use of lead solder to join copper pipes. It

is a concerning situation, particularly given that even very low levels of contamination by lead can have an impact on young children. It is also very concerning for pregnant women.

Some developers and builders must know what the plumbers on their sites are doing—I find it hard to believe that plumbers are doing such things off their own back. Such people have a blatant disregard for human health and the law. We must find out what more can be done.

The BBC article contains a comment from Dr Pauline Upton, who is a consultant in public health. She said that although adults are unlikely to be affected by lead poisoning unless the levels are very high,

"Children and babies are particularly vulnerable to the effects of lead poisoning, so it is important that parents follow ... advice."

What advice are parents and pregnant women getting about lead in water? It is important that such people get advice, as that could reduce the risk of their being affected by lead.

We need answers to our questions. Robert Brown mentioned what Scottish Water is doing to discover problems in its supply—that issue must be addressed. I appreciate that the Scottish Executive tried to tackle the problem after the Scottish new homes lead survey in 2000. We are awaiting another report and it will be interesting to see the figures, but we must know now what further measures will be taken to address the problem.

In East Ayrshire, 46 per cent of the houses that were sampled failed: in Moray, 66 per cent failed. The levels in other areas varied and some were fairly low. People who live in those areas and who have young children or who are pregnant will be concerned about the issue of lead in water. We must reassure the public and I hope that the minister's response will do that.

The Deputy Presiding Officer: My microphone appears to be down, so if I speak unduly loudly that is the reason.

17:17

John Scott (Ayr) (Con): You are coming through loud and clear, Presiding Officer.

I congratulate Robert Brown on securing this debate on lead pipes and the danger of lead in Scotland's water supplies. We are all aware that lead in its many forms poses a threat to us all and particularly to children. Lead is present not just in water pipes, but in paint, exhaust fumes, the air we breathe, the water we drink, the food we eat and the soil in our garden. As Robert Brown said, medical evidence has long shown the need to eliminate or at least keep to a low level our lead

intake. The debate is helpful because it highlights the problem once again.

The Conservative party welcomes all moves to reduce lead in the environment, including the Executive's commitment to reduce lead levels in drinking water from 50 to 25 micrograms per litre by the end of the year. We also welcome the proposed further reduction of lead in our water to 10 micrograms per litre by 2013. We will monitor the Executive's promise to deliver those levels.

As Robert Brown and Shona Robison mentioned, a particular concern is the excessive level of lead contamination found in the water supplies of new houses as a result of the use of lead solder. Given that about 20,000 new homes are built in Scotland each year, the illegal use of lead solder is a real problem. The Scottish new homes lead survey of 2000 found that, at a conservative estimate, 15 per cent of new homes might have unacceptably high lead levels. We welcome the proposed measures and those that have been introduced to make householders aware of that danger, which is a result of bad practice.

Given the well-documented dangers of lead in water supplies, it is outrageous that 3,000 new-build homes should be affected each year. If we consider the worst-case scenario, as we must, it is possible to conclude from the study that, of the 240,000 new homes that have been built since 1987, more than 75,000 might have lead solder connections in the water supply piping. That puts families and children at risk, particularly with larger new-build houses and flats of the type that are preferred by families with young children. The practice of using lead solder must be stamped out.

We therefore welcome Scottish Water's convening of a lead strategy group. We welcome the recognition of the need to monitor a problem that most people thought had been resolved a decade ago. We acknowledge the discretionary grants that are available from local authorities for the replacement of lead piping and feel that the public should be made more aware that those grants exist.

We must try to make progress. The Executive should perhaps consider issuing guidance that local authorities should not issue completion certificates for new buildings or alterations until the levels of lead in the water have been checked. If a completion certificate were not given when a new house was found to have higher than permitted levels of lead in its water, the practice of using lead solder would stop overnight.

We have a surprising window of opportunity to deliver such a move. I intend to lodge an amendment at stage 3 of the Building (Scotland) Bill, which is to be debated next week. I hope that

the Executive will consider that amendment carefully. I intend it to cut out the use of illegal lead solder in house building in Scotland.

We welcome the debate and look forward to the minister's response to it.

17:21

Mr Kenneth Gibson (Glasgow) (SNP): I will first say how shocked and horrified I was that my esteemed colleague Shona Robison did not have the courtesy to welcome the debate and congratulate Robert Brown on securing it. I therefore do so on behalf of both of us.

Lead is alleged to have been one of the main causes of the fall of the Roman empire. It was alleged that Caligula often ate from lead dishes rather than gold, and that that helped to imbalance his mind and led to the fall of that lofty institution.

Lead is a naturally occurring metal that is found in air, food, soil and water. One of the problems that we have, particularly in the west of Scotland, is that soft water is more likely to pick up lead than is hard water, so lead is more likely to be a problem in some parts of Scotland than it is in others. As has been mentioned, lead causes behavioural problems and can restrict the mental development of young children because it builds up in the body.

Although one must commend successive United Kingdom Governments for taking action to reduce lead in petrol, paintwork and pipes, lead—as well as lead solder—in pipes remains a problem in several parts of Scotland. Houses that were built before 1970 have more of a problem than those that have been built since then, but when one considers the number of old houses and the problems that still exist, it is hardly surprising that only two years ago the City of Edinburgh Council felt the need to send a leaflet to some properties to advise people about the risks from lead in their households.

It is important that people are able to identify a lead pipe, but not everyone can. What does lead look like? If it is unpainted, it is a dull grey soft metal that is shiny and silver underneath if scraped. It is therefore quite different from the much darker iron, or the copper that we see in our low-denomination coins. It should be easy to find.

If people have lead pipes in their water systems, one would advise them to try to have it removed, either with the assistance of grants or through their own resources. Until that happens, if such people are going to use tap water, they should let it run for a couple of minutes from the cold tap before they use it. Even then, they should still boil it to ensure that the lead is no longer present. There is also a lead test adviser who can advise people and whose number is 0131 669 8770.

In 2000, "Frontline Scotland" covered the issue. The investigation highlighted the case of the Fyfe family from Uddingston, whose son took ill through lead poisoning. Their home was brand new, but the problem was traced to lead solder on the pipes. "Frontline Scotland" carried out a random survey of 95 new homes and found that 10 were affected by lead solder.

The issue is clearly of considerable concern. I was delighted to hear of the measures that John Scott intends to take in the form of an amendment to the Building (Scotland) Bill. I assure him that he will have the Scottish National Party's support for that amendment—I imagine that he will have the support of all parties.

Scottish Water is doing something about the problem. As has been mentioned, it has formed a lead strategy working group, which hopes by 31 December this year to reduce the amount of lead in Scottish water to 25 micrograms per litre, which is half the maximum level that has been set by the European Union. Although a target of 10 micrograms per litre by 2013 is a much more significant and more ambitious target, we can at least make some progress in the short term.

17:25

Donald Gorrie (Central Scotland) (LD): I congratulate Robert Brown on securing the debate and on his speech, which left no one else with very much to say. John Scott, Kenny Gibson and Shona Robison have all made helpful suggestions.

I will cap Kenny Gibson's useless historical information by adding that everyone on a British expedition to find the north-west passage to the north of Canada died mysteriously; subsequent research suggested that they died because of lead solder on the food tins—tins at that time being a novelty.

I wish to concentrate on one of the points that John Scott made in relation to how to enforce people's non-use of lead solder. I pursued, I think in 1999 or early in 2000, the issue of lead solder in Uddingston in my constituency. The water authority said that although it tried to inspect such matters, it had very few inspectors. The council said that the problem was not really its affair, so nobody really did anything. The only answer is to bring the matter into building controls. If John Scott has a specific suggestion, that is to be welcomed. Building control is already staffed, and people already inspect buildings before giving out certificates. It would be a small extension of that work to check for lead solder. The ordinary citizen has no idea whether lead solder has been used or not.

I am not a skilled plumber but—as I understand it—not only is lead solder cheaper than the

alternative, it is much easier to work with. There is an incentive to plumbers to use lead solder because it eases their task and they can get through their work quicker. There is also an incentive for employers to connive with plumbers in using it, because they will get through more work and will be able to contract for a smaller figure. There is considerable incentive to cheat, and we need a really good inspection system in order to prevent people from cheating. I hope that the minister can pursue the issue with his customary energy.

17:28

Tricia Marwick (Mid Scotland and Fife) (SNP): I, too, congratulate Robert Brown on securing the debate. Two out of three SNP members have now congratulated Robert, so that is not bad.

There are two aspects to the debate. First, there is the matter of lead piping in domestic water systems; secondly, there is the problem with lead solder, particularly in new houses. I will concentrate on domestic water supplies and on older houses. I have been concerned about the subject for several years, because the effect of lead on the development of children has been known about for decades—it is not new.

Towards the end of last year, I lodged a number of questions asking the Executive how many houses in Scotland had water supplies that contain lead piping, but the Executive could not tell me. Furthermore, there are no plans to collect that information centrally, which is not good enough.

There is a grant system for domestic householders to replace lead piping. The problem is that the grants that are available to local authorities, or rather those that are available to householders, are extremely limited. The number of grants that may be granted each year is constrained by the amount of money that is available. It will take many years to make progress on eliminating the existing problem in old houses and to get rid of lead piping in domestic water supplies. The Executive needs to address that as a matter of urgency.

I turn now to the issue of the lead solder that is used in new homes. I, too, welcome John Scott's announcement that at stage 3 of the Building (Scotland) Bill he intends to lodge an amendment to address that matter. The SNP will consider that amendment and, if it is as John Scott describes, SNP members will support it. The practice of using lead solder is clearly detrimental to health, and I wonder whether it is a criminal matter. If so, why have there been no prosecutions for using lead solder? As well as ensuring that completion certificates are right, so that building warrants are not issued if lead solder has been used, we must

use the force of law—if necessary—to ensure that contractors who do not comply voluntarily are aware that their actions will be dealt with.

17:31

The Deputy Minister for Environment and Rural Development (Allan Wilson): I join two thirds of the SNP members who have spoken, the Conservatives and Robert Brown's Liberal colleagues in congratulating the member on securing the debate.

I confirm that Kenny Gibson's historical reference was correct. I am not sure about the case of Caligula, but I know that lead poisoning was a problem in ancient Rome, in large measure because of the sophisticated system of plumbing, which incorporated—guess what—lead pipes. I believe that the ancient Romans also lined their wine urns with lead, which caused problems for wine drinkers.

Since Roman times, lead has been well known as a toxin. As Robert Brown pointed out, the Scottish drinking water quality regulations recognise that by reducing the standard for lead in drinking water from 50 micrograms per litre to 25 micrograms per litre at the end of this year. That tighter standard, which applies at the customer's tap, is in line with European Union directives and World Health Organisation guidelines. Of course, the tightening of the standard for lead in drinking water reflects the concern that all members have expressed about the fact that the human body absorbs lead from drinking water easily and that children in particular may be vulnerable to the neurotoxic effects of lead.

Understandably, we take those concerns seriously and have put in place a number of measures to protect public health. Before outlining those measures, I remind members that the amount of lead in water as it leaves water treatment works is insignificant. Donald Gorrie, among others, made that point. There are no lead water mains in Scotland. The lead problem is property specific and is generally—although not exclusively—confined to properties constructed before the 1970s.

In preparation for meeting the new standard, the Executive asked the three former water authorities to identify areas where there was a significant risk that tap samples would fail to meet the new standards. That involved the water authorities carrying out a survey in 2001-02, during which 20,000 water samples were taken. Failure to meet the standard was generally the result of lead communication pipes, which are owned by the water authorities and run from the mains in the street up to the property boundaries; lead supply pipes, which belong to the property owner and

connect the communication pipe to internal plumbing; and internal lead plumbing.

Because the majority of the pipework that is likely to cause a breach of the new standard is not owned by Scottish Water, which has taken over the responsibilities of the water authorities, the options open to Scottish Water to ensure compliance with the new standard are limited. The principal method of achieving compliance is therefore to treat the water, as has been mentioned. That approach has been adopted throughout the United Kingdom.

By treating the water, it is possible to limit the amount of lead that dissolves from lead pipework into the water supply. Water treatment to prevent lead dissolving from pipes has been routine in parts of Scotland for many years. The Glasgow water supply, to which Kenny Gibson referred, has been treated since 1989 because of problems with lead pipes, especially in the city's older tenement properties, with which both he and I are very familiar.

Although the issue is important, it is not new, as everyone has said. Despite the fact that the problem has been known about for some time, I acknowledge that the exact number of properties that are connected to the water main with lead plumbing—Tricia Marwick referred to the issue—is not known. The 1994 drinking water quality report estimated that more than 0.5 million Scottish homes still had lead pipes.

The survey carried out by Scottish Water in 2001-02, to which I referred, should provide a more up-to-date estimate of the number of properties with lead pipes. An analysis of that data is continuing and it will be published when it is available. The survey is designed—I think that this was Tricia Marwick's point—to identify which water supply areas require treatment. That is probably the crux of the matter, rather than how many individual properties have lead plumbing. Scottish Executive statisticians will analyse that data further to provide an estimate of the number of properties in Scotland that have lead pipes. With that data, we will go as far as we can towards providing the information that members seek.

Although I fully expect the latest survey to reveal that a significant number of properties in Scotland still have lead plumbing, it is important to remember that treatment is already in place in many of the worst-affected areas. The effectiveness of the treatment is backed up by the drinking water quality results for 2002, which show that only 45 of 2,800 regulatory samples taken from throughout Scotland failed to meet the tighter standards that we have introduced of 25 micrograms per litre.

Robert Brown: I wonder whether the phosphate treatment disguises the problem to some extent, because I presume that, when the samples are taken, the lead levels are lower than they would be without the phosphate.

Allan Wilson: The purpose of the phosphate treatment is to reduce the incidence of lead in the supply, and it is effective in doing that. In samples that are taken from areas where water is treated, we would expect there to be a reduction below the new standard. The point that Robert Brown made about the levels after treatment—as opposed to with a programme of replacement, which I will come on to—is that, in the main, they would fail to meet the new standard that will be introduced in 2013 of 10 micrograms per litre. Treatment is effective to 0.6 per cent of the new standards that have been introduced, but to meet the higher standard that we expect to introduce in 2013 will require a programme of lead pipe replacement between now and then. That is what Robert Brown's motion gets at, and we want to make progress on that.

When a sample fails to meet the regulatory standard for lead, Scottish Water must advise the occupier of measures that they can take to reduce the risk from lead in their drinking water. That advice can range from running the tap before use to the replacement of the lead pipes. If the occupier is not the owner of the property, from the end of this year the new regulations require that Scottish Water must also inform the owner of the property. Also, when a failure occurs, Scottish Water examines its pipeworks to see whether the communication pipe is made of lead. If it is, Scottish Water will replace it.

In addition to replacing communication pipes associated with regulatory failures, Scottish Water replaces lead communication pipes as part of its water mains rehabilitation programme. The mains rehabilitation programme is a significant part of the £1.8 billion investment programme that was agreed with ministers in August 2001. In November 2000, health and environment ministers launched a public information initiative designed to alert the public to the risks of lead in drinking water, particularly for those who are most at risk, such as pregnant women and young children.

Members of the public who are concerned about the risks and who wish to replace their lead pipework might be eligible for a housing repair grant from their local authority. In 2001-02, nearly 1,400 grants were approved by local authorities for the replacement of lead plumbing. That represents something like 11 per cent of all grants.

Although the statutory tolerable standard for the condition of houses does not cover lead in drinking water, it has long been recognised that that is a significant problem. The issue is about having an

adequate and wholesome water supply. That is why grants for up to 90 per cent of the cost of replacing lead pipes are available. The Executive will continue to acknowledge the concern by making available for such work a minimum grant of 50 per cent. Beyond the 50 per cent level, grants become subject to a test of resources.

Tricia Marwick: If I heard the figures correctly, 1,400 grants were made to domestic householders last year. We estimate that half a million houses have lead piping. It is not necessary to be a rocket scientist or a mathematician to work out that it will take a long time to eradicate lead from the domestic water supply if we continue at the rate of 1,400 grants a year.

Allan Wilson: We give significant resources to local authorities. The interesting point is that a great deal can be achieved with only a small proportion of resources. Lead pipe replacement represents only 2 or 3 per cent of the grant expenditure to which the member referred, but it accounts for around 13 per cent of the number of building repair grants that are awarded nationally. Expenditure on lead pipe replacement could be increased exponentially by increasing the percentage of housing repair grants that are devoted to lead pipe replacement. The problem can be addressed within existing resources. A modest increase in resources will offer further help.

The housing improvement task force is reviewing the tolerable standard and might recommend including acceptable levels in drinking water. The Executive will consider all the task force's proposals and will consult on how best to implement them.

In the water quality regulations, the Executive has provided that when someone has taken the initiative by replacing their lead pipes, Scottish Water must replace its communication pipe if it is also made of lead. That significant provision ensures that consumers get the full benefit of their efforts and do not continue to be supplied with water through a length of lead pipe that they do not own. If they replace their internal plumbing, Scottish Water will replace the communication pipe.

The measures that the Executive has already put in place provide the general public with a high degree of protection from lead in drinking water supplies. We are not complacent. Public health is paramount in such circumstances. In spite of the high degree of compliance in 2002 with the standard that comes into force at the end of 2003, more water treatment works will be equipped to provide treatment that will prevent lead from dissolving from pipes.

John Scott knows that I am aware of the suggestion that the lead problem could be addressed through building regulations in the Building (Scotland) Bill. I give an assurance to John Scott and Robert Brown that we will assess whether action can be taken in that bill. If that is possible, we will certainly be prepared to lodge appropriate Executive amendments.

Meeting closed at 17:43.

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